

**OVERALL  
ECONOMIC  
DEVELOPMENT  
PLAN**

**1998 ANNUAL UPDATE**

**COVERING CHIPPEWA, LUCE & MACKINAC COUNTIES  
MICHIGAN**

**EASTERN UPPER PENINSULA REGIONAL  
PLANNING AND DEVELOPMENT COMMISSION**

ANNUAL - OEDP - UPDATE  
EASTERN UPPER PENINSULA REGIONAL PLANNING &  
DEVELOPMENT COMMISSION  
524 ASHMUN ST. P.O. BOX 520  
SAULT STE. MARIE, MICHIGAN 49783

SEPTEMBER 30, 1998

- 1.) THE OEDP COMMITTEE:  
OEDP Committee Changes
  
- 2.) PAST YEAR'S ACTIVITIES:  
An update on the past year's proposed projects with an evaluation of types and degrees of benefits. In addition, a brief assessment of how the Overall Economic Development program has benefited the community.
  
- 3.) CHANGES IN AREA'S ECONOMY:  
Changes in the area's economy affecting the OEDP.
  
- 4.) DEVELOPMENT STRATEGIES:  
  
Development activities scheduled for the next several years and how they relate to existing program strategies.

### THE OEDP COMMITTEE

The 1998 OEDP Update has been prepared by the Eastern Upper Peninsula Regional Planning and Development Commission staff in conjunction with the County Economic Development Corporations, the County Boards of Commissioners and the OEDP Committee.

After seeking input from the above named groups the report was compiled and taken to each individual agency board of directors and county board of commissioners for review and revision. It was finally reviewed by the Executive Committee of the Planning Commission (this committee acts as the OEDP Advisory Committee) and approved.

Population projections for 1997 based on the 1990 Census Data, projects the total population for the Eastern Upper Peninsula of Michigan (Chippewa, Luce and Mackinac Counties) to be 55,397. This is an increase of 4,356 over the 1990 census figures of 51,041. Minorities account for 12% of that total and of this 12%, approximately 3,800 are black inmates at the Kinross Correctional Facility located in Chippewa County and the Newberry Correctional Facility located in Newberry.

## **DISTRICT ORGANIZATION**

The Eastern Upper Peninsula Regional Planning and Development Commission covers the three eastern counties of Michigan's Upper Peninsula, Chippewa, Luce and Mackinac. The Commission is directed by a fifteen-member board appointed by the Board of Commissioners of each county. Membership of the Commission consists of no less than 51 percent elected local government officials, with the remaining members comprised of private sector appointees, representing such interests as agriculture, business/commercial, minority groups, utilities, etc. There is one minority representative on the Commission and one minority alternate, representing the Native American segment of the Eastern Upper Peninsula population . When a vacancy occurs letters are sent to the Sault Tribe of Chippewa Indians, the Inter-Tribal Council of Michigan and to the Bay Mills Native American community asking them to jointly select a new representative.

Areas of interest represented by the Commission Delegates is shown on Table I-2, Commission Delegates and their alternates are shown on Table I-1.

**EASTERN U.P. REGIONAL PLANNING AND DEVELOPMENT COMMISSION**

**Executive Committee**

Chairman - Aaron Hopper  
Vice Chairman - Rodney Richards  
Secretary - Jim Hendricks  
Treasurer - Dale Weber  
Minority Representative - Toni Osterhout

**Alternates**

Robert Selke - Chippewa County  
Gene Elmer - Mackinac County  
Elmer Hetrick - Luce County  
Minority - Robert Nygaard

**Chippewa County Delegation**

<b><u>Name/Address/Phone(s)</u></b>	<b><u>Occupation</u></b>	<b><u>Representation</u></b>
Aaron Hopper 2934 E. Three Mile Road Sault Ste. Marie, MI 49783 (906) 635-5432	Delivery	County Commission Elected
Gary McDowell P.O. Box 303 Rudyard, MI 49780 (906) 478-5831	UPS Employee	County Commission Elected
Joe Paczkowski 526 N. Ravine Sault Ste. Marie, MI 49783 (906) 632-1248 (H)	Sault Ste. Marie Tribe of Chippewa Indians	Minority Groups
James Hendricks 1301 W. Easterday Development Sault Ste. Marie, MI 49783 (906) 635-0333	Director - Economic Development Corp.	Industrial
Lois Lamoreaux-Kenny Rt. 2, Box 209 Sault Ste. Marie, MI 49783 (906) 635-6800	Cloverland Elec. Coop	Business/ Commercial

**Luce County Delegation**

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Rodney Richards Rt. 3, Box 2492 McMillan, MI 49853 (906) 586-6383	Farmer	County Commission Elected
Janet Maki Rt. 1, Box 564A Newberry, MI 49868 (906) 293-3836	Supervisor	Township Official Elected
Elmer Hetrick 121 Turnbull Newberry, MI 49868 (906) 293-8594	Retired	County Commission Elected

### Mackinac County Delegation

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Gene Elmer 396 N. State Street St. Ignace, MI 49781 (906) 643-8797	City Assessor St. Ignace	Local Government Authorities
Donald McArthur Box 122 Gould City, MI 49838 (906) 477-6604	Quarry Worker Supervisor	Township Official Elected
Dale Weber Bon-I-Quay Lane Curtis, MI 49820 (906) 586-9735	Retired	County Commission Elected
Edward Boissineau 2919 Oak St. Ignace, MI 49781 (906) 643-7090	Banker	Finance
Pat Durm 122 Woods Rd. St. Ignace, MI 49781	Retired	County Commission Elected

### Minority Representatives

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Toni Osterhout 206 Greenough Sault Ste. Marie, MI 49783 (906) 635-6050	Member Sault Tribe of Chippewa Indians	Minority Groups

**Chippewa County Alternates**

<b><u>Name/Address/Phone(s)</u></b>	<b><u>Occupation</u></b>	<b><u>Representation</u></b>
Leno Pianosi 1201 Augusta Sault Ste. Marie, MI 49783	Retired	County Commission Elected
Ted Postula Rt. 1, Box 73 Goetzville, MI 49736	Farmer	County Commission Elected
David Gaines 15293 S. Kinross Rd. Kinross MI 49752 (906) 495-5865	Retired- USCG Supervisor - Kinross Charter Township	Township Official Elected
Reino Nelson Mackinac Trail Rudyard, MI 49780 (906) 478-7071	Retired	Public Interest
Clifford Carr Williams St. Rudyard, MI 49780 (906) 478-4511	Retired	Public Interest

**Luce County Alternates**

<b><u>Name/Address/Phone(s)</u></b>	<b><u>Occupation</u></b>	<b><u>Representation</u></b>
Robert Cameron 522 E. McMillan Newberry, MI 49868 (906) 293-8304	Teacher	Village Mayor Elected

**Mackinac County Alternates**

<b><u>Name/Address/Phone(s)</u></b>	<b><u>Occupation</u></b>	<b><u>Representation</u></b>
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Gary Heckman 396 N. State Street Authorities St. Ignace, MI 49781 (906) 643-9671	City Manager St, Ignace	Local Government
Ray McGrath 141 Spruce St. Ignace, MI 49781 (906) 643-8352	Retired	County Commission Elected
Robert Bishop 2439 Shore Drive St. Ignace, MI 49781 (906) 643-8404	Retired	County Commission Elected
Leon Patterson S.R. Box 155 Naubinway, MI 49726	Supervisor Hudson Township	Township Official Elected

**Minority Aernates**

<b><u>Name/Address/Phone (s)</u></b>	<b><u>Occupation</u></b>	<b><u>Representation</u></b>
Robert Nygaard 206 Greenough Sault Ste. Marie, MI 49783 (906) 635-6050	Resource Planner Sault Tribe of Chippewa Indians	Minority Groups

**OEDP COMMITTEES**

**Chippewa County**

<b><u>Name/Address/Phone(s)</u></b>	<b><u>Occupation</u></b>	<b><u>Representation</u></b>
Earl Kay 213 E. 13th Ave Sault Ste. Marie, MI 49783	Chairman-Chippewa County EDC Business Owner	Private Business
David Gaines 15293 S. Kinross Rd. Kinross, MI 49752	Supervisor-Kinross Charter Township Retired - USCG	Government
Leno A. Pianosi 1201 Augusta Sault Ste. Marie, MI 49783	Retired	Chairman-Chippewa County Commission
Gary McDowell P.O. Box 303	UPS Employee	County Commission Elected

Rudyard, MI 49783		
Patricia Benoit P.O. Box 192 Sault Ste. Marie, MI 49783	Retired	Private Business
Reino Nelson Mackinac Trail Rudyard, MI 49780	Consultant	Public Interest
James Quinnell P.O. Box 116 Pickford, MI 49774	Business Owner	Private Business
Paul L. Coutant 1800 Minneapolis Sault Ste. Marie, MI 49783	Retired	Private Business
Richard Brawley 3352 Lakeshore Drive Sault Ste. Marie, MI 49783	Business Owner	Private Business

Luce County

<u>Name/Address/Phone(s)</u> <u>Representation</u>	<u>Occupation</u>	
Joseph Villemure 205 E. Truman Newberry, MI 49868	Chairman - Luce County EDC	Township Official Elected
Nancy Diem 209 W. Truman Newberry, MI 49868	Publisher Newberry News	Private Business
Robert Cameron 522 E. McMillan Avenue Newberry, MI 49868	Tahquemenon Area Schools	Mayor - Newberry Village Council Elected
Rodney Richards Rt. 3, Box 2492 McMillan, MI 49853	Business Owner - Farming	Chair.-Luce County Commission Elected
Frank Quinlan P.O. Box 442 Newberry, MI 49868	Supervisor - McMillan Township	Township Official Elected
Robert Goldthorpe Rt. 3, Box 2725 McMillan, MI 49853	Business Owner	Private Business

Dennis Robinson  
Rt. 1, Box 116  
Newberry, MI 49868

Village of NewberryCounty Commission  
Employee Elected

Mackinac County

<u>Name/Address/Phone(s)</u> <u>Representation</u>	<u>Occupation</u>	
Edward Boissineau 447 Oak Street St. Ignace, MI 49781	Banking	Private Business Chair. - Mackinac County EDC
Anthony Autore P.O. Box 68 Cedarville, MI 49719	Business Owner	Private Business
Clyde Bradford Moran, MI 49760	Business Owner	Private Business
Darlene Samson West U.S. 2 St. Ignace, MI 49781	Banking	Financial Inst.
Gary Reid Meridian Rd. Cedarville, MI 49719	Business Owner	Private Business
Armand Horn Mackinac Island, MI 49757	Business Owner	Private Business
D. J. Goudreau 99 Brown St. Ignace, MI 49781	Mackinac County Road Commission	Public Interest
Michael C. Litzner 1803 Shore Drive St. Ignace, MI 49781	Mackinac Bridge Authority	Public Interest

**Advisory Regional OEDP Committee**

<u>Name/Address/Phone(s)</u> <u>Representation</u>	<u>Occupation</u>
Rodney Richards Rt. 3, Box 2492 McMillan, MI 49853	Business Owner - Chair.-Luce County Farming Commission Elected
Aaron Hopper 2934 E. Three Mile Road Sault Ste. Marie, MI 49783	Delivery County Commission Elected
Vernon T. Hossack Linderman Road Cedarville, MI 49719 (906) 484-3922	Retired Public Interest
James Hendricks 1301 W. Easterday Sault Ste. Marie, MI 49783	Dir.-Economic Industrial Dev. Development Corp.
Toni Osterhout 206 Greenough Sault Ste. Marie, MI 49783	Member Minority Groups Sault Tribe of Chippewa Indians

## PAST YEAR'S ACTIVITIES

### 1997/98

In 1997 a five-year Overall Economic Development Plan was prepared and approved for the Eastern Upper Peninsula of Michigan. This plan has benefited local communities by showing strengths and weaknesses and by focusing on the top priority projects. As a result trends are easy to identify. The OEDP has become a reference document to justify need for various projects and our office has had numerous requests for copies of both the five year plan and the annual up-dates from consultants, planners, real estate agents and government offices.

The efforts of the Eastern Upper Peninsula Regional Planning and Development Commission are directed to improving the economy of the Eastern Upper Peninsula. The staff of the Eastern Upper Peninsula Planning and Development Commission provided considerable assistance to local units of government in 1997. Activities included, but was not limited to, solid waste plans, transportation planning, St. Mary's River Remedial Action Plan, community projects, grants administration, recreation plans, land use plans, business start-ups, county wide addressing project, coordination of the Michigan Council for the Arts and Cultural Affairs mini-regranting program and data compilation. Major accomplishments that benefited the three counties of Chippewa, Luce and Mackinac are listed below:

### CHIPPEWA COUNTY

#### 1.) Kincheloe Road Upgrade

In 1997 the rehabilitation of approximately ½ mile of Airport Drive - widened and resurfaced at a total cost of \$65,466, all local funds.

Additionally, the construction, expansion of the EDC maintenance facility was completed with Federal AIP

funding @ 90%, plus state and local funds at 5% each. Total project cost \$305,000.

2.) Avery Square Grand Opening

In June of 1997 the Avery Center held it's opening festivities. This impressive complex, situated in downtown Sault Ste. Marie, houses senior apartments, the Chippewa County Health Department, retail outlets and a grand atrium hall for community events and the pleasure of the residents and shoppers. The total \$9 million project went through a restructuring of finance in early 1998, offering a substantial savings in repayment premiums. Currently the residential area is filled and several retail establishments have located therein.

3.) Coast Guard Housing

In May 1997 the U.S. Transportation secretary announced a \$12.5 million contract to begin building 60 family housing units for the U.S. Coast Guard Station in Sault Ste. Marie.

This housing complex is well underway. Situated on a 30 acre site within the city limits, it is expected the first residents will be housed in the Summer of 1998.

4.) Lake Superior State University (LSSU)

In 1997 a \$10 million library expansion was opened. The Completed library facility offers more space for offices, classrooms, and the University's audiovisual apparatus.

**SAULT STE. MARIE - CHIPPEWA COUNTY**

1.) City Sewer Project - Phase "B"

Phase "B" of the City of Sault Ste. Marie combined Sewer Overflow (CSO), that takes in the south side of the city, is underway in 1998. Phase "A" saw its completion in 1997. This 1998 project affects the main corridor in downtown S.S.M. but as milling, grinding and repaving are much needed in that busy section, the end result will be worth the summer headache.

2.) Airport Improvement Project

In 1997 the Sault Ste. Marie Municipal Airport, Sanderson Field, underwent \$890,000 in needed renovations. These renovations included resurfacing the existing runway and adding a parallel taxiway for part of that distance along with a new general aviation apron.

3.) City Marina Project

Carrying a price tag of nearly \$4 million the city marina is planning a July 1, 1998 opening. This new marina is a 58-docking facility replete with all of the amenities boating visitors have come to expect at their disposal.

The new marina, recently named the "George Kemp Downtown Marina" was funded by grants from the Michigan Waterways Commission @ \$2.3 million, a \$210,000 grant from a Community Development Grant, \$100,000 from the local Kemp Fund and taxpayer backed bonds.

4.) Ashmun Bridge Beautification

Postponed for 2 years, work on the Ashmun Street Bridge (a connection to the downtown area of Sault Ste. Marie from the other side of the Edison Sault Canal) has begun by the Michigan Department of Transportation. Sandblasting, resurfacing and painting will continue into 1999.

5.) Lower River Islands

Three lower river (St.Mary's River) islands were donated to the City of Sault Ste. Marie in 1986. In 1994 a Coastal Zone Management grant was awarded to the city for a thorough study and a recommendation for recreational uses of these resources. The study was completed in 1995 and the city was prompted to proceed with engineering studies to provide specifications and plans for the Phase I development of the unique community asset. These engineering studies have been funded in part by a Coastal Zone Management grant with the city funding the balance. Funding is being sought for Phase I development which would include a pedestrian bridge from Rotary Park to Steere Island and the development of a perimeter walkway around the island, complete with

scenic viewing areas, environmental and historical interpretation, fishing piers and natural areas.

Chippewa County: Projects that do not have funding.

- 1.) Chippewa County jail expansion/renovation
- 2.) Chippewa County Courthouse annex renovation
- 3.) Enhanced 911 funding
- 4.) "Pathway of the Churches" needs funding

Chippewa County, Kincheloe

- 1.) Rehabilitation of 13,988 SF structure to accommodate relocation/consolidation of research and development activity - project estimated @ \$150,000 and construction of a 25,000 SF addition for garage/warehouse/storage - estimated @ \$750,000= entire project \$900,000.
- 2.) Construct cross wind runway with parallel taxiway complete with lighting and navigational aids:  
Federal AIP = \$1,035,000; State \$51,750; Local = \$51,750; SHORTFALL = \$799,800
- 3.) Construct 2,500 SF addition to commercial airline termination building = \$558,000.
- 4.) Construct fixed base operator/maintenance/hanger structure = \$972,000

Chippewa County, City of Sault Ste. Marie

- 1.) Integrate waterfront walkway study
- 2.) Ashmun Bay Park Phase I Improvements
- 3.) Sherman Park Beach expansion and preservation
- 4.) Bike Path - Meridian from 8<sup>th</sup> to Easterday
- 5.) Lower River Phase I Improvements
- 6.) Trail Tunnel Implementation
- 7.) Ashmun Bridge
- 8.) Integrate Waterfront Walkway Implementation

## PAST YEAR'S ACTIVITIES

### 1997/98

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### LUCE COUNTY

#### 1.) Luce County Industrial Park

In 1997 the Luce County Industrial Park showed real progress with the completion of park water and underground electrical service. Additionally, the Industrial Park Access road was paved. The Luce

County Industrial Park is thriving with the operation of the dry kiln and storage yards and logging equipment repair shop.

2.) Luce County Airport

Funded in a combined 90/10 - 50/50 funding option, by the Michigan Department of Transportation, Bureau of Aeronautics and the Luce County Economic Development Corp., work was completed on a five-year airport improvement plan. The improvements included a 1,200 foot long, 35 foot wide taxi street, raising the roadway near the entrance to the airport, adding culverts for drainage, repaving the parking lot, and the 800 foot runway extension. Prior projects completed include, a new terminal building and the installation of the automated weather observation system (AWOS). Future plans include rehabilitation of the existing east-west runway, taxi-way and apron.

3.) Luce County Water/Sewer Extension Project

In a final step towards the completion of the water/sewer project, Pentland Township closed on its payment from the U.S. Department of Agriculture (USDA) to finalize receipt of \$2,249,000 in loans and grants. Pentland Township used the money to construct wells, a 200,000 gallon elevated storage tank and provided an additional 30,000 feet of water line.

The Luce County and Village of Newberry sewer extension project hit a snag when the first bids ran over projected costs. In June of 1997 a re-bid was opened and the contract was awarded to C.C.M.S. of Sault Ste. Marie, Mi. As of June 1998 the project is complete with the exception of some restoration work currently being done.

These projects were undertaken primarily to serve a new housing development, being built by the Sault Tribe of Chippewa Indians, located on M-28. As a result of this project many residential and business customers are now being served along the M-123/M-28 corridor and Pentland Township has a long overdue water system improvement.

4.) Luce County Park

The Luce County Park, located on North Manistique Lake, has been a popular vacation, camping, swimming spot for local residents and tourists for many years. In need of improvements, under the expert management of the recreation director, the park paved the access road in 1997. Plans outline a shower/flush toilet building (replacing rustic facilities) a sanitary dump station for RV's, fresh water hook-ups for middle campsites, changing rooms in the picnic area and the dredging of the boat launch.

5.) Luce County/Helen Newberry Joy Addition

A \$3.53 million expansion/renovation was well underway in 1997. The new 14,000 sq.ft. kitchen, dining and cafeteria opened in March 1998. This facility housed in a new building will allow the hospital to adequately serve 48 annex residents as well as a varying number of acute care patients. Included in the existing wall restorations are the diagnostic imaging department and a new laboratory.

6.) Luce County 911

In mid-February enhanced 911 arrived for every resident in Luce County. All 911 calls in Luce County go directly to the Michigan State Police Negaunee Regional Dispatch office. At a monthly cost of \$1,500, Luce County funds the contract through a 4% surcharge on all basic telephone rates. Luce County is the first county in the Eastern Upper Peninsula to have enhanced 911 service.

Luce County: Projects for which funding is needed.

Village of Newberry:

- 1.) West Truman Blvd. Project
- 2.) Sanitary Inflow/Infiltration Reduction
- 3.) Continuation of Atlas Plywood Park Project
- 4.) Downtown Redevelopment
- 5.) Tie in with existing and proposed Pentland and McMillan Township water systems
- 6.) Streetscape and underground utility replacement in the downtown district of Newberry
- 7.) Preservation and restoration of the Luce County Historical Museum, including, cataloging and conservation of collection
- 8.) Rehabilitation of the old Luce County Hospital Annex building as a small business incubator or Senior citizen housing

County - wide Projects:

- 1.) Construction of a 10,000 SF shell building at the Luce County Industrial Park
- 2.) Municipal sewer in Luce County Industrial Park
- 3.) Municipal water supply along M-123 and Charles Road in McMillan Township
- 4.) Construction of Luce County Civic Center
- 5.) Preservation and restoration of the Crisp Point Lighthouse, including access facilities
- 7.) Construction of a rail spur into the Industrial Park.

## **PAST YEAR'S ACTIVITIES**

### **1997/98**

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### **MACKINAC COUNTY**

- 1.) St Ignace Master Plan

Early in 1997, as part of an effort by St. Ignace to update the City Master Plan, the Eastern Upper Peninsula Regional Planning and Development Commission conducted and analyzed a survey of area residents that evaluated the city and offered advice on its future.

In July of 1997 the St. Ignace Planning Commission members adopted a plan of action for work on updating the City's 1982 Master Plan. In March of 1998 invitations for RFP's were mailed to qualified Planners.

2.) St. Ignace Marina Expansion

As a forerunner to the expansion of the city marina, which currently shares space with the downtown launch site, State Ferry Dock #1 must be moved at a cost of \$1 million to the city. Once Governor Engler signs legislation to convey the State Ferry Dock to the City of St. Ignace, the boat launch can be moved to another site to make way for the city to enlarge its 20-slip marina to 126 slips. Estimated cost of marina expansion is \$6 million dollars.

3.) St. Ignace - Railroad Property Purchase

The proposed purchase of the Wisconsin Central right-of-way had languished for 5 years. In July 1997 Wisconsin Central and the City of St. Ignace reached a purchase agreement for the railroads 52 acres north of Marquette Street. The railroad finally gave up their demand that the city agree to pay for any environmental problems arising from pollution in the past. Purchase price \$195,000 of which the D.N.R. will pay \$146,000. The remaining \$44,000 will be paid over five years.

4.) Mackinac Tail Project

A \$2.5 million project nears completion; already the hazardous, angled Mackinac Trail intersection has been made perpendicular to the I-75 Business Loop, with turning lanes to assist traffic. Additionally, turnout lanes have been provided at the entrances to the casino. Remaining jobs

include grading and repaving the six mile section north of the casino and all of the restoration work.

5.) Mackinac County/Mackinac Island Fire Hall

Mackinac Island's Community Hall/Stuart House renovation project. In addition work on the new fire hall began. The new fire hall will cost \$995,000 funded in part by municipal bonds. The new hall triples the space of the old barn, houses 3 of the 4 city's fire vehicles. The city's police vehicles repair shop and impounded bicycle storage.

6.) Mackinac Co./Clark Twp. recipient of EPA grant

In July of 1997 a \$77,500 grant from the Environmental Protection Agency was awarded to the Les Cheneaux Economic Forum to initiate their "Compatible Economic Development Project". The project inventories environmental resources and plans development that is compatible with them. The EPA grant will enable the Economic Forum to hire a consulting and facilitating firm to organize community input and review other community's development similar to what Clark Township wants to do. By April of 1998 task force planning had ended and at least fifty ideas for a better community evolved. Projected costs will run between one half and one million dollars.

7.) Mackinac County/Brevort Twp. Sewer Project

A \$4.6 million sewer project has had all financing construction and environmental permits in place for a year. A year ago 70% of the easements had been obtained to allow the construction of a sewer system to serve the town of Moran and the Brevort Lake area. To date, June 1998, the some remaining easements have not been obtained and the project is stalled once more.

Mackinac County: Projects for which funding is needed:

- 1.) Engadine, new county garage maintenance facility.
- 2.) Bridge View Park @ Mackinac Bridge, and a motor carrier, inspection site.
- 3.) Rails to trails for downtown St. Ignace.

## Sault Tribe of Chippewa Indians

Under the 1993 Michigan Indian Gaming Compact, the state of Michigan collects 8% of slot machine revenue and the local communities were allocated 2% Collected from five casinos, the money is spread to six counties. The local 2% contribution from the Tribe to local communities was intended to offset local property taxes and bolster local police and fire protection in communities impacted by large numbers of casino visitors. The 2% funds total in excess of \$2 million annually. These monies have proved to be a vital source of income for local communities.

As part of an 1836 land deal, between the federal government and the Chippewa and Ottawa Indians in Northern Michigan, the Sault Tribe of Chippewa Indians received \$17 million in 1997.

The Bay Mills Indian Community received \$8 million and put it into a settlement to the tribal elders and retirement accounts.

The Sault Tribe began a long argumentative debate over the funds. After months of debate they made token payments to their tribal elders and dedicated annual payments from the interest earned on the \$17 million investment to annual payments to the elders.

In May of 1998 an open house was held for the new twenty-four unit home development built on the outskirts of Newberry. These homes will be leased to tribal members, 23 as low rent housing and one with a lease/purchase option. This development is attractively laid out and is a nice addition to the Newberry Community.

**CHANGES IN THE AREA'S ECONOMY**

As shown by the following charts the Eastern Upper Peninsula has shown progressive changes in population, per capita income and unemployment. The steadily improving economy is reflected in population growth and steady unemployment rates. Although the per capita income is below the state averages, a positive increase is shown in the latest figures.

Population (Based on Michigan Information Center Data)

	1995	1996	1997
Chippewa	36,853	37,371	37,900
Luce	5,584	6,491	6,584
Mackinac	11,041	11,090	11,113

Per Capita Income (Based on Bureau of Economic Analysis Data)

Chippewa	1994-95	\$14,713	This PCPI ranked 76 <sup>th</sup> in the State and was 61.4% of the State Average.
Luce	1994-95	\$19,101	This PCPI ranked 36 <sup>th</sup> in the State and was 79.7% of the State Average.
Mackinac	1994-95	\$19,790	This PCPI ranked 32 <sup>nd</sup> in the State and was 82.6% of the State Average.

Unemployment Rates (Mi. Employment Security Commission Data)

	1991	1995	1997
Chippewa	11.7%	8.0%	8.2%
Luce	13.6%	9.3%	9.7%

Mackinac

21.2%

10.7%

10.2%

### DEVELOPMENT STRATEGIES

The unprecedented growth in the Eastern Upper Peninsula has led to a rush to cover infrastructure needs. This growth has been a boon to the economy and the involvement of development agencies and local government using wise planning tools will lead to a brighter future for the next generation.

The staff of the Eastern Upper Peninsula Planning Commission is actively involved in developing and implementing these plans.

### PROPOSED PROJECT DESCRIPTIONS 1998/1999]

#### Chippewa County

- 1.) Lower River Islands Design Engineering-Sault Ste. Marie

Total Project: \$52,000

Funding: Coastal Zone Management \$26,000;  
Local Funds \$26,000

This engineering study will provide specifications and plans for Phase I development of a pedestrian bridge from Rotary Park to Steere Island (Island #1). A perimeter walkway around the island with scenic viewing areas, fishing piers and historical environmental interpretations is included in Phase I. Phase II will provide access to the much larger Island #2, this will include an elevated wetlands walk with a viewing area of the Blue Heron Rookery.

- 2.) Ashmun Bay Park Purchase - Sault Ste. Marie

Total Project: \$730,000

Funding: Michigan Natural Resources Trust  
Fund \$547,500 - Edison Sault

Electric \$176,250 - City of Sault  
Ste. Marie \$6,250

Owned by the Edison Sault Electric Company, the Ashmun Bay Park; a 50 acre peninsula adjacent to the Soo Locks Canal, will be purchased for use as a natural area park and boat launch by the City of Sault Ste. Marie.

3.) City of Sault Ste. Marie  
Industrial Park Drive Improvements

Total Project: \$740,836

Funding: CDBG \$410,000 - MDOT \$264,736 -  
Local \$66,100

Three companies located in the Sault Industrial Park, had planned expansions and the current condition of the access road would not tolerate the additional traffic. Funded in 1997, this project will be completed in 1998.

4.) City of Sault Ste. Marie  
West Portage Streetscape

Total Project: \$1,620,000

Funding: ISTEA \$375,000

Balance unfunded at this point

The West Portage Streetscape is the last to be Funded in an ongoing streetscape project. This Portion of the street improvements runs parallel to the Sault Locks and is home to a large tourist attraction, including souvenir stores and recreation locations. This section of town appears quite rundown and badly in need of this streetscape plan.

5.) Kincheloe Projects

a.) Demolition of three obsolete buildings and one control tower #121 & #101 = 50,000 sq.ft. total

Project Costs: \$300,000

Funding: USACOE (Army Corps of Engineers)

These three former military buildings are obsolete, under utilized and will be demolished.

b.) Construction of two aircraft hanger facilities  
Project Costs: \$161,000

Funding: \$100,000 secured through a State Aeronautics loan subject to a ten year payback.

6.) Lake State Superior University

Project Costs: \$23 million  
Funding: 50/50 State of Michigan and LSSU  
The demolition of Crawford Hall, a 33 year old auditorium, begins in the spring of 1998. A \$23 million project, of which \$18 million is earmarked for infrastructure replacement and hazardous materials removal, the remaining \$5 million for the overall project is budgeted for design work and equipment, a costly component of any science building job.

## DEVELOPMENT STRATEGIES

The unprecedented growth in the Eastern Upper Peninsula has led to a rush to cover infrastructure needs. This growth has been a boon to the economy and the involvement of development agencies and local government using wise planning tools will lead to a brighter future for the next generation.

The staff of the Eastern Upper Peninsula Planning Commission is actively involved in developing and implementing these plans.

## PROPOSED PROJECT DESCRIPTIONS 1998/1999

### Luce County

1.) Village of Newberry/East Victory Way Upgrade

Project Costs: \$ 300,000

Funding: MDOT \$165,000 - CDBG \$75,000 - Rd.  
Commission \$60,000

East Victory Way lies on the boundary of the Village of Newberry and McMillan Township and serves as a main corridor for trucks approaching several wood processing plants including Louisiana Pacific, Zellar Bark and Sawmill Inc., Newberry Hardwoods and Newberry Wood Enterprises.

2.) Dollarville Reload Facility Rail Switch  
Installation

Project Costs: \$91,846

Funding: \$76,000 MIRLAP - \$15,846 local  
Wisconsin Central owns a spur track in Dollarville, Mi. that serves a re-load yard. Presently the yard is served by one switch at the east end. A second switch to be installed on the west end will improve access, efficiency and safety.

3.) Luce County Master Plan

Project Costs: \$ 20,00 local funding  
Gove Associates of Kalamazoo, Michigan have been hired to prepare a new master plan for Luce County.

4.) Luce County Airport/ Runway Rehab

Project Costs: \$250,212  
Funding: \$207, 138 (MAC)Michigan Aeronautics  
Commission \$ 43,074 Local Funding  
Rehabilitating existing east-west runway, taxiway and apron at the Luce County Airport.

5.) Luce County Line Rehabilitation

Project Costs: \$1,111,000  
Funding: \$1,000,000 Michigan Rail Loan Assistance Program (MiRLAP)  
Loan was approved, rehab scheduled to begin in Fall 1998)  
\$ 111,000 Wisconsin Central  
Project will rehabilitate the Luce County Portion of the Trout Lake to Munising Wisconsin Central Railroad Line. The Luce County EDC secured the loan on behalf of the Wisconsin Central. The railroad will repay the loan over ten years.

6.) McMillan Township Water Extension

Project Cost: \$67,000  
Funding: \$67,000 Local (Project approved and underway)

Project will extend the Pentland Twonship water system 1,400 feet into McMillan Township along M-123 to serve the expansion of one business and the location of a second.

7.) Luce County Industrial Park Infrastructure

Project Cost: \$60,000  
Funding: \$60,000 Local (Project approved and underway)

Project will extend water mains 300', natural gas mains through the park, and electrical service 400' to serve two new industrial service companies and a Luce County EDC constructed shell building.

8.) Luce County Industrial Park Shell Building

Project Cost: \$175,000  
Funding: \$175,000 Local (RFP's opened Aug. 4, 1998 - fall construction)

9.) Luce County Park Infrastructure

Project Cost: \$150,000  
Funding: \$ 90,000 Michigan DNR Recreation (grant pending)  
\$ 60,000 Local

Project will construct a shower/toilet facility and a sanitary dump station.

10.) (CIEM) Community Income and Expenditures Model

Project Cost: \$80,000  
Funding: \$60,000 E.D.A.  
\$13,300 E.U.P. Regional Planning  
\$ 6,700 M.S.U.

This project will be carried out by the Eastern Upper Peninsula Regional Planning Commission, Michigan State University and the local community. It is designed to assist a community in seeing their sources of income and the ways those dollars are spent. It will help strategic planning for business, service organizations and government agencies

## DEVELOPMENT STRATEGIES

The unprecedented growth in the Eastern Upper Peninsula has led to a rush to cover infrastructure needs. This growth has been a boon to the economy and the involvement of development agencies and local government using wise planning tools will lead to a brighter future for the next generation.

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## PROPOSED PROJECT DESCRIPTIONS 1998/1999]

### Mackinac County

1.) St. Ignace Master Plan

Projected Costs: \$30,000 - \$50,000 Local funding  
This Master Plan includes historical site survey and a downtown market study. In March of 1998 invitations for R.F.P.'s were mailed out.

2.) St. Ignace/ Water Improvement Project/Sewer System

Project Costs: \$3.8 million  
Funding: U.S. Dept.of Agriculture \$2.8 million loan plus a \$1 million grant  
The 40 year loan/grant will be used to replace antiquated water mains on 24 sections of city streets, build a new storage tank and install a number of needed smaller improvements. As the existing lagoon treatment facility failed to meet the State of Michigan's water treatment standards, a proposed aeration system will be added to the system.

3.) Mackinac Trail Project

Project Costs: \$2.5 million  
Funding: Mi. Economic Dev. Grant \$2.1 million  
Sault Tribe of Chippewa Indians  
\$429,400 plus an additional \$55,000

This much needed road project will be completed in the summer of 1998. In the planning stages for several years, buyouts from a few property owners had to be overcome. A good, safe project will be the end result.

4.) St. Ignace/Kiwanis Beach Project

Project Costs: \$171,250  
Funding: DNR Trust Fund \$94,250  
City of St. Ignace 36,500  
City of St. Ignace DDA 14,000  
Kiwanis Club 10,000  
City Water & Grading 16,500

In cooperation with the city of St. Ignace and the St. Ignace Kiwanis Club, which owns the property, improvements will be made in 1998 to the Kiwanis Beach Park. These improvements will place a retaining wall between the sand beach and the grass picnic area, add water service and construct a gazebo.

5.) Mackinac County Airport Improvements

Project Costs: \$1.6 million  
Funding: \$1.475 million Federal and State  
Aviation Sources

\$125,000 - local match

The main part of this project will add 400 feet of concrete runway, bringing the main runway to 3,800 feet, suitable for most corporate jet traffic. A

taxiway beside the runway will improve traffic handling at the airport.

6.) St. Ignace - Ice Arena

Project Costs: \$2.3million  
Funding: \$203,000 per year for 10 years from  
the Sault Tribe of Chippewa Indians  
\$125,000 County Share  
Approving a Bond Issue in 1997, the City of St.  
Ignace voters gave the go ahead to a new city ice  
arena/recreation facility. Construction is  
expected to begin in July of 1998.

7.) Mackinac Island Water Treatment Expansion

Project Costs: \$1,883,000  
Funding: \$ 800,000 E.D.A.  
\$1,003,000 Local

The City of Mackinac Island has been operating under a consent order from the Michigan Department of Health since 1994 regarding the expansion of the treatment capacity of its water treatment plant. The project is under way and should be completed by the late summer of 1998.

8.) Mackinac County/Clark Township/Lagoon System

Project Costs: \$1,020,000  
Funding: \$ 906,000 USDA Rural Development  
Loan  
\$ 114,000 Local share

Clark Township has been serviced by two sewage lagoons. According to Township Supervisor, Alan Boike, the existing sewage treatment lagoons are full and in danger of overflowing. The Federal

Expansion Loan will allow for the existing 9 acre pond to be converted into a 14 acre lagoon. Work will be done in the Summer of 1998.

9.) (CIEM) Community Income and Expenditure Model

Project Costs:	\$80,000	
Funding:	\$60,000	E.D.A.
	\$13,300	EUP Regional Planning
	\$ 6,700	M.S.U.

This project will be carried out by the Eastern Upper Peninsula Regional Planning Commission, Michigan State University and the local community. It is designed to assist a community in seeing their sources of income and the ways those dollars are spent. It will help strategic planning for business, service organizations and government agencies.



