

1999 ANNUAL CEDS UPDATE

Eastern Upper Peninsula Regional Planning
& Development Commission

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ANNUAL -- CEDS -- UPDATE

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

SEPTEMBER 30, 1999

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SECTION I.

THE CEDS COMMITTEE

SUMMARY

The 1999 CEDS 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 CEDS Committee.

After seeking input from the above groups as well as the Townships and Indian Tribes, 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 CEDS Advisory Committee) and approved.

Population projections for 1998 based on the 1990 Census Data, estimates the total population for the Eastern Upper Peninsula of Michigan (Chippewa, Luce and Mackinac Counties) to be 55,687. This is an increase of 4,646 over the 1990 census figures of 51,041. Minorities account for 12% of that total of which approximately 3,800 are minority inmates incarcerated in the five Correctional Facilities located in Chippewa County and the Newberry Correctional Facility located in Luce County.

DISTRICT ORGANIZATION

The Eastern Upper Peninsula Regional Planning and Development Commission covers the three eastern counties of Michigan's Upper Peninsula, ie. Chippewa, Luce and Mackinac. The Commission is directed by a fifteen-member board appointed by the Boards 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 Bay Mills Native American Community and the Inter-Tribal Council of Michigan asking them to jointly select a new representative.

Areas of interest represented by the Commission Delegates are shown on the following listings.

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

Bernard LaJoie - Chippewa County
Debra Evashevski - Mackinac County
Elmer Hetrick - Luce County
Robert Nygaard - Minority

Chippewa County Delegation

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Aaron Hopper 2934 E. Three Mile Road Sault Ste. Marie, MI 49783 (906) 635-5432	Delivery	County Commission Elected
Earl Kay 213 E. 13 th Ave. Sault Ste. Marie, MI 49783 (906) 635-5183	Business Owner	County Commission Elected
James Hendricks 1301 W. Easterday Sault Ste. Marie, MI 49783 (906) 635-0333	Director - Economic Development Corp.	Industrial Development
Bernard LaJoie 217032 S. Riverside Dr. P.O. Box 28 Sault Ste. Marie, MI 49783 (906) 647-7661	Retired	County Commission Elected
Anthony Stackpole 659 W. Osborn Dr. Sault Ste. Marie, MI 49783 (906) 635-7272	Restaurant Owner	Private Business
Jerry Gallagher 3326 Sherman Park Drive Sault Ste. Marie, MI 49783 (906) 632-3373	EUP Intermediate School District Director	Education

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
Mr. John Derusha South Charles Road Newberry, MI 49868	Treasurer	Township Official Elected

Mackinac County Delegation

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Debra Evashevski 396 N. State Street St. Ignace, MI 49781 (906) 643-8252	DDA Director St. Ignace	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
Roger Gady Route 1, Box 200 Moran, MI 49760		County Commission Elected
Edward Boissineau 2919 Oak St. Ignace, MI 49781 (906) 643-7090	Banker	Finance

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	Sault Tribe of Chippewa Indians	Minority Groups
Joe Paczkowski 526 N. Ravine Sault Ste. Marie, MI 49783 (906) 632-1248 (H)	Sault Tribe of of Chippewa Indians	Minority Groups

Chippewa County Alternates

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
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

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Robert Cameron 522 E. McMillan Newberry, MI 49868 (906) 293-8304	Teacher	Village Mayor Elected
Alice Buckingham County Rd. 424 Newberry, MI 49868 (906) 293-5450	Retired	Business/ Commercial

Mackinac County Alternates

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
Gary Heckman 396 N. State Street St. Ignace, MI 49781 (906) 643-9671	City Manager St, Ignace	Local Government Authorities
Michael Litzner 1803 Shore Dr. St. Ignace, MI 49781	Mackinac Bridge Authority	County Commission Elected
Ollie Boynton 1007 State Street St. Ignace, MI 49781	Retired	County Commission Elected
Leon Patterson S.R. Box 155 Naubinway, MI 49726	Supervisor Hudson Township	Township Official Elected

Minority Alternates

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

CEDS COMMITTEES

Regional CEDS Committee

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

Chippewa County Committee

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</u>
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
Aaron Hopper 2934 E. Three Mile Road Sault Ste. Marie, MI 49783	Delivery	County Commission Elected
Gary McDowell P.O. Box 303 Rudyard, MI 49783	UPS Employee	County Commission Elected
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 Committee

Name/Address/Phone(s)

Occupation

Representation

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

Donald Price
506 W. Victory
Newberry, MI 49868

Business Owner

Private Business

Jeffrey Potocnik
Rt. 4, Box 744H
Newberry, MI 49868

Management
L.P. Corp.

Private Business

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

Village of Newberry
Employee

County Commission
Elected

Kathy Kish
Rt. 3, Box 2614
McMillan, MI 49853

Banking

Private Business

Paul Baker
P.O. Box 97
Newberry, MI 49868

Newberry Correctional
Facility

Public Interest

Mackinac County Committee

<u>Name/Address/Phone(s)</u>	<u>Occupation</u>	<u>Representation</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
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

SECTION II.

PAST YEAR'S ACTIVITIES
1998—1999

SUMMARY

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 governmental 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 Regional Planning and Development Commission provided considerable assistance to local units of government in 1998/1999. Activities included: Assistance to communities re: development and implementation of essential projects, transportation planning and technical assistance, continuing work on the 5 year update of the Regional Solid Waste Plan, assistance in the completion of Stage II of the St. Mary's River Remedial Action Plan, development of recreation plans, land-use plans, zoning ordinances, assistance to small businesses, CIEM project assistance to the City of St. Ignace and Village of Newberry, continued assistance on development of Uniform Addressing Systems, administration of the Michigan Council for the Arts mini-grant program and continuing operation of the Regional Data Center. Major accomplishments that benefited the three counties of Chippewa, Luce and Mackinac are listed on the following pages of this report.

CHIPPEWA COUNTY ACTIVITIES

- 1.) Kincheloe—Chippewa County Intl. Airport – Northwest Airlin -- In September 1998 Northwest Airlin initiated air service from Chippewa County International Airport to Detroit. This came as a result of United Express ceasing service to this area. Three daily flights between Detroit, Alpena & Kincheloe are being operated on a Saab 340 seating 33 passengers. Northwest Airlines is providing the new commuter service as part of an agreement with the State of Michigan which will provide \$65 million toward the construction of three supporting facilities.
- 2.) Kincheloe—Chippewa County Intl. Airport – East/West Runway Construction of a new east/west runway is complete. Anticipate opening pending FAA final approval in early 2000. Plans are underway for the construction of a new commercial airline terminal, a new aircraft maintenance/federal inspection facility and contracting for aircraft maintenance services.
- 3.) Kincheloe/Kinross – Plant Closings -- During the past year Rose Plastics USA, Ltd., American Drillbox and Phoenix Accu-Drive closed. This resulted in the loss of 153 combined employment positions, 91,520 sq. ft. of building space vacated and the loss of \$75,560.76 in tax revenues.
- 4.) Sugar Island Township – Master Plan – Sugar Island Township is in the process of up-dating their Master Plan and Zoning Ordinance.
- 5.) Superior Township – Automotive Testing – During the past year expansions have occurred at both ITT Automotive (Brimley) and Smithers Scientific Services, Inc. (Raco). Both firms specialize in winter testing for the major automotive manufacturers.
- 6.) Superior Township - Bed & Breakfast – A new Bed & Breakfast with gas station/party store opened in Raco.
- 7.) Superior Township – Road Improvements -- Approximately 6 miles of Lakeshore Drive were improved and re-paved during the past year. This greatly aids the traffic flow to & from the Bay Mills Resort & Casino as well as the new 18 hole, Wild Bluff golf course.
- 8.) Superior Township – Water Project – A \$1.1 million project has begun to improve the village water system. Funding is 55% Grant and 45% Loan.
- 9.) Superior Township – Irish Line Improvements -- An additional 2 miles of the Irish Line is being paved.

- 10.) Kinross Charter Township -- Projects during the past year include:
- a.) Completion of a 12" water transmission main to extend water & sewer services to residential & commercial developments;
 - b.) An additional 72 stall horse barn is under construction at the Chippewa County Fairgrounds;
 - c.) Emergency generators are being set up in township buildings in case of disaster;
 - d.) Acquisition of Dukes lake from the DNR is underway and plans are being made for additional recreational developments;
 - e.) Two residential developments are under construction in the Township, with commercial properties included;
 - f.) Kincheloe Memorial Golf Course has replaced five major pieces of equipment to maintain the 18 hole course.
- 11.) Chippewa County Jail Expansion -- A \$4.5 million Jail Expansion and Renovation project has begun which will more than double the bedding space bringing the total from 51 to 112 beds. County voters approved .75 mills to fund the project which is scheduled for completion in September, 2000.
- 12.) Solid Waste Plan – 5 Year Update – The Eastern U.P. Solid Waste Management Committee is continuing to work on the update of the Solid Waste Plan, which required by the State every 5 years. The plan is proceeding slower than anticipated because of controversy regarding the re-opening of a local landfill that has been closed for almost nine years.

SAULT STE. MARIE

- 1.) Ashmun Bay Park Purchase – Phase 1 of the Ashmun Bay Park development is underway. The MI Natural Resources Trust Fund is providing \$547,500 for the purchase of the 49.7 acre parcel of waterfront property. Edison Sault Electric Co. will supply the remaining \$182,500 local match. The Environmental Review is being conducted, with anticipated completion in June 2000. Future development will create additional recreational opportunities and increase access to the St. Mary's River.
- 2.) Industrial Park Drive Improvements – The access road through the Sault Industrial Park has been completed at a cost of \$740,836. Funded by CDBG, MDOT and Local monies, the improvements have made possible the expansion of three firms in the park. \$3.25 million has been invested, by these manufacturers, in their expansions.
- 3.) West Portage Streetscape -- Phase I of the \$1.620 million streetscape project has now been completed from Ashmun St. to Osborn. These improvements are a great benefit to the tourist businesses located in the area and to the large numbers of tourists visiting the Soo Locks. Phase II, continuing on from Osborn St., will commence during the coming year.
- 4.) City Sewer Project – Phase “B” of the City of Sault Ste. Marie's ongoing Combined Sewer Overflow (CSO) project is now targeted for completion in November, 2000. Phase “C” is in the planning stages. While this 1998 project will, ultimately, take several years for completion, it will be a much needed improvement to the City's wastewater handling capability.
- 5.) Foreign Trade Zone Building -- The rehabilitation of the FTZ building in the Sault Industrial Park has been completed at an approximate cost of \$85,000. A new roof for the building was a major part of the project.
- 6.) GE/National Tech Team – In a joint venture, General Electric Service Management and National Tech Team opened, in the former Glen's Store, a business which will provide over-the-phone assistance to their client's customers seeking help operating computer software equipment. The Michigan Economic Growth Authority is providing tax credits of \$1.1million over 9 years. The Sault Tribe (owner of the building) is providing reduces space costs. All of the local educators are providing employee training under a job training grant provided by the EUP Employment & Training Consortium. 300 jobs are being created by this firm.

- 7.) LSSU – Student Activities Center – A \$3.1 million Student Activities Center for intramural & other programs was completed in 1999. The 66,000 sq. ft. facility was funded 50-50 by the University & a special additional student fee.
- 8.) LSSU – Crawford Hall Addition -- A \$23 million restoration & expansion of Crawford Hall is currently underway. Funded 50/50 by the State of Michigan and LSSU, the project involves replacement of infrastructure, hazardous materials removal and equipment purchases. This re-designed science building will provide state-of-the art educational training for the students and the community at large.
- 9.) Schoolcraft House Restoration -- On-going project needs funding to continue restoration activities.
- 10.) Soo Township – Master Plan -- Soo Township is in the process of updating their Master Plan and Zoning Ordinance.
- 11.) Precision Edge Surgical Products, Inc. – This manufacturing firm is planning to develop a \$2.4 million facility on property adjoining the airport, which they will purchase from the city. They will construct a 35,000 sq. ft. plant which will add 20 new jobs over 2 years. This is in addition to the 71 jobs they currently have. Meridian St. will be extended 750 ft. between 12th Ave. West and Davitt St. at a cost of \$290,000. CDBG application is being prepared for \$200,000 with \$90,000 local share needed.
- 12.) Airport Terminal – Funding has been obtained to build a new airport terminal at Sanderson Field in Sault Ste. Marie. Specifications have been prepared, Bids will be let this winter and construction should begin in the spring of 2000.

CHIPPEWA COUNTY: PROJECTS FOR WHICH FUNDING IS NEEDED.

Kincheloe / Kinross

- Construct a.) new commercial airline terminal, b.) new aircraft maintenance/federal inspection facility and contract for aircraft maintenance services. Feasibility studies are underway.
- Olofsson Fabrications Services, Inc. is planning an expansion to another building which would double their employment. This would entail refurbishing another existing building at the former Air Force base.
- The Township EDC has had 3 requests from businesses looking to move in immediately. They are in need of funding to convert an old Township building into an incubator facility.

Sault Ste. Marie

- LSSU-Fine Arts Center – A \$14 million Fine Arts & Performing Arts Center is in the planning Stages. The State of Michigan has committed to supplying 50% or more of the funding. The University has announced a capital fund raising campaign to supply the balance.
 - Sherman Park Beach Expansion and Preservation
 - Implementation of Trail/Tunnel Project (I-75). Feasibility study is being finalized.
 - Implementation of Waterfront Walkway. Design underway by Sundberg/Carlson.
 - Phase I of Lower River Islands development.
 - Ashmun Bay Park development – Phase I
 - Peck Street Park – Funding needed to develop a park on property at the corner of Ashmun St. & Peck St., bordering on the Power Canal.
 - Downtown Parking Structure -- Parking in the downtown area of Sault Ste. Marie has become a problem. Plans are underway to build a multi-story parking structure if sufficient funding sources can be located.

Trout Lake -- Town Hall/Emergency Services Bldg. -- Trout Lake Township is in dire need of either renovating the present town hall & emergency service building, relocating to the old school building (also in need of renovation), or locating appropriate property and building a new facility. A citizens committee is exploring alternatives and in the process of contracting with a firm to prepare specifications for the project.

Superior Twp. -- Sewer Improvements -- Funding is needed to extend and improve the sewer lines in Superior Township.

Pickford Twp. -- I-75 Access – The community is actively promoting the need for an I-75 interchange at M-48 west of Pickford to provide better access to the town. The state has promised to investigate the possibility but, currently, no plan has been announced.

-- Low Income Housing -- The village has no low income housing available at this time and feels there is a great need.

-- Sub-standard Roads & Bridges – The Township has several areas suffering from poorly constructed roads and out of service bridges. Infrastructure funding is needed to remedy this situation.

LUCE COUNTY ACTIVITIES

- 1.) Commercial District Water Main – Installation of 1,500 ‘ of water main from Pentland Township north into McMillan Township along the commercial district has been completed. The locally funded \$67,000 project will serve new and existing businesses and residents.
- 2.) Luce County Industrial Park Shell Building – Construction of a 12,000 sq. ft. shell building at the Luce County Industrial Park was completed during the past year. Local funding financed the \$250,000 facility.
- 3.) Luce County Master Plan – Gove Associates of Kalamazoo, MI is preparing a new master plan for Luce County. The locally funded \$20,000 project is 50% complete.
- 4.) (CIEM) Community Income and Expenditures Model – This \$80,000 project in Luce County & the St. Ignace area consists of a survey and analysis of each community which will help identify the sources of income and how it is spent. The results will help with strategic planning for businesses, service organizations and government agencies. The two projects are being conducted by the EUP Regional Planning Comm., M.S.U. and the local community. EDA - \$80,000, EUP Reg. Plng. - \$13,300 & M.S.U. - \$6,700. Completion in early 2000.
- 5.) Dollarville Reload Facility Rail Switch – Construction of a rail Switch at west end of the Dollarville Reload Facility is now completed. The \$91,846 project was funded: MIRLAP - \$76,000, Local - \$15,846.
- 6.) Newberry-East Victory Way Upgrade – This \$300,000 road upgrade is a main corridor for logging trucks traveling to four of the main processing plants. Project has been completed and was funded: MDOT - \$165,000; CDBG - \$75,000; Luce County Road Commission - \$60,000.
- 7.) Industrial Park Gas & Phone -- Installation of natural gas and phone lines in the Luce County Industrial Park has been completed. This locally funded project will benefit existing and help attract new tenants.
- 8.) Paving of Industrial Park Access Road -- This \$76,000 project was a joint venture between the Luce County Road Commission and the Luce County EDC. Funding: State Budget Stabilization funds - \$47,000; EDC Millage Funds - \$29,000. Project has been completed and will benefit Industrial park traffic.
- 9.) Vulcan Iron Brownfield – MDEQ assessment of Vulcan Furnace/Charcoal Iron brownfield site has been completed with MDEQ/EPA funding.

- 10.) Newberry – Streetscape Project -- Preliminary design work has been completed for streetscape and underground utility replacement in the downtown district of Newberry. 100% of the required funding has been secured. Construction is tentatively scheduled for the spring of 2000.
- 11.) Crisp Point Lighthouse Project – This phase of the lighthouse preservation project consists of constructing a roadway, parking lot archeology/historical survey, and cleaning & painting. The \$54,000 project was funded through a 50/50 Coastal Zone Management Grant and Crisp Point Lighthouse Historical Society. Additional funding will be needed as the preservation project continues.
- 12.) Business Start-ups & Expansions – Location of Sustainable Forest Products and Great Lakes Truck Service to the Luce County Industrial Park; Purchase and expansion of Newberry Sign Company by Insight Sign and Neon; Location of U.P. Trading Company to the downtown Business District; Rebuilding and expansion of Newberry Motors after a major fire; Expansion of Pickelman’s Custom Cars; Expansion of Newberry Country Club from 9 to 18 holes.
- 12.) Luce County Airport Expansion and Rehabilitation – In 1999 Luce County completed all elements of a 5-year development plan for the airport. The \$685,000 project constructed a new terminal building, extended the main runway to 4,300 feet, resurfaced the entire main runway, taxiway and apron, constructed a new taxi street serving the hanger area and paved a parking lot. The project was funded with a combination of state and federal grants and \$107,000 of EDC millage.
- 14.) Solid Waste Plan – 5 Year Update – The Eastern U.P. Solid Waste Management Committee is continuing to work on the update of the Solid Waste Plan, which required by the State every 5 years. The plan is proceeding slower than anticipated because of controversy regarding the re-opening of a local landfill that has been closed for almost nine years.

Luce County: Projects for which funding is needed.

- 1.) Construction of Luce County Civic Center
- 2.) Construction of municipal water supply along M-123 and Charles Road in McMillan Township.
- 3.) Construction of municipal sewer in the Luce County Industrial Park.
- 4.) Construction of a rail spur into the Industrial Park to serve Sustainable Forest Products.
- 5.) Preservation and restoration of the Luce County Historical Museum including cataloging and conservation of collection.
- 6.) Rehabilitation of the old Luce County Hospital Annex building as a small business incubator or senior citizen housing.
- 7.) Redevelopment of the Vulcan Furnace brownfield site. Proposed uses include snowmobile trailhead/RV parking with permanent facilities and visitor center, relocation of Village DPW storage yard, commercial and retail development.
- 8.) Replacement of water and sewer mains on West Truman Blvd., Village of Newberry.
- 9.) Renovation of part of the old Red Owl building to house the Newberry Teen Recreation Center.
- 10.) Updating of the Luce County Zoning Ordinance with land use and zoning mapping.
- 11.) Rehabilitation of the Luce County portion of the Trout Lake to Munising rail line.
- 13.) Preservation and Restoration of the Crisp Point Lighthouse, including access facilities.
- 14.) The Luce County Park Revitalization Project has been in the planning stages for several years. Applications to the Michigan Natural Resources Trust Fund have been refused several times. It now appears that the prospects look favorable as the MNRTF has placed their application on the list of recommended projects for funding in 2000. If approved, the \$214,000 project would be funded by \$114,000 from the MNRTF grant and \$100,000 loan from the Luce County EDC loan program.

MACKINAC COUNTY ACTIVITIES

- 1.) St. Ignace Ice Arena – St. Ignace voters & the City Council approved a \$2.6 million Ice Rink & Community Center. \$2.3 million in bonds will be sold and \$300,000 local match will be provided by the City. Currently plans call for a conference center seating up to 300 people. This may be expanded to 500 people, in which case the Tourist Association would supply \$209,000 for the addition. The Sault Tribe of Chippewa Indians has pledged support in excess of \$2 million over the next ten years.
- 2.) St. Ignace Master Plan -- The City is continuing the process of updating its master plan. Digital maps of the city are being prepared and vision statements have been approved. A professional planning firm will be hired to help finalize the Plan and help implement the vision statements.
- 3.) St. Ignace Water Main Project -- Phase II Funding on this ongoing project has been approved. A USDA grant of \$1 million and a USDA Loan of \$2.685 million will replace 5.2 miles of water main beneath 24 streets & construct another elevated water storage tank of the city's northeast side.
- 4.) St. Ignace - (CIEM) Community Income and Expenditures Model – This \$80,000 project in the St. Ignace area & Luce County & consists of a survey and analysis of each community which will help identify the sources of income and how it is spent. The results will help with strategic planning for businesses, service organizations and government agencies. The two projects are being conducted by the EUP Regional Planning Comm., M.S.U. and the local community. EDA - \$80,000, EUP Reg. Plng. - \$13,300 & M.S.U. - \$6,700. Completion in early 2000.
- 5.) St. Ignace – Boat Launch Development – 4 launch sites along with parking for 75-80 cars & trailers are being developed north of the downtown area of St. Ignace.
- 6.) St Ignace – Public Marina Expansion – The St. Ignace public marina is in the process of being expanded from 20 to 127 boat slips.
- 7.) St. Ignace – Kiwanis Beach Development – A \$135,000 water front park improvement project is underway in downtown St. Ignace.

- 8.) Mackinac Island – Master Plan -- The city has contracted with a planning firm to prepare a master plan for the island. In addition to statistical information, there will be a comparison of housing values to the rest of the state, the cost of living, and age demographics. Also, the relationship between the city and Mackinac State Historic Parks. Maps of streets & trails, ownership, scenic & historic sites, public facilities existing land use and future land use will be a major component of the plan.
- 9.) Engadine – Mill Pond Project -- The Mill Pond in Engadine is being developed into a park and recreation area for residents and tourists. It will include a fishing dock, hiking trail, picnic area, etc.
- 10.) Naubinway – Marina Project -- The marina in Naubinway is being repaired and brought up to date.
- 11.) Moran Township Water Extension Project – An additional extension of the City of St. Ignace water system into Moran Township. The system currently extends from the City limits 1½miles west along US-2 in the township. The new proposed extension would go west another 1½miles along US-2 to accommodate new businesses. It would also go along the side roads on both sides of US-2 to serve residential areas that have been experiencing serious pollution problems. The total water extension project is approximately 3½miles.
- 12.) Moran Township – Sand Products Corp. Expansion – Sand Products has updated and refined their business of shipping sand, by boat, which is used in the steel industry. The sand is used in making molds into which molten steel is cast.
- 13.) Moran Township – Ski-Hill – The township has expanded the snow tubing facilities and opened a cross-country ski trail from St. Ignace High School to the Moran Township Ski Hill (7 miles). Also, the ski-hill is being remodeled to provide training for children in beginning skiing.
- 14.) Brevort Township – Sewer Project -- Construction started during the summer of 1999 on a \$4.6 million sewer project serving the Village of Moran and the Brevort Lake area. The contractor has completed the majority of the lagoon and will resume work in the spring, with project completion anticipated in the fall of 2000.
- 15.) St. Ignace Township – Sewer Extension -- The Sault Tribe and St. Ignace Township are jointly working on a project to extend the St. Ignace sewer through Evergreen shores to the Tribal housing north of the Casino. Survey work has been completed, preliminary design work started and a Rural Development Loan application is being prepared. The engineers

anticipate construction to start in 2001 if the application is approved. The Sault Tribe will also provide local match funding.

- 16.) Clark Township – Lagoon System – The \$1.02 million Project to expand the existing 9 acre sewage treatment lagoon to 14 acres was completed in the summer of 1999. This project was funded by a \$906,000 USDA Rural Development Loan and \$114,000 Local Share.
- 17.) Clark Township Hall Project – In 1999 Clark Township moved into its new \$300,000 Township Hall. The project was funded by a Rural Development Loan.
- 18.) Solid Waste Plan – 5 Year Update – The Eastern U.P. Solid Waste Management Committee is continuing to work on the update of the Solid Waste Plan, which required by the State every 5 years. The plan is proceeding slower than anticipated because of controversy regarding the re-opening of a local landfill that has been closed for almost nine years.

Mackinac County: Projects for which funding is needed.

- 1.) Mackinac County – Jail Expansion -- Sheriff's Dept. has filed a letter of intent with MDOC to apply for jail expansion grant of \$320,000 to increase capacity from 28 to 40 beds. Balance of \$1.8 million would have to come from other sources.
- 2.) St. Ignace – Funding needed to for property purchase to expand parking for future park extension development.
- 3.) St. Ignace – Funding needed for property purchase in downtown area for a new public library.
- 4.) St. Ignace – Rails to Trails development. Funding needed for purchase of a 5 mile strip of former railroad property, some of which runs behind downtown St. Ignace.
- 5.) St. Ignace – Water/Sewer System Improvements – This is a long term project of replacing and enlarging various water and sewer mains in the City's antiquated systems. The project is approximately 50% complete at this time
- 6.) Garfield Township –
 - a. Garfield Township Hall needs to be remodeled.
 - b. Need funding for a new Fire Hall.
 - c. Need funding to purchase a new fire truck.
 - d. New Ambulance Garage is needed.
- 7.) Moran Twp. – Funding needed for water system extension into eastern Moran Township and also sanitary sewer.

REGIONAL ACTIVITIES

Upper Peninsula-wide economic development marketing program – This program will utilize the Upper Peninsula Economic Development Alliance – a public/private partnership designed to enhance, link, and promote the unique aspects of Michigan’s Upper Peninsula as a viable location in which to invest and conduct business. The marketing program will be accomplished through regional image campaigns, regional and targeted marketing campaigns and creation of a regional information data base. The goal of the program will be to provide a single point of entry for business attraction as well as a conduit for information and opportunities throughout the Upper Peninsula.

SAULT TRIBE OF CHIPPEWA INDIANS

In 1996 the Sault Tribe purchased 300 acres in Soo Township for a Tribal Housing Project. Ground was broken in September 1999 for the first of 177 homes planned for the property. Over the next four years 36 homes will be built by the tribe and sites will be developed for tribal members to build their own homes. Sault Tribe is the first in Michigan to purchase land for members to build on. Tribal planners are implementing programs to help members obtain mortgages from lenders often wary of making loans on Indian land. The B.I.A. is very supportive of the project and promises help for the next 2 years with financing & building the road system.

BAY MILLS INDIAN COMMUNITY

The Bay Mills Tribe opened a new Health Center in the past year. The 33,000 sq. ft. facility, built with Tribal funds provides health & dental services at no charge to tribal members. Non-native Americans pay on a sliding-scale fee schedule based on income. Mental health, substance abuse, child welfare and social services are provided as well.

EASTERN U.P. REGIONAL PLANNING AND

DEVELOPMENT COMMISSION ACTIVITIES

The following is a listing of the Eastern Upper Peninsula Regional Planning and Development Commission's efforts during the past year to improve the economy and quality of life for the residents of the region.

Water and Sewer Projects

- **Luce County Water and Sewer Extension Project** – Prepared applications for EDA and CDBG fund and administered these two grants to project completion.
- **Moran Township Water Extension Project** – Assisted Township in development of RFP for engineering services and assisted in preparation of application to Rural Development.
- **Village of Rudyard Water Extension Project** – We have been assisting the community in evaluating the current situation, prioritizing future needs and serving as a liaison with Rural Development regarding a potential application for a water system extension project.
- **Village of Newberry Water and Sewer System Improvement Project** – Assisted the Luce County EDC in preparation of a pre-application and final application for EDA funding. Application was approved.
- **City of St. Ignace Water and Sewer System Improvement Program** – Provided assistance in preparation of application for Rural Development funds.

Community Income and Expenditure Analysis Project (CIEM)

Regional Commission Staff, working with Michigan State University's Center for Urban Affairs, has completed about 75% of this project for the Communities of Luce County and the City of St. Ignace.

Data Center – U.S. Census Bureau Affiliate

Our office continues to collect and disseminate demographic information to local governments, agencies and businesses on request.

Mapping Services

- Continue to maintain (update) the 911 Addressing Maps for Chippewa County.
- Reviewed Census Address List for Census 2000 and made corrections to Census Maps.
- Completed digitized mapping project for Clark Township showing changes in land use over the past 15 years.
- Completed update of Eastern U.P. Snowmobile Map & Cross Country Ski Trails. 30,000 copies were printed.
- Working on development of computerized maps for the Tahquamenon Heritage Route Plan.

Small Business Assistance

Our business counselor assists the local SCORE organization in providing counseling services to clients as needed.

Land Use Plans and Zoning Ordinances

Assisted the following communities in up-dating their Land Use Plans and Zoning Ordinances:

Whitefish Township
Rudyard Township
Soo Township
City of St. Ignace

Transportation Planning and Technical Assistance

- Provide road counts along selected County roads and other local roads for the 3 County Road Commissions.
- Provide road counts and road condition reports along State and Federal highways along segments selected by the Michigan Department of Transportation.
- Providing staff assistance in the development of a management plan for a 47 mile segment of highway in Chippewa and Luce Counties called the "Tahquamenon Falls Heritage Route".

- Providing staff assistance in the development of a management plan for the I-75 corridor from St. Ignace to Sault Ste. Marie.

Comprehensive Economic Development Strategy

Completed the Comprehensive Economic Development Strategy, an update of last years Overall Economic Development Plan for the Eastern Upper Peninsula.

SECTION III.

CHANGES IN THE AREA'S
ECONOMY

CHANGES IN THE AREA'S ECONOMY

The Eastern Upper Peninsula's economy continues to improve, in terms of population growth and lower employment rates. However, the region's growth is considerably less than that experienced by the State and Nation. Also, the area's overall per capita income is only 72% of the State average.

<u>Population</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
Chippewa	36,800	37,343	37,915	37,968
Luce	5,580	6,480	6,600	6,640
Mackinac	11,041	11,094	11,079	11,097
Totals	53,421	54,917	55,594	55,687

(Based on Population Estimates – U.S. Census Bureau)

Note: Michigan Information Center statistics show that the MI Department of Corrections has 5,484 prisoners incarcerated in the Eastern Upper Peninsula. Of these 4,547 are in Chippewa County and 937 are in Luce County. The above totals include the prison population.

<u>Per Capita Income</u>	<u>1994—1995</u>	<u>1996—1997</u>
Chippewa	\$14,713	\$15,591
Luce	\$19,101	\$17,716
Mackinac	\$19,790	\$21,886

(Based on Bureau of Economic Analysis Data)

<u>Unemployment Rates</u>	<u>1991</u>	<u>1995</u>	<u>1998</u>
Chippewa	11.7%	8.0%	8.1%
Luce	13.6%	9.3%	8.0%
Mackinac	21.2%	10.7%	9.6%

(Based on MI Employment Security Commission Data)

SECTION IV.

GOALS AND OBJECTIVES

GOALS AND OBJECTIVES

The Eastern Upper Peninsula has experienced substantial economic growth during the past eight years. However, most of the growth can be attributed to expansion of the Casinos owned and operated by the Sault Tribe of Chippewa Indians and the Bay Mills Indian Community and the growth of the five state Correctional Facilities in the region.

While the local economy is good at this time, it's dependency on casinos and prisons provides a fragile economic base.

For over three decades, the mainstay of the Eastern U.P.'s economy has been tourism. The tourist business sector remains strong and continues to grow at a very modest pace. However, a majority of these businesses are seasonal and pay low wages. The overall result is a large segment of the area workforce that is low income and unemployed three to five months of each year.

Many attempts have been made to attract industries to this region since the mid seventies but the success has been low.

The commercial business sector has experienced considerable growth over the past twelve to fifteen years, in terms of job creation, but the end result has been less diversity of retail goods, the loss of a number of quality shops and further deterioration of downtown business districts.

Economic growth is also limited to the few communities in the region that have water and sewer systems, some of which require substantial improvements, distribution and collection system expansions and increased capacity.

Also, the Eastern Upper Peninsula, for over three decades, has been characterized as a remote, sparsely populated, distressed area; a nice place to visit for a day or two for tourists, but not a desirable place in which to work and live.

In order to utilize the region's potential to solve it's economic development problems, the Eastern Upper Peninsula Regional Planning and Development Commission adopted a list of goals and objectives in June of 1997 and revised them in 1998 and again in 1999. The following are the goals and objectives, as revised in 1999:

I - Goal: Promote the creation of stable, diversified, year-round employment in the Eastern Upper Peninsula.

Objective A: Infrastructure improvements and expansions in communities with growth potential - primarily water and sewer systems and roads; assistance from the Eastern U.P. Regional Planning and Development Commission, to local units

of government, in making infrastructure improvements by giving assistance to local development organizations in carrying out their efforts. The Commission can provide the needed assistance in cooperation with the State, the Michigan Extension Service, L.S.S.U. and other development organizations. The commission can provide data, research, planning and grant & loan preparation assistance.

Objective B: Small Business needs in planning and finance are not currently being met. While SCORE counseling does provide some help, efforts must continue to implement Small Business Development Center counseling services in cooperation with the Upper Peninsula Small Business Center.

Objective C: Encourage and assist communities in obtaining professional consulting services in the development of downtown revitalization strategies.

Objective D: Encourage and assist local communities in the utilization of available State and Federal grant programs, for downtown revitalization. Assist companies that will contribute to the economic base in efforts to locate or expand.

Objective E: Promote cooperation and communication among Regional Planning Commissions, the Upper Peninsula Travel and Recreation Association, the Michigan Economic Development Corporation and other economic development organizations in the Upper Peninsula for complete integration of promotional efforts and joint projects.

Objective F: Encourage and assist the development of high quality tourism and convention centers and cooperative efforts to create tourist destination areas.

II - Goal: Community Development; Effective planning and development of essential infrastructure and mechanisms to ensure desired growth in local communities.

Objective A: Assist local communities in cooperative efforts with federal and state agencies to cooperate in planning and financing water and sewer treatment facility expansions and new developments.

Objective B: Land use planning and zoning that is necessary for the efficient and orderly expansion and renewal of existing population centers should be enacted and enforced.

Objective C: Involvement in the Great Lakes Water Quality Agreement of 1978, between the U.S. and Canada which calls for a program to clean up the Great Lakes System to acceptable levels for all desired uses within the next decade.

III - Goal: The development of an efficient system of roads and highways and other modes of transportation.

Objective A: Improve local county roads, state highways and federal highways to safe and acceptable levels.

Objective B: Continued cooperation with the Michigan Department of Transportation in planning road maintenance and construction in the Eastern Upper Peninsula.

Objective C: Continued support for the construction of a new lock on the St. Mary's River in Sault Ste. Marie.

Objective D: Rail extensions for the Sault Ste. Marie and the Luce County Industrial Parks.

Priority E: Continued upgrading of the availability and quality of air transportation, both passenger and commercial, from the region's airports.

IV - Goal: In the Eastern Upper Peninsula, recreation and cultural opportunities form a base for an important element of the area's economy. The area's recreational resources attract tourists, and play a key role in industrial and commercial recruitment.

Our goal is to maximize the use of existing resources and facilities and to further develop their potential.

Objective A: Businesses, governmental agencies, and public and private organizations should cooperate in implementing and promoting recreation and cultural programs and facilities.

Objective B: Proper maintenance should be ensured for existing and proposed recreational and cultural facilities.

Priority C: Cultural and artistic opportunities should be supported, funded and promoted in an effort to enhance and broaden our communities experience.

Objective D: Recreation facilities should be developed in relationship to the size of the community and in accordance with their recreational plan.

Objective E: Care must be given to special scenic, historic, and wilderness areas as identified by concerned individuals and organizations. Such sites should be treated in a way that preserves or adds to their uniqueness.

Objective F: Further develop tourism's role in the economic base of the region.

V - Goal: Preserve and enhance the viability of Eastern Upper Peninsula's community downtown districts.

Objective A: Assist local agencies and communities in developing plans, researching funding options, and initiating any other activities to preserve and enhance the viability of their downtown areas.

Objective B: Assist in the development of community centers, preferably in concentrated population areas, for the poor, elderly and underprivileged.

Objective C: Rehabilitation and maintenance for existing facilities should be ensured.

SECTION V.

DEVELOPMENT STRATEGIES

DEVELOPMENT STRATEGIES

CHIPPEWA COUNTY

Kincheloe –

Construction of a new and larger commercial airline terminal at Chippewa County International Airport: Preliminary engineering plans have been completed and the County Economic Development Corporation is preparing a pre-application for EDA Title IX grant funds to assist in financing the facility and parking lot. The total project cost is \$4,140,640.

Expansion of Olofsson Fabrication: Olofsson Fabrications Services, Inc., a metal fabricating industry, is completing plans to expand its operation to the point that employment will double within two years. (Current employment is 100) To accomplish the needed expansion, the firm will move to another building at the former Air Force Base. The building renovation is expected to take at least six months.

L.S.S.U.

Lake Superior State University Fine Arts Center: The design plans are nearing completion for the \$14 million facility. The Michigan legislature has committed a minimum of 50% of the total funding. The University has launched a fund raising campaign to secure the balance of the required funds.

Sault Ste. Marie

Downtown Parking Structure: The City of Sault Ste. Marie has had a serious parking problem for years. In an attempt to alleviate the problem, the City has been investigating the possibility of constructing a four-story parking structure that would hold approximately 220 vehicles. Preliminary engineering plans have been completed and discussions have been held with various potential funding agencies, including: U.S. Rural Development, E.D.A., MDOT and MSHDA. Local financing options have also been looked into. Currently, the City is updating its' analysis of parking needs.

Walkway along the St. Mary's River in the downtown area of Sault Ste. Marie: The City's unique waterfront along the St. Mary's River, one of the nation's busiest shipping channels, has not been utilized anywhere near its potential for tourist and community development. The City has recognized this deficiency for some time and, last year, contracted with Sundberg/Carlson, Inc. for preliminary design and cost estimates. The design work is expected to be completed very soon and then the City will begin its pursuit of funding sources.

A manufacturing firm by the name of Precision Edge Surgical Products, Inc. is planning to locate in the Sault Ste. Marie Air-Industrial Park and to develop a \$2.4 million facility. The 35,000 square foot plant will house a work force of 91 people within two years. To enable this development, Meridian Street must be extended 750 feet between 12th Avenue West and Davitt Street at a cost of \$290,000. An application for CDBG funding of \$200,000 is currently being prepared and the City will provide the additional \$90,000.

Combined Sewer Overflow Project: The City has completed the second year of a twelve year project that encompasses the entire community. The project is under federal and state mandates and, as such, its' completion will alleviate one of the city's most critical needs.

Sherman Park Beach Expansion: The citys' only park with a swimming beach is in serious need of expansion and improvements. The design work has been completed and the City began work on Phase I of the project last spring. The project is expected to be completed in five years.

DEVELOPMENT STRATEGIES

LUCE COUNTY

Luce County Industrial Park Sanitary Sewer Extension: Construction of sanitary sewer mains into the industrial park will complete the infrastructure development of the park. The County EDC will seek to leverage the location of a small company into sufficient grant funds to construct the system.

Rail Line Rehabilitation: The Luce County EDC continues to work with the Wisconsin Central to access funding to rehabilitate the Luce County portion of the Trout Lake to Munising rail line. This line was scheduled for abandonment prior to the location of the L-P plant in 1985. This line is critical to several Luce County businesses as well as a Kimberly-Clark plant in Munising. The EDC is working to secure a zero interest loan through the MDOT Michigan Rail Loan Assistance Program.

Luce County Industrial Park Rail Spur: The rehabilitation of the old hospital spur and construction of a new track into the industrial park is needed to serve an existing industry – Sustainable Forest Products. The EDC is in the process of seeking funding through the Michigan Department of Transportation.

Village/Pentland Water Link: Long term plans call for completing construction of municipal water mains to link Pentland Township and the Village of Newberry along M-123. This one mile long area is an active commercial district. It currently served by sanitary sewer with municipal water extending 1,500' north from the south end. Installation of water will complete the infrastructure needed to spur development along this corridor and provide the Village with needed emergency backup.

The Vulcan Furnace/Charcoal Iron Site: This site, located within the Village of Newberry and adjacent to the downtown business district, has been designated a “facility” by the Michigan Department of Environmental Quality. A recent MDEQ and EPA funded sit assessment has laid the groundwork for additional site assessment and remediation work. The Luce County EDC is working with the property owner to secure its transfer to the EDC in order to plan its redevelopment and use in conjunction with downtown redevelopment plans currently underway. Plans call for establishing a county-wide Brownfield Redevelopment Authority to oversee this and other brownfield redevelopment projects.

Tahquamenon Area Civic Center: Plans have been developed for a multi-purpose civic center to be located at a County-owned recreation complex on the outskirts of Newberry. The facility would include an ice rink, walking track and allow for various recreational and community uses. A community-based effort has been working to secure funding assistance for the past 4 years.

DEVELOPMENT STRATEGIES

MACKINAC COUNTY

Moran Township Water Extension: An additional extension of the City of St. Ignace water system into Moran Township. The system currently extends from the City limits 1½ miles west along US-2 in the township. The new proposed extension would go west another 1½ miles along US-2 to accommodate new businesses. It would also go along the side roads on both sides of US-2 to serve residential areas that have been experiencing serious pollution problems. The total water extension project is approximately 3½ miles. U.P. Engineers, Inc. is nearing the completion of a pre-engineering plan for the project. There have been numerous discussions regarding project assistance with staff of Rural Development, EDA and the Michigan Economic Development Corporation.

St. Ignace Water and Sewer System Improvement Project: This project consists of replacing and enlarging various water and sewer lines throughout the city's antiquated systems as well as increasing the capacity of the treatment plants. The project is currently about 50% complete. The time frame for project completion is dependent upon the ability of the City to continue to obtain state and federal funding assistance.

Mackinac County Jail Expansion: The Mackinac County Board, through the Sheriff's Department, has been investigating various means of financing an expansion of the County Jail that would increase its capacity from 28 to 40 beds. Last year, a letter of intent was submitted to the Michigan Department of Corrections for a grant of \$320,000. Discussions have also been had with other funding agencies in attempts to find assistance for the remaining \$1.8 million needed to complete the project.

Garfield Township Hall, Fire Station and Ambulance Garage: Renovation and expansion of this facility is desperately needed. A preliminary engineering study is being requested by means of RFPs. Following the completion of the engineering report, the township will begin to look into feasible methods of financing the project.