



**C**omprehensive

**E**conomic

**D**evelopment

**S**trategy

**2011**

*Western Upper Peninsula Planning & Development Region*  
P.O. Box 365  
Houghton, MI 49931  
[www.wuppdr.org](http://www.wuppdr.org)

*Serving: Baraga, Gogebic, Houghton, Iron, Keweenaw & Ontonagon Counties in Michigan's Upper Peninsula*



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## Section 1| Introduction

### PURPOSE

The Western Upper Peninsula Planning and Development Regional Commission (WUPPDR or “Western Region”) has served as an Economic Development District under the United States Economic Development Administration (EDA) since 1970. Since then, WUPPDR has worked closely with EDA to monitor and plan economic development initiatives. A comprehensive economic development strategy, or CEDS, serves as our region’s economic development plan. This document, formerly known as the Overall Economic Development Plan, is a blueprint for economic development in our region. EDA describes the CEDS as follows:

A comprehensive economic development strategy (CEDS) is designed to bring together the public and private sectors in the creation of an economic road map to diversify and strengthen regional economies. The CEDS should analyze the regional economy and serve as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, and identifying investment priorities and funding sources. A CEDS integrates a region's human and physical capital planning in the service of economic development. Integrated economic development planning provides the flexibility to adapt to global economic conditions and fully utilize the region's unique advantages to maximize economic opportunity for its residents by attracting the private investment that creates jobs for the region's residents. A CEDS must be the result of a continuing economic development planning process developed with broad-based and diverse public and private sector participation, and must set forth the goals and objectives necessary to solve the economic development problems of the region and clearly define the metrics of success. Finally, a CEDS provides a useful benchmark by which a regional economy can evaluate opportunities with other regions in the national economy.

Initially created as a planning document for EDA-funded projects, the CEDS has since evolved into a multi-purpose and comprehensive planning tool. Along with its original purpose, the CEDS is used as a reference in developing projects across many of WUPPDR’s program areas.

### THE CEDS PROCESS

The CEDS development process involves assessing and maximizing the utilization of local resources. The CEDS is developed as a collaborative effort of WUPPDR staff; the WUPPDR Executive Committee, serving as the CEDS Committee; and municipalities in WUPPDR’s region. WUPPDR staff drafted the CEDS background with input and evaluation from the CEDS Committee, relying heavily on newly released 2010 Census data. The 2011 CEDS was adopted by the WUPPDR Commission in December of 2011.

Major updates to the CEDS are completed every five years, with updates prepared annually. Annual updates include results of a call for projects, which include input from member municipalities, the public, and local engineers. Previous editions of CEDS documents and annual updates are available on WUPPDR’s website at <http://www.wuppdr.com/resources/documents>.

## Section 1| Introduction

### ECONOMIC DEVELOPMENT ACCOMPLISHMENTS

Over the last eight years, WUPPDR has collaborated with area municipalities, organizations and universities towards the creation of several high-tech business incubators in the Houghton-Hancock area. WUPPDR has successfully applied for and administered \$6 million of grant funding from EDA and the Michigan Economic Development Corporation (MEDC) to facilitate renovation and construction projects advancing economic development. Some highlights include:

**2004:** WUPPDR facilitated an \$800,000 EDA grant to renovate three floors of the Jutila Center for Global Design and Business in Hancock (previously the Portage View Hospital). The Jutila Center, part of the campus of Finlandia University in Hancock, houses classrooms, studios, and a business incubator along with a Michigan Tech Enterprise Corporation (MTEC) SmartZone incubator. Both provide vibrant work spaces and operating support to new and emerging businesses. This renovation was made successful through an innovative plan, created with the help of former EDA representative John Peck, to combine high-tech business with art and design.

**2005:** WUPPDR authored an EDA grant for \$1 million to assist Michigan Technological University (Michigan Tech) in constructing its Advanced Technology Development Complex (ATDC) in Houghton. The ATDC provides space for high-tech business start-ups, prototyping, research, testing laboratories, and conference space, in addition to business support services offered through Michigan Tech's Corporate Services and MTEC SmartZone.

**2007:** MEDC funded \$1 million to renovate MTEC SmartZone's Powerhouse facility in Houghton with WUPPDR authoring and administering the grant. The Powerhouse incubator renovation tripled the square footage with the creation of two new floors. This incubator houses GE Aviation's University Development Center where engineers provide design and development services for the aerospace industry.

**2008:** The largest EDA grant WUPPDR applied for and administered was for \$3.2 million, which benefited the City of Houghton, Michigan Tech, and MTEC SmartZone. The project provided complete refurbishment of the three-story former Upper Peninsula Power Company building and is now named the Michigan Tech Lakeshore Center. The building houses university offices and is MTEC SmartZone's flagship facility providing high-tech office and laboratory spaces for several established businesses and new start-ups. WUPPDR secured \$500,000 from MEDC allowing MTEC SmartZone to lease the entire first floor of the Lakeshore Center for 20 years. This is EDA's first Leadership in Energy and Environmental Design (LEED)-certified building funded by the Global Climate Change Mitigation Incentive Fund.

In addition to these economic development projects, WUPPDR also runs a variety of programs which provide broad support to the region. Some other areas of work include transportation planning, housing services, recreation planning, asset management, emergency management, and GIS services.

Going forward into the next five years, WUPPDR looks forward to continued collaborative support from its funding partners to create economic development and regional support opportunities in the Western Upper Peninsula ("[Western] U.P."). More details on future projects can be found in Section 9– Plan of Action.

## Section 2| Background

### REGIONAL PLANNING ORGANIZATIONS

A regional planning organization is a multi-service entity with State and locally-defined boundaries that delivers a variety of Federal, State, and local programs, and acts as a technical assistance provider and “visionary” to its member local governments. As such, they are accountable to local units of government and are effective partners for State and Federal governments.

Regional planning organizations (regions) were first conceived in the 1960s with the perspective that local governments must work together regionally to provide important services to their communities, including comprehensive and transportation planning, economic development, workforce development, the environment, services for the elderly, and clearinghouse functions.

In Michigan, fourteen regions represent diverse geographies and populations. Michigan regions typically work closely with the Michigan Economic Development Corporation (MEDC) and United States Economic Development Administration (EDA, part of the Department of Commerce) to develop and implement economic development initiatives. The three regions of the Upper Peninsula—regions 11, 12, and 13—often work beyond their boundaries to provide cross-regional opportunities for development.

Planning at the regional level is different than at the municipal, township or county levels. Regional planners respond to region-wide problems in a single integrated area, but they usually report back to a variety of governments rather than to just one. Since they are not usually responsible to a single unit of government, regional planning organizations encourage independent governments to act in concert if regional objectives are to be attained.

Regional planning organizations perform largely planning and advisory functions, with a primary focus on the coordination of plans and programs among various units of government within a region. These organizations have established major new channels of intergovernmental communications which never existed before, and have carved out some other important functions for themselves.

With all governments facing budget reductions, the importance of regionalism and collaboration is becoming apparent in order to provide programs and services to a larger geographic boundary. Regional organizations could use more stable financial resources, along with more consistent support from a wide variety of Federal aid programs and strong support from and linkage to State governments.

Regional problems and needs occur everywhere, and regional planning and regional organizations are likely to become even more important and more effective in the decades ahead.

### Organization and Management

WUPPDR was first formed as the Western Upper Peninsula Economic Development District (EDD) under the auspices of the Michigan Department of Commerce and the EDA. The organization was constituted in 1968 through Michigan Public Act 46, the County or Regional Economic Development Act of 1966, and Michigan Public Act 281, the Regional Planning Act of 1945. In 1970, the organization changed its name to Western Upper Peninsula Planning and Development Regional Commission and reconstituted itself to operate under sole authority of Public Act 281, which it still adheres to today.

## Section 2| Background

Executive Directive No. 1968-1 established official and uniform Planning and Development Regions to be used by principal departments, agencies and instrumentalities of State government. The overall objective of this action was to better coordinate State programs with one another and with Federal, regional, local and private-sector programs. Executive Directives Nos. 1970-4, 1973-1, and 1992-2 reaffirm the precepts of Executive Directive No. 1968-1 and modified the regional configurations that would best facilitate continued progress toward its objectives. The six counties of WUPPDR conformed to the substate regional boundaries established by the Governor in Executive Directive No. 1968-1 which designated these counties as Substate Planning Region 13. See **Map 2-I**.

EDA formalized WUPPDR's status as an EDD with a Memorandum of Designation in March, 1970, under the Public Works and Economic Development Act of 1965, as amended. WUPPDR retains that designation today. In February 1975, WUPPDR was designated as the Regional Clearinghouse pursuant to the Office of Management and Budget Circular A-95, as revised. It is still a Regional Clearinghouse for Federal grant in aid programs but now operates through Federal Executive Order 12372, Federal Project Review System and State Single Point of Contact.

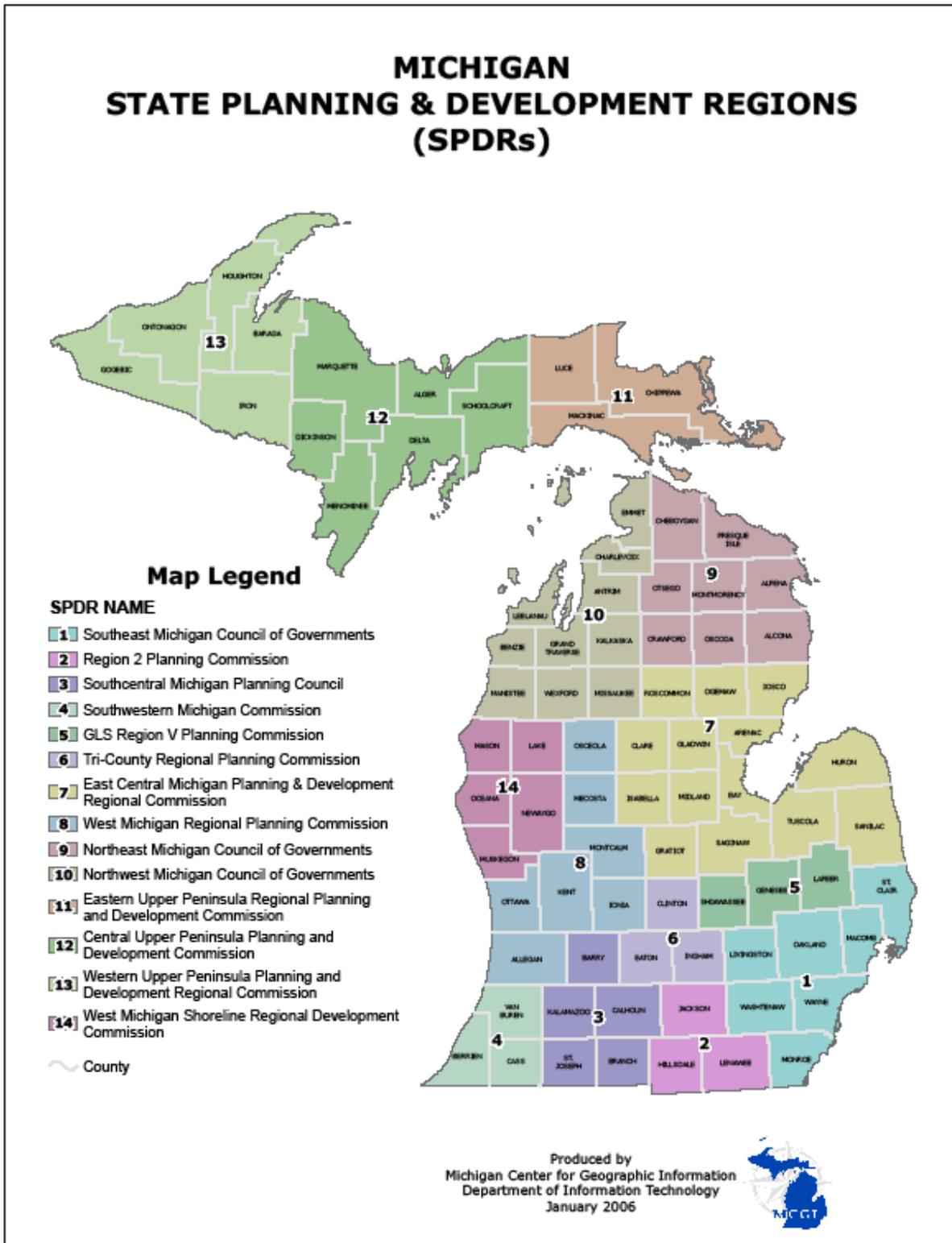
In 2008, WUPPDR celebrated its 40<sup>th</sup> year as a regional planning agency. During this term of service to the region WUPPDR has also received other county, State and Federal certifications and designations which help it implement the region's economic development program.



John Pelkola of Trout Creek received the Oreste "Chip" Chiantello Public Service Award at the Western Upper Peninsula Planning and Development Region's (WUPPDR) 43<sup>rd</sup> Annual Meeting in September 2011.

*WUPPDR Mission: to foster stable and diversified economies  
in the Western Upper Peninsula.*

Map 2-I: Michigan Planning Regions



## Section 2| Background

### Governance

The regional planning commission's membership is composed of organizations who are primarily minor civil divisions of local government. Currently these members include the Counties of Baraga, Gogebic, Houghton, Iron, Keweenaw and Ontonagon; the Cities of Hancock and Houghton; the Village of Ontonagon; Portage and Calumet Townships; and the Keweenaw Bay Indian Community.

The WUPPDR governing body is a 29-member commission composed of 51 percent public elected officials. Commissioners are appointed to the WUPPDR Commission by participating members and represent a diverse group of public and private interests. The WUPPDR Commission relies on a committee structure when needed. The roster of the commission can be found in **Appendix A**.

The officers of the Commission are elected every two years. The current officers (2011) are as follows:

- Jim Oliver, Gogebic County – Chair
- Rosalie King, Iron County – 1<sup>st</sup> Vice Chair
- Michael Koskinen, Baraga County – 2<sup>nd</sup> Vice Chair
- Ernest Mooney, Keweenaw County – Treasurer
- Dennis Barrette, Houghton County - Secretary

The Commission is assisted by a number of other panels, networks, boards and committees which have specific objectives as well as a program focus. Membership in these groups is usually not limited to WUPPDR commissioners but contains broader citizen representation. This encourages opportunities for generating fresh perspectives when dealing with economic development issues. Some of these groups include the Copper Country Trail National Byway Committee, Iron County Heritage Trail Committee, Access Management Committees, and the Michigan Tech Enterprise Corporation (MTEC) SmartZone Board. The roster for the Copper Country Trail National Byway Committee and the Iron County Heritage Trail can be found in **Appendix B and C**, respectively.

### Staffing

A staff of eleven full and part-time persons assists the WUPPDR Commission in the management of its business and in the implementation of its economic development program. The current staff (2011) are listed below:

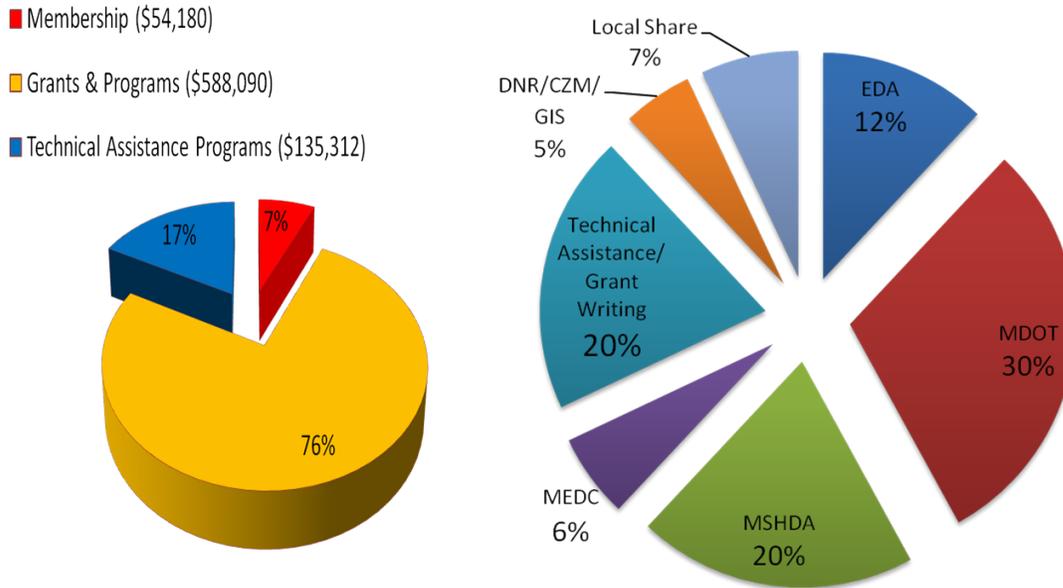
Kim Stoker –	Executive Director
Lori Hauswirth –	Associate Planner, AICP
Meg Pachmayer –	Planner
Courtney Archambeau –	Housing Agent
Jerald Wuorenmaa –	Assistant Planner
Steve Rouser –	GIS Technician
Mary Taddeucci –	Administrative Assistant
Sue Harter –	Financial Secretary
Amy Spahn –	Financial Aide
Laura Nakkula –	Housing Specialist
Ashley Curtis –	Executive Assistant / Planning Aide

## Section 2| Background

### Funding

In 2010, WUPPDR operated on an annual budget of approximately \$775,000. Membership fees provide 7%, grants and programs 76%, and technical assistance programs 17%.

**Figure 2-I: Funding Sources:**  
Funding Sources



### Return on Investment

To demonstrate the region's effectiveness, WUPPDR staff compiled data for a Return on Investment (ROI) report for each of the six counties in the Western Region along with a consolidated ROI for the Western Region. The ROI is intended to show, in dollars, WUPPDR's return to the Western Region compared to the six counties' contributions to WUPPDR.

The consolidated report shows that member contributions to WUPPDR totaled \$270,753 in 2005-2010. In return, WUPPDR has helped bring over \$21 million back into the region, a 7916% return on investment. That means that for every \$1 invested in WUPPDR, a return of \$79.16 was realized for members over the past five years.

Major funding sources include EDA, MEDC, Michigan Departments of Transportation (MDOT) and Natural Resources, Michigan State Housing Development Authority (MSHDA), and the United States Department of Agriculture Office of Rural Development, among others.

## Section 2 | Background

**Table 2-1: Western Region Return on Investment Analysis**

Member Contributions	2005-06	2006-07	2007-08	2008-09	2009-10	TOTAL
Counties	\$43,071.00	\$43,071.00	\$43,071.00	\$42,924.19	\$43,071.00	\$215,208.19
Cities, Villages, Townships, Tribes	\$11,109.00	\$11,109.00	\$11,109.00	\$11,109.00	\$11,109.00	\$55,545.00
						<b>\$270,753.19</b>

Direct Grants	2005-06	2006-07	2007-08	2008-09	2009-10	TOTAL
EDA	\$278,637.00	\$283,272.00	\$1,160,272.00	\$2,697,849.00	\$1,687,125.00	\$6,107,155.00
MDOT	\$261,617.00	\$205,462.00	\$171,267.00	\$289,696.00	\$203,740.00	\$1,131,782.00
MEDC	\$398,327.00	\$646,457.00	\$1,907,689.00	\$2,157,486.00	\$1,387,533.00	\$6,497,492.00
MSHDA	\$488,920.00	\$916,359.00	\$1,649,277.00	\$1,441,678.00	\$1,429,941.00	\$5,926,175.00
OTHER	\$44,851.00	\$96,003.00	\$203,758.00	\$525,000.00	\$1,171,557.00	\$2,041,169.00
<b>TOTAL</b>	<b>\$1,472,352.00</b>	<b>\$2,147,553.00</b>	<b>\$5,092,263.00</b>	<b>\$7,111,709.00</b>	<b>\$5,879,896.00</b>	<b>\$21,703,773.00</b>

\*\* County match is not included

**Every \$1 invested in WUPPDR returned \$79.16—or 7916%!**



## Section 3 | Regional Profile

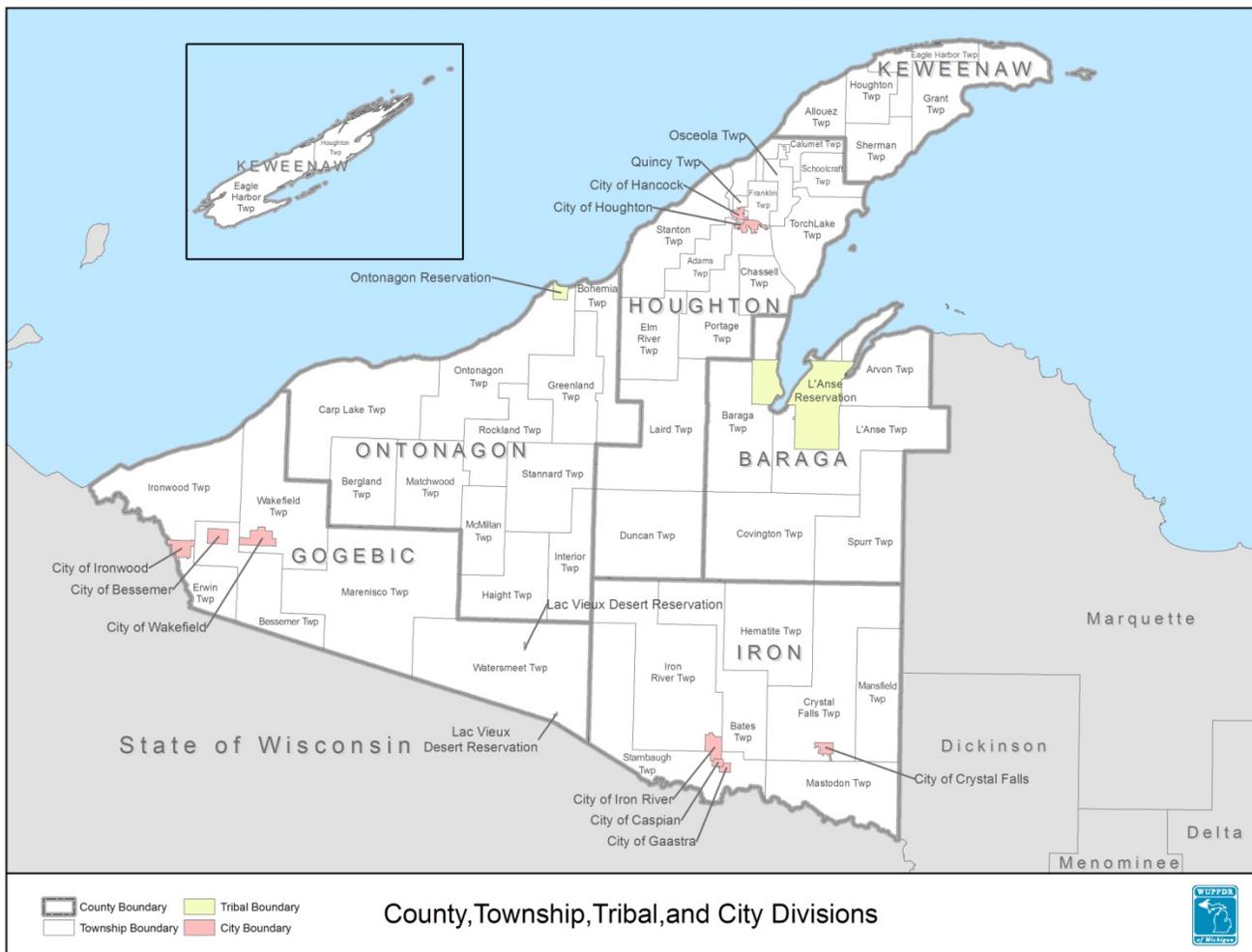
### LOCATION AND BOUNDARIES

WUPPDR is bounded to the north and west by Lake Superior. The southern boundary is formed by the Montreal River, the Michigan-Wisconsin boundary line, and the Brule and Menominee Rivers. The east side of the region is defined by the eastern boundaries of Baraga and Iron Counties. The region also includes the Isle Royale archipelago located approximately 40 miles northwest of the mainland in Lake Superior.

### MINOR CIVIL DIVISIONS

There are 74 minor civil divisions within the Western Upper Peninsula, most of which are shown in **Map 3-1** (villages were omitted for clarity). Besides the six counties, which include Baraga, Gogebic, Houghton, Iron, Keweenaw, and Ontonagon, there are 48 townships, 10 incorporated villages and nine incorporated cities. Two of the cities—Houghton and Hancock—are the core of a Census-designated micropolitan statistical area comprised of Houghton and Keweenaw Counties. The other cities are generally distributed over the southern corners of the region.

**Map 3-1: Civil Divisions in the Western Upper Peninsula**



# Section 3| Regional Profile

## STATE AND FEDERAL DESIGNATIONS

Besides the corporate and other municipal civil divisions outlined above, the Western Region contains a large number of State- and Federal-designated sites, routes, facilities, and other subdivisions. Some are preserved for public access, recreation, or environmental quality; others are utilized for promotion of tourism; and still others are set aside for targeted economic development. Federal designations also include Indian reservations, which are defined as domestic dependent sovereign nations within the United States, and North American Free Trade Agreement (NAFTA) Distressed Areas, which receive economic revitalization benefits.

**Tables 3-I and 3-II** and **Maps 3-II and 3-III** display the major State and Federal designations in our region, including designations significant to recreation, forestry, economy, and transportation.



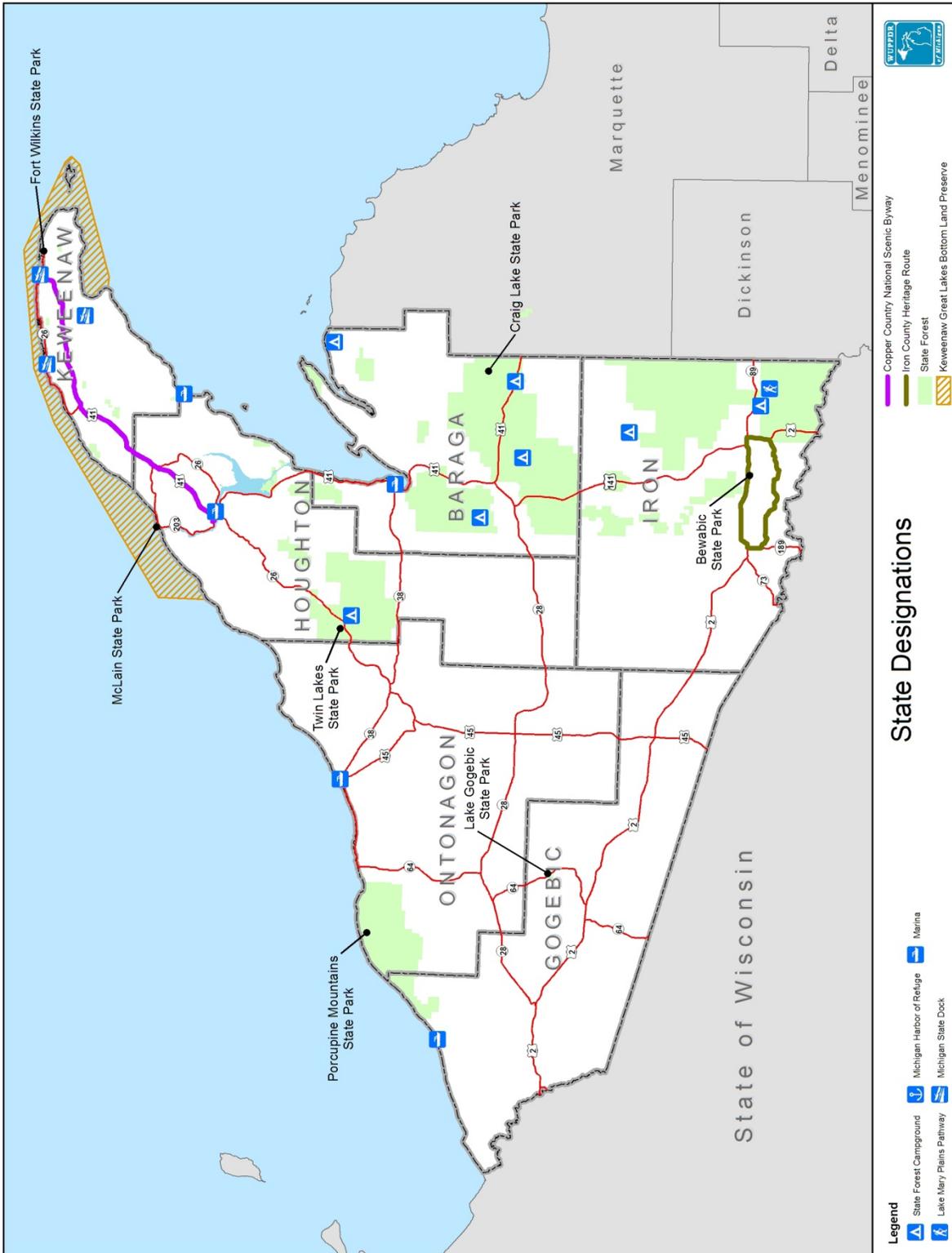
## Section 3| Regional Profile

**Table 3-I: State Designations in the Western Upper Peninsula**

Designator	Designation	Name	County	Notes
Department of Environmental Quality	Underwater Preserve Program	Keweenaw Great Lakes Bottomland Preserve	Houghton, Keweenaw	A 243 square mile area of Lake Superior bottomland designated as an area of significance for divers.
Department of Natural Resources	State Parks	Agate Falls Scenic Site	Ontonagon	Facilities: Hiking, Picnic Area
		Baraga State Park	Baraga	See also: michigan.gov/baraga
		Bewabic State Park	Iron	See also: michigan.gov/bewabic
		Bond Falls Scenic Site	Ontonagon	See also: michigan.gov/bondfalls
		Craig Lake State Park	Baraga	See also: michigan.gov/craiglake
		Fort Wilkins State Park	Keweenaw	See also: michigan.gov/ftwilkins
		Lake Gogebic State Park	Gogebic	See also: michigan.gov/lakegogebic
		McLain State Park	Houghton	See also: michigan.gov/mclain
		Porcupine Mountains Wilderness State Park	Ontonagon, Gogebic	See also: michigan.gov/porkies
		Twin Lakes State Park	Houghton	See also: michigan.gov/twinlakes
	State Forests	Baraga State Forest	Baraga	See Map 3-II for locations.
		Copper Country State Forest	Baraga	
		Keweenaw Point State Forest	Keweenaw	
	State Forest Campgrounds <i>* Stated for 2012 closure if local funding is not found</i>	Beaufort Lake *	Baraga	All MI State forest campgrounds are located on a river or lake, providing excellent access to fishing, boating and canoeing. Other recreation opportunities include picnicking, mushroom gathering, berry picking, cross country skiing and hunting.
		Big Lake *	Baraga	
		Deer Lake *	Iron	
		Emily Lake	Houghton	
		Big Eric's Bridge	Baraga	
		Glidden Lake	Iron	
		King Lake	Baraga	
State Forest Path	Lake Mary Plains	Iron		
Department of Transportation	State Heritage Program Scenic Route	Copper Country Trail Scenic Byway	Houghton, Keweenaw	Also a National Scenic Byway
		Iron County Heritage Route	Iron	
	Marinas and Harbors	Harbors and Harbors of Refuge	Baraga, Gogebic, Houghton, Keweenaw, Ontonagon	See Map 3-II for locations.
Michigan Economic Development Corporation	Core Communities	City of Bessemer	Gogebic	Core Communities designations provide communities with three economic development tools: Brownfield Redevelopment Incentives; Neighborhood Enterprise Zones; and Obsolete Property Rehabilitation Exemptions.
		City of Ironwood	Gogebic	
		City of Wakefield	Gogebic	
		City of Houghton	Houghton	
		City of Caspian	Iron	
		City of Crystal Falls	Iron	
		City of Gaastra	Iron	
		City of Iron River	Iron	

# Section 3 | Regional Profile

## Map 3-II: State Designations in the Western Upper Peninsula



## Section 3| Regional Profile

**Table 3-II: Federal Designations in the Western Upper Peninsula**

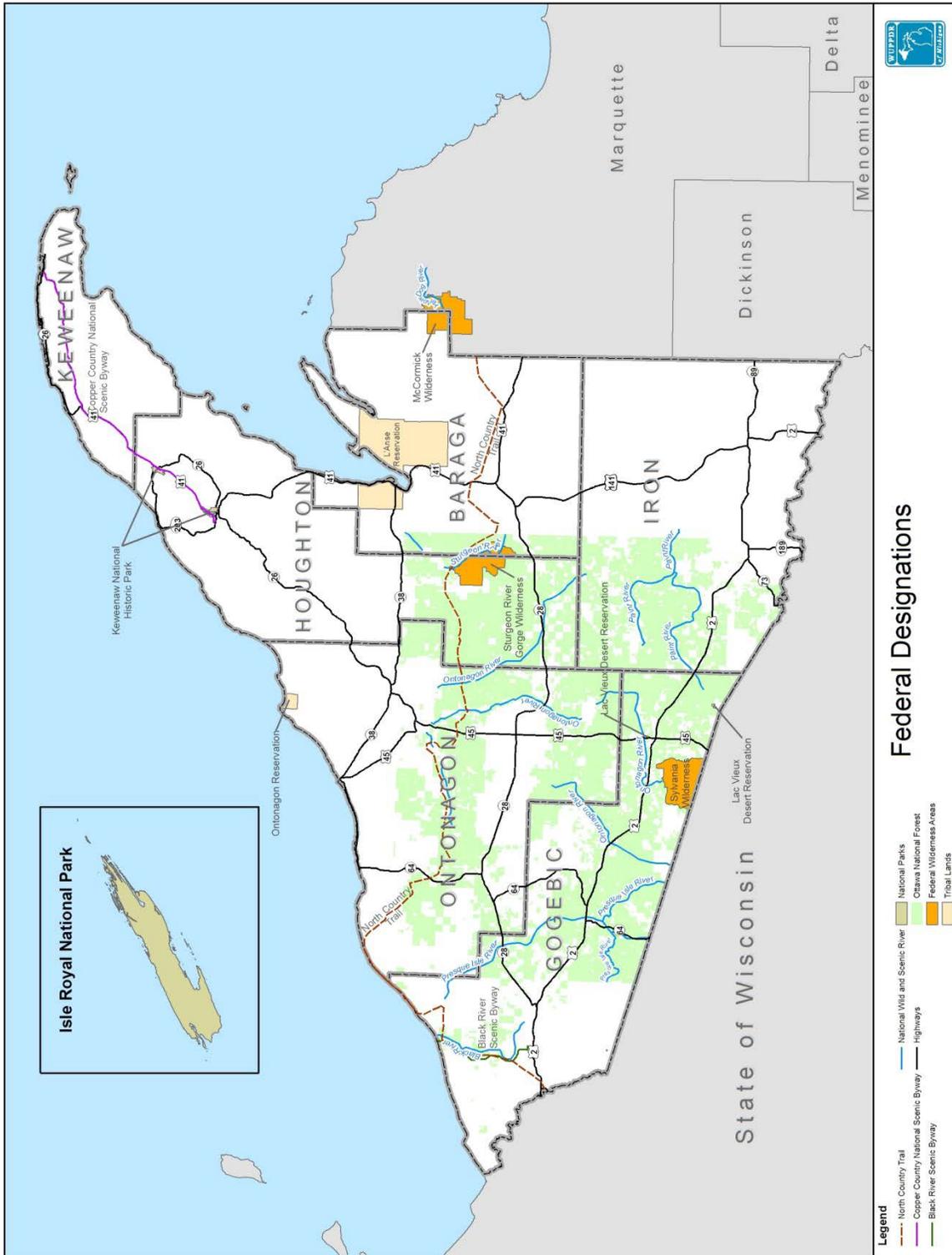
Designator	Designation	Title	County	Notes
Congressional Designation	National Wild and Scenic Rivers System	Sturgeon River	Baraga, Houghton	See Map 3-III for locations; additional information is available at <a href="http://www.rivers.gov/wildriverslist.html">www.rivers.gov/wildriverslist.html</a>
		Yellow Dog River	Baraga, Marquette	
		Black River	Gogebic	
		Presque Isle River	Gogebic, Ontonagon	
		Paint River	Iron	
	National Wilderness Preservation System	McCormick Wilderness	Baraga, Marquette	Established by National Wilderness Act in 1964 to preserve Federally managed land areas in their natural condition.
		Sturgeon River Gorge Wilderness	Baraga, Houghton	
Sylvania Wilderness		Gogebic		
Department of Agriculture	US National Forest	Ottawa National Forest	Baraga, Gogebic, Houghton, Iron, Ontonagon, Marquette	Composed of 981,000 acres, which cover 63% of total forested land within forest boundaries.
	National Forest Scenic Byway	Black River Scenic Byway	Gogebic	In cooperation with Federal Highway Administration's Byway Program.
Department of Interior	Indian Reservations	Keweenaw Bay Indian Community	Baraga, small section in Ontonagon	See Map 3-I: Civil Divisions in the Western Upper Peninsula
		Lac Vieux Desert Reservation	Gogebic	
	National Park	Keweenaw National Historical Park	Houghton	The Park is comprised of two units, located in Calumet and north of Hancock (Quincy Mine Hoist Association site).
		Isle Royale National Park	Keweenaw	Includes 132,018 acres of above-water land; total boundary area is 571,790 acres. Park is also designated as a Biosphere Reserve by the United Nations Educational, Scientific, and Cultural Organization (UNESCO).
	National Scenic Trail	North Country Trail	Baraga, Gogebic, Houghton, Ontonagon	The North Country Trail runs through seven states and links 4,600 miles of scenic, natural, historic and cultural areas.

### HISTORIC FEATURES

The National Register of Historic Places (NRHP) is the official list of the nation's historic places worthy of preservation. Authorized by the National Historic Preservation Act of 1966, this Federal program supports efforts to identify, evaluate, and protect America's historic and archaeological resources. Historic Districts allow communities and property owners to take advantage of tax-credits and grants and allow for historic design guidelines and ordinances. Thirty-two sites in the Western Region listed by the United States Department of the Interior (USDI) on the NRHP are inventoried in **Table 3-III** below.

# Section 3 | Regional Profile

## Map 3-III: Federal Designations in the Western Upper Peninsula



## Section 3| Regional Profile

**Table 3-III: Federal Historic Designations in the Western Upper Peninsula**

Name of District or Establishment	County
Assinins	Baraga
Herman and Anna Hanka Farm	
Big Traverse Bay Historic District	Houghton
Calumet and Hecla Industrial District	
Calumet Downtown Historic District	
Calumet Historic District	
East Hancock Neighborhood Historic District	
Lake Linden Historic District	
Laurium Historic District	
Painesdale Historic District	
Quincy Mining Company Historic District	
Quincy Mining Company Stamp Mills Historic District	
Quincy Street Historic District	
Shelden Avenue Historic District	
Alpha Public Building and Historic Complex	
Amasa Historic Business District	
Courthouse Residential Historic District	
Falls Location Historic District	
James Mine Historic District	
Mansfield Mine Location Historic District	
Park City Historic District	
Triangle Ranch Headquarter Historic District	
Van Ornum's Addition Historic District	
Van Platen-Fox Lumber Camp Historic District	
Hiawatha Mine Number One Complex	
Camp Gibbs	
Central Mine Historic District	Keweenaw
Eagle River Historic District	
Fort Wilkins	
Johns Hotel	
Keweenaw Mountain Lodge	
Minong Mine Historic District	
Ontonagon Harbor Piers and Historic District	Ontonagon

*Designator: USDI (NRHP)*

### POPULATION PROFILE AND TRENDS

#### The Region's Population History

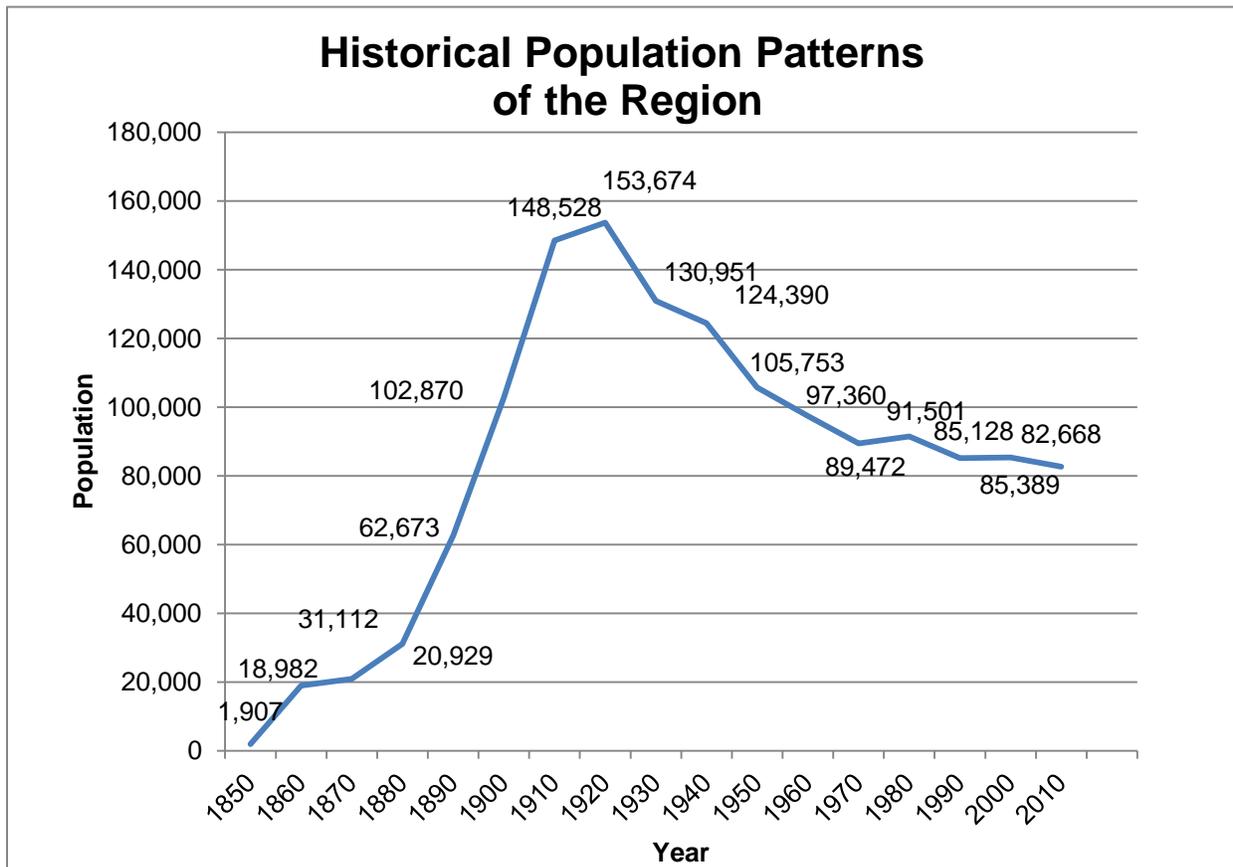
The beginning of the nineteenth century introduced an ever increasing interest in the copper region of Lake Superior that culminated, shortly after mid-century, in the establishment of one of the greatest mining areas of the world. The territory we know as the Western Upper Peninsula of Michigan was inhabited in the early 1800s by Native Americans, primarily of the Ojibwa nation. There were also a few non-native Americans and some Europeans. These were trappers, traders, fishermen, and missionaries. Settlement of the territory did not begin, however, until the United States Government negotiated a treaty with the Ojibwa during 1842, at which they ceded their lands in the Western Upper Peninsula to the United States. The treaty helped prepare the way for opening up that part of the territory which would become known as the Lake Superior Copper District.

As the copper and tin mines in Cornwall, England fell on hard times, the Cornish miners quickly homed in on the promising reports from the northern tip of Michigan. A serious migration of Cornishmen began in the mid-1840s. In the second half of the 19<sup>th</sup> century, Finnish immigrants came to the region. Excessive tax burdens, elusive land titles, and opposition to new religious teachings joined forces with poor soil and growing seasons in their native land to stir their migratory spirits. These two groups were augmented with French Canadians, Irish and Scandinavians, again lured by the logging and mining opportunities. These were followed by Italians, Germans, Poles, Slovenians, Croats, and Scots, among others.

The population grew slowly until after the Civil War in 1865, when the region's natural resources of copper, timber, and iron ore helped support the nation's rapid industrialization and westward expansion. The exploitation of these resources required large labor inputs which in turn offered an opportunity to earn a livelihood. This population was composed of Americans, of course, but it also had many ethnic groups from Europe, recruited specifically to fill a manpower shortage. The region's population zenith was reached in 1920 and thereafter declined with each decennial census. While some individual counties registered gains, these were never enough to counter the losses of the other counties. The exceptions to this pattern occurred in 1980 when the region's population reflected a 2.0% increase and again in 2000 with a slight gain of 0.2%. The 1990 Census figures confirmed a persistent long-term regional population loss, with a population of 85,182—6.9% less than the 1980 population of 91,501. The population stabilized again for the next 20 years, with population changes coming in at less than one percent in the 2000 and 2010 census counts. These patterns are illustrated in **Figure 3-I**.

## Section 3| Regional Profile

Figure 3-I: Historical Population Patterns of the Region



*SOURCE (for this through Figure IV): U.S. Census Bureau, 2010*

The data in the figure above (based on a combination of historic and recent Census data), particularly in the early decades, are influenced by two factors: changes in boundaries and Census methodology. First, in 1843 the Michigan Legislature divided the Upper Peninsula into six counties: Chippewa, Delta, Mackinac, Marquette, Ontonagon, and Schoolcraft. These original counties were subdivided by the Legislature over the years, ultimately resulting in the current 15 Upper Peninsula counties. It wasn't until the 1880-1890 period that territorial adjustments to these counties ceased and the boundaries remained as they are found today. Second, it was not until 1860 that the Federal government counted Native Americans in the decennial census, and even then, Indians were counted only if they had left their reservations. The 1890 census was the first attempt to obtain a complete census of Native Americans throughout the country.

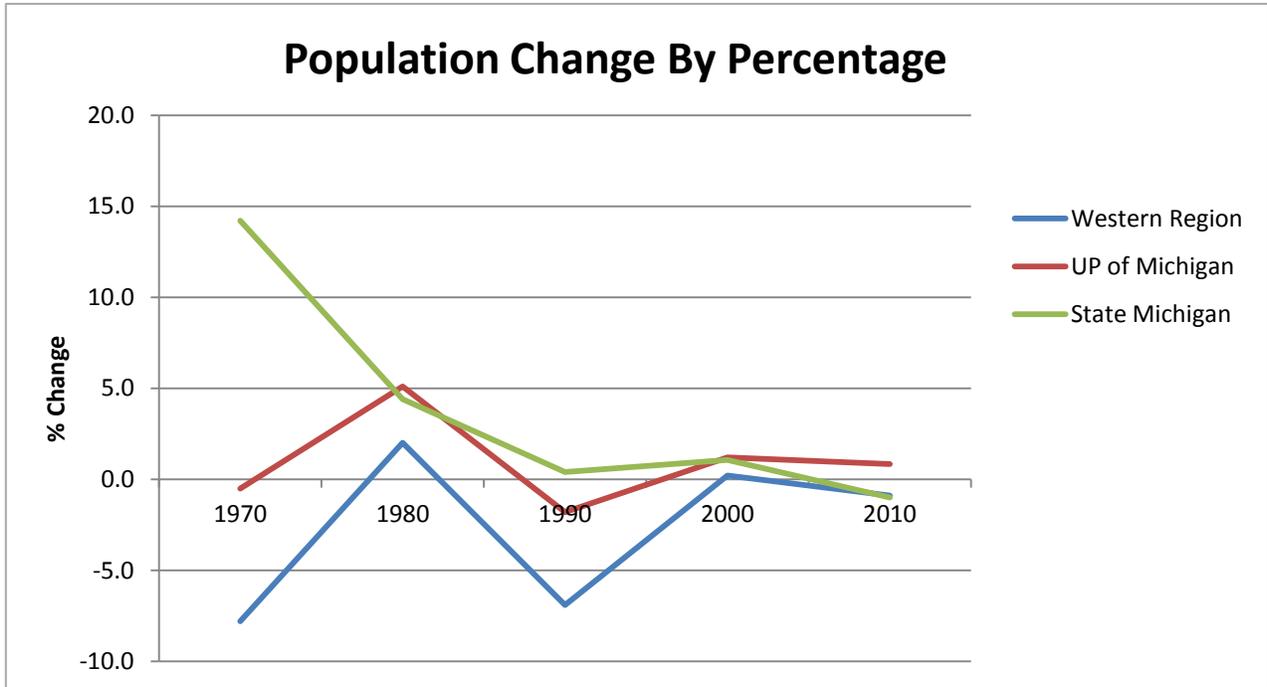
### Current Trends

Figure 3-II and 3-III provide county and regional figures for the period covering the past 40 to 50 years. The tables illustrate population changes in the Western U.P. and also demonstrate that the counties have not experienced uniform population loss. With respect to population distribution in the region in

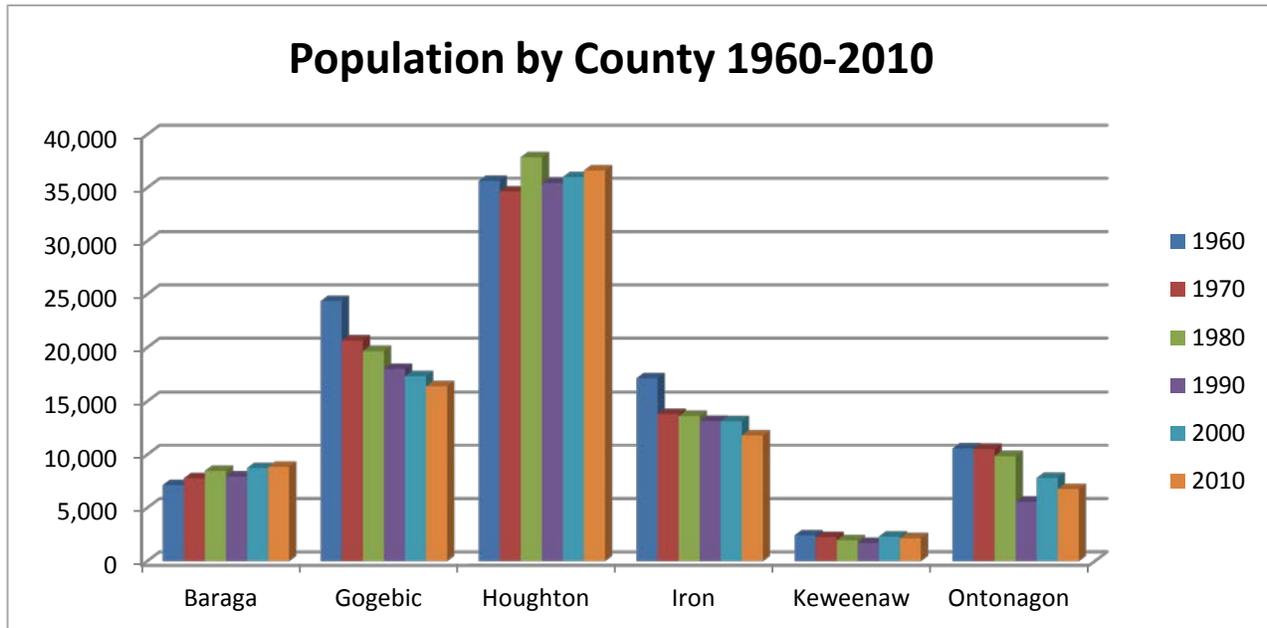
## Section 3| Regional Profile

2010, Houghton County has the largest share with 44%, followed by Gogebic with 20%, Iron with 14%, Baraga with 11%, Ontonagon with 8%, and Keweenaw with 3%. By comparison, the western six counties represent just one percent of Michigan's population. The 2010 population shows an overall slight decrease from the previous census period in 2000. Houghton and Baraga Counties experienced slight population increases, while Gogebic, Iron, Keweenaw, and Ontonagon Counties experienced slight to moderate population losses.

**Figure 3-II: Percentage Population Change, 1970-2010**



**Figure 3-III: Absolute Population Change by County, 1960-2010**

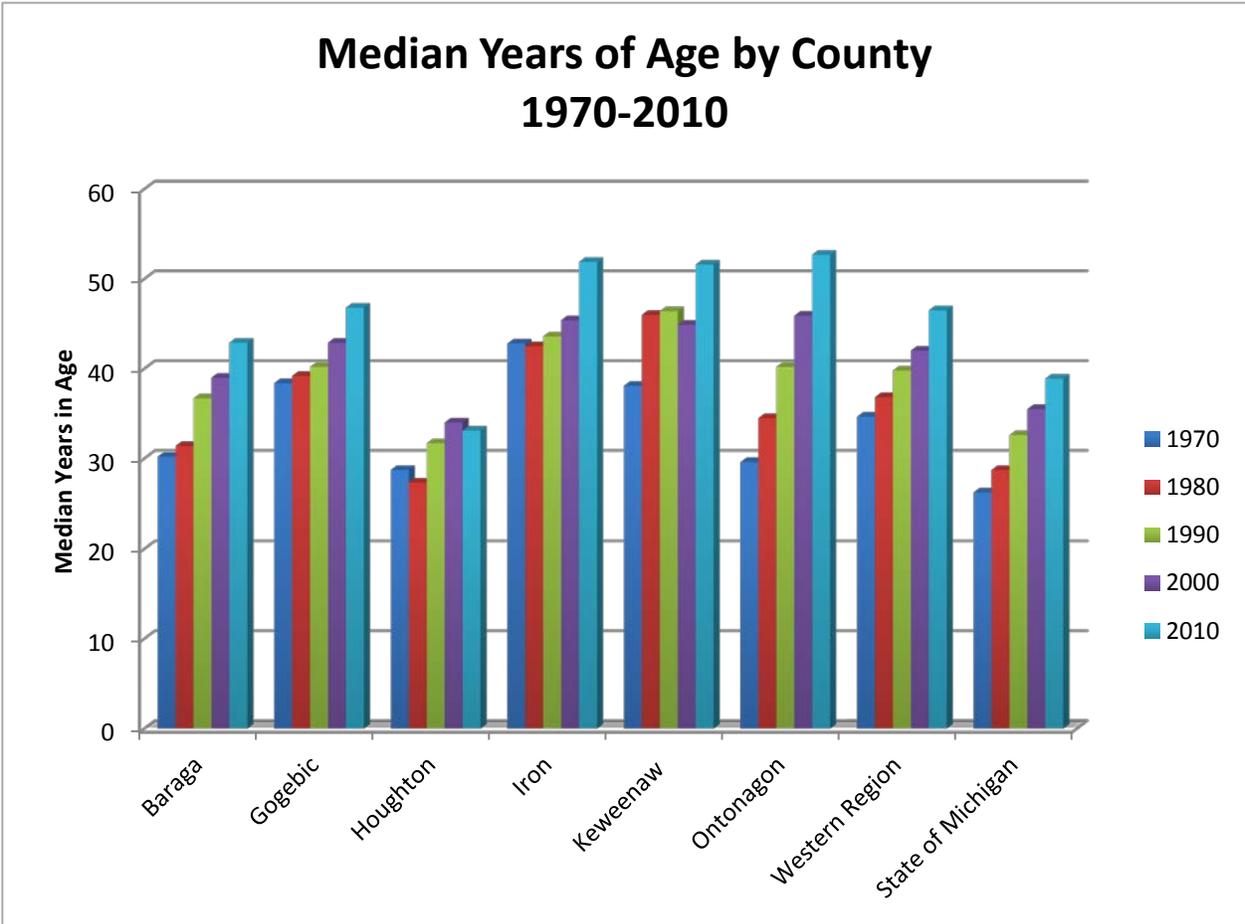


# Section 3| Regional Profile

## Age Structure

Age of population in the region is older than the State of Michigan as a whole. More than 40% of the regional population is 45 years or older, compared to 35% for the State. An indication of this pattern can be seen in **Figure 3-IV** and **Table 3-IV**. There is a high concentration of the over-64 year age group in the region—19.2%, compared to 13% at the State level. Around 25% of Keweenaw and Iron’s populations are over 64 years of age—the two largest percentages in the region. All age groups in the region have experienced population declines except for the over-64 year age group, which has increased by 25%.

**Figure 3-IV: Median Age by County, 1970-2010**



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**Table 3-IV: Population by Age Range by County**

	Age Category	2010	% Total	2000	% Total	% Change
Baraga County	Under 5	417	4.71%	387	4.47%	7.75%
	5 to 19	1,555	17.55%	1,463	16.91%	6.29%
	20 to 44	2,725	30.76%	2,851	32.96%	-4.42%
	45 to 64	2,632	29.71%	2,565	29.65%	2.61%
	65 and over	1,531	17.28%	1,384	16.00%	10.62%
Gogebic County	Under 5	765	4.66%	793	4.57%	-3.53%
	5 to 19	2,454	14.94%	3,282	18.89%	-25.23%
	20 to 44	4,586	27.92%	5,153	29.67%	-11.00%
	45 to 64	5,108	31.10%	4,211	24.24%	21.30%
	65 and over	3,514	21.39%	3,931	22.63%	-10.61%
Houghton County	Under 5	2,131	5.82%	1,952	5.42%	9.17%
	5 to 19	7,736	21.12%	8,100	22.49%	-4.49%
	20 to 44	12,639	34.51%	12,848	35.67%	-1.63%
	45 to 64	8,646	23.60%	7,537	20.93%	14.71%
	65 and over	5,476	14.95%	5,579	15.49%	-1.85%
Iron County	Under 5	497	4.21%	559	4.25%	-11.09%
	5 to 19	1,745	14.77%	2,441	18.58%	-28.51%
	20 to 44	2,439	20.64%	3,495	26.60%	-30.21%
	45 to 64	4,028	34.09%	3,330	25.35%	20.96%
	65 and over	3,108	26.30%	3,313	25.22%	-6.19%
Keweenaw County	Under 5	98	4.55%	103	4.48%	-4.85%
	5 to 19	328	15.21%	479	20.82%	-31.52%
	20 to 44	434	20.13%	574	24.95%	-24.39%
	45 to 64	778	36.09%	677	29.42%	14.92%
	65 and over	518	24.03%	468	20.34%	10.68%
Ontonagon County	Under 5	239	3.53%	230	3.33%	3.91%
	5 to 19	922	13.60%	1,036	15.00%	-11.00%
	20 to 44	1,327	19.57%	1,465	21.21%	-9.42%
	45 to 64	2,505	36.95%	2,403	34.79%	4.24%
	65 and over	1,787	26.36%	1,773	25.67%	0.79%
Region 13	Under 5	4,147	5.02%	4,024	4.77%	3.06%
	5 to 19	14,740	17.83%	16,801	19.91%	-12.27%
	20 to 44	24,150	29.21%	26,386	31.27%	-8.47%
	45 to 64	23,697	28.67%	20,723	24.56%	14.35%
	65 and over	15,934	19.27%	16,448	19.49%	-3.13%
State of Michigan	Under 5	596,286	6.03%	672,005	6.76%	-11.27%
	5 to 19	2,052,599	20.77%	2,212,060	22.26%	-7.21%
	20 to 44	3,111,195	31.48%	3,604,383	36.27%	-13.68%
	45 to 64	2,762,030	27.95%	2,230,978	22.45%	23.80%
	65 and over	1,361,530	13.78%	1,219,018	12.27%	11.69%

Source: U.S. Census Bureau

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### Racial Composition

**Table 3-V** shows the population by race alone or in combination with one or more other races in the counties, region, and the State of Michigan. The region is predominately (94%) White. American Indians (3.5%) represent the region’s second largest population group. Of the total population of American Indians in the region, 52% live in Baraga County. Many of these live in the Keweenaw Bay Indian Community reservation. American Indians represent 17% of Baraga County’s population. Black and Asian races comprise relatively small percentages of the region’s population—2% and 1.6%, respectively. Persons of Hispanic origin represent only a very small percentage of the region’s population (1%).

**Table 3-V: Racial Composition - alone or in combination with one or more other races**

Location	Total Pop. (1000s)	White (1000s)	Black	American Indian/ Alaska Native	Asian	Native Hawaiian /Pacific Islander	Other Race	Hispanic or Latino	Total Minority Pop.	% Total Minority Pop.	% American Indian/ Alaska Native Pop.
Baraga County	8.9	7.0	672	1,512	37	18	26	86	2,219	25.0%	17.1%
Gogebic County	16.4	15.3	720	553	61	12	37	142	1,368	8.3%	2.2%
Houghton County	36.6	35.1	295	459	1,196	49	111	415	2,032	5.5%	1.3%
Iron County	11.8	11.6	53	216	40	12	42	161	348	2.9%	1.8%
Keweenaw County	2.2	2.1	12	15	3	0	3	15	25	1.2%	0.7%
Ontonagon County	6.8	6.7	21	135	24	2	13	64	186	2.7%	2.0%
Region 13 (1000s)	82.7	77.8	1.8	2.9	1.4	.9	.2	.9	6.2	8.0%	3.5%
Michigan (1000s)	9,883.6	8,007	1,505.5	139.1	289.6	9.3	181.7	436.4	2,080.5	21.0%	1.4%

Source: U.S. Census Bureau, 2010

### Educational Attainment

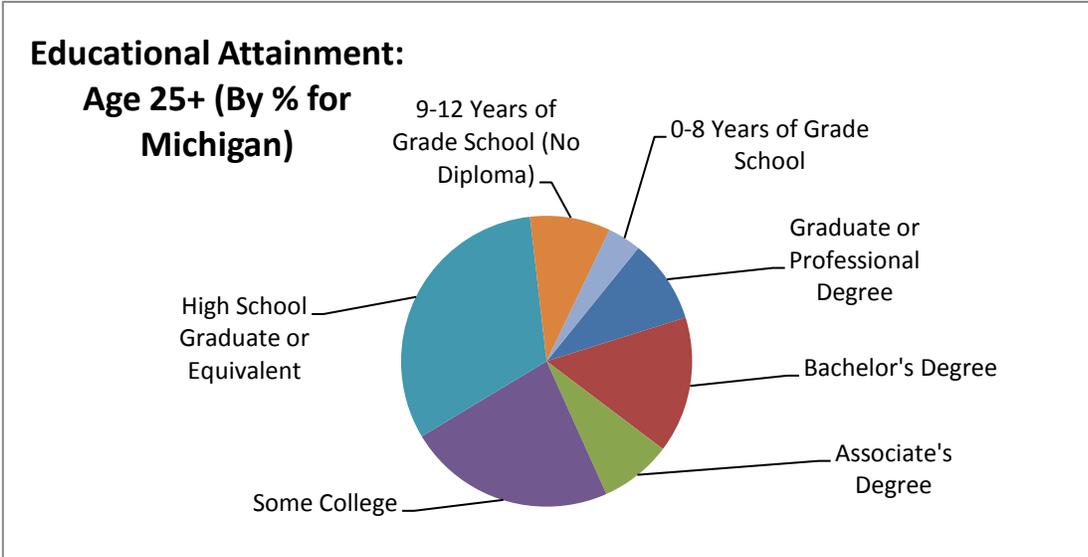
Within the region 12.0% of the population 25 years of age and older has not completed a high school education. Another 40.9% has a high school education but no higher, whereas 27.6% has acquired a college degree. Of the counties within the region:

- Baraga has the highest percentage of persons 25 and older who have not completed high school (18.4%) and the lowest percentage with a high school diploma or higher (81.6%).
- Ontonagon County has the lowest percentage who have not completed high school (9.8%).
- Iron County the highest percentage with a high school diploma or equivalent but no college degree (65.4%).
- Houghton has the highest percentage who have acquired any college degree (32.2%).

Figures 3-V and 3-VI illustrate the educational background of the State’s and region’s residents. Each individual over the age of 25 was categorized based on the highest level of education attained.

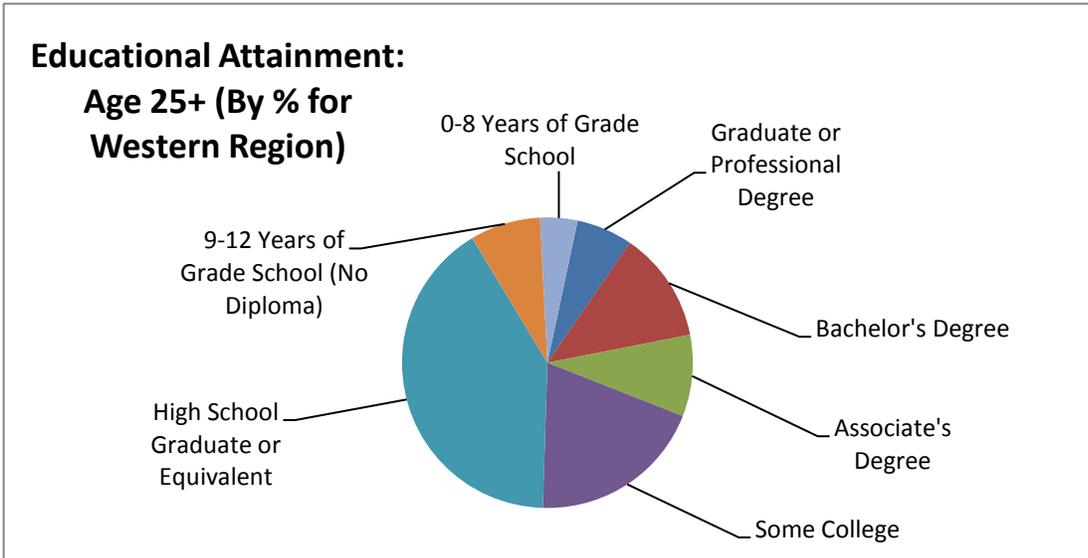
# Section 3| Regional Profile

**Figure 3-V: Educational Status of Michigan Residents Age 25 and Over**



*SOURCE: U.S. Census Bureau American Community Survey (ACS), 2005-09 Five-Year Estimates*

**Figure 3-VI: Educational Status of Western Region Residents Age 25 and Over**



*SOURCE: ACS, 2005-09 Five-Year Estimates*

## Section 3| Regional Profile

### SOCIAL SERVICES INFRASTRUCTURE

Social services are available to those with inadequate economic means and are a significant resource in Michigan's Western Upper Peninsula, where individual and family economic means are substantially below State levels. Two agencies which are pivotal in providing a foundation for a social services infrastructure in the region are the Michigan Departments of Human Services (DHS) and Community Health (MDCH). While each delivers services through its own bureaucracy, each also contracts and channels resources to local, voluntary, non-profit agencies which operate programs that address specific social service needs.

DHS is represented in each county of the region through a county Department of Social Services. A primary operating principle of DHS is the protection of those at risk. Social services include those that help individuals and families meet financial, medical, and social needs; assist people to become self-sufficient; and help protect children and adults from neglect, abuse, and exploitation. The DHS is the largest employer of human services employees in Michigan.

Four major categories of DHS programming include:

- Assistance Payments (i.e. aid to dependent children, supplemental security income, and medical assistance)
- Adult Services (i.e. community placement, home help services, and protective services);
- Children and Family Services (i.e. delinquency services, foster care, and adoption)
- Volunteer Services

MDCH has a mission to "continually and diligently endeavor to prevent disease, prolong life and promote the general health as defined by the Michigan Public Health Code." The MDCH's goals are to prevent and control diseases, health problems, and environmental health hazards among vulnerable populations; to develop health services delivery systems; and to regulate the quality of health care facilities, agencies, and delivery systems.

The MDCH administers programs in areas such as:

- Alcohol and drug abuse
- Tobacco control
- Nutrition
- Sexually transmitted diseases
- Immunization
- Family planning
- Violence prevention
- Problem gambling

Through its Division of Environmental Health, the MDCH program areas include:

- Food-borne illness prevention
- Sewage and garbage disposal
- Insect and rodent control
- Minimization of health risks related to environmental exposure
- Risk assessment related to fish consumption
- Drinking water supply safety

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MDCH policies and programs are carried out with the cooperation of local health departments. There are two that serve the Western Upper Peninsula and reflect the rural nature of the region by being multi-county health departments, with several local offices. Five of the region's counties make up the Western Upper Peninsula District Health Department. The other county, Iron, is part of the Dickinson-Iron District Health Department. The typical program areas provided by these agencies include clinical services, home health care, health education, environmental health, and administration.

Health care on the two Indian Reservations in the region is provided by the Federally administered Indian Health Service (IHS). The IHS parallels the cooperative relationship between State and local health departments with regard to their duties, services, and structure. The district IHS division works directly with tribal communities to provide health care either on the reservations or by contract with outside services. Environmental health services on reservations are governed by Federal laws administered by the Environmental Protection Agency (EPA). Tribal communities have the option of setting their own codes, but the codes must be at least as stringent as the existing Federal laws and have EPA approval. Enforcement authority is reserved for the EPA or the tribal community.

Closely allied with these agencies are the Community Mental Health (CMH) agencies and the Western Upper Peninsula Manpower Consortium. There are three community mental health agencies serving the region: Copper Country CMH, Dickinson-Iron County CMH, and Gogebic County CMH. These agencies provide services to mentally ill and developmentally disabled adults in residential settings. They also provide outpatient services dealing with depression and stress, day services such as Alzheimer Day Care, inpatient services at Marquette General Health System, and a variety of community support programs such as preventive mental health for older adults.

The Manpower Consortium serves the entire region with a number of local offices. It directs resources from the Job Training Partnership Act toward economically disadvantaged, dislocated or unemployed youth and adults with employment and training programs. Some of the target groups this agency focuses on include: the Older Worker 55+, School Dropouts, the Handicapped, the Welfare Recipient, Youth Ages 14-21, and Veterans.

There are also a number of private non-profit corporations which operate in the region and serve the social service needs. Only a small number will be mentioned here because some are not found region-wide, whereas other organizations are program specific and represent delivery mechanisms for the major social service agencies. They include:

- Community Action Agencies (CAA)
- Child and Family Services
- Head Start
- U.P. Legal Services
- Catholic Social Services
- Lutheran Social Services
- St. Vincent DePaul Society

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Of these organizations, the CAAs deliver the broadest selection of social services and operate three offices in the region: the Baraga-Houghton-Keweenaw CAA, Gogebic-Ontonagon CAA, and the Dickinson-Iron CAA. These agencies were established in 1965 to develop, administer, and carry out programs that have a direct impact on the causes and instances of poverty. They supplement existing community efforts and develop innovative new programs, with services including distribution of government surplus food, home weatherization assistance, and transportation systems.

### HOUSING

The total housing stock of the six-county Region is 52,037 based on the 2010 Census (up from 49,721 in 2000). The age of housing structures is categorized as follows in **Table 3-VI** based on American Community Survey estimates:

**Table 3-VI: Age of Housing Units**

Year Built	# of Units	% Total Units
2005 or later	490	.95%
2000 - 2004	1,983	3.84%
1990 - 1999	4,510	8.74%
1980 - 1989	4,448	8.62%
1960 - 1979	10,757	20.85%
1940 - 1959	9,057	17.56%
Before 1940	20,338	39.43%
Before 1970	33,450	64.85%

*Source: ACS, 2005-09 Five-Year Estimates*

The 2010 Census also reports that only 34,561 (66.4%) of the housing units are occupied, leaving 17,476 (33.5% vacant). This occupancy rate is a decrease from the 2000 rate of 69.9%. Of the total housing units, 12,658 units (24%) are seasonal, reflecting the desirability of the region for second homes. **Table 3-VII** shows a profile of housing occupancy by county:

**Table 3-VII: Housing Occupancy (2010)**

County	Total Housing Units	Occupied Housing Units	Seasonal Housing Units	Owner Occupied	Renter Occupied	Vacant	Average Household Size	Median Home Value
<b>Baraga</b>	5,270	3,444	1,383	2,659	785	1,826	2.33	\$66,400
<b>Gogebic</b>	10,795	7,037	2,490	5,539	1,498	3,758	2.17	\$42,600
<b>Houghton</b>	18,636	14,232	2,761	9,837	4,395	4,404	2.50	\$57,000
<b>Iron</b>	9,197	5,577	2,814	4,559	1,018	3,620	2.08	\$51,100
<b>Keweenaw</b>	2,467	1,013	1,278	910	103	1,454	2.14	\$49,300
<b>Ontonagon</b>	5,672	3,258	1,932	2,801	457	2,414	2.10	\$45,300

*Source: U.S. Census Bureau, 2010*

New construction of residential units in the Region has been influenced by the overall economy. In the years up until 2006, constructions numbers were relatively consistent within each county. A dramatic drop in 2007 and continuing through 2010 reflects the housing crash of this time period. Building permits in the region from 2001 to 2010 were estimated to have been granted as follows in **Table 3-VIII**.

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**Table 3-VIII Estimated Building Permits (2001-2010)**

County	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Baraga</b>	43	25	42	37	37	24	30	9	11	6
<b>Gogebic</b>	53	44	51	36	46	65	37	22	20	18
<b>Houghton</b>	129	193	124	134	131	117	76	72	62	57
<b>Iron</b>	79	59	61	50	76	34	37	30	35	43
<b>Keweenaw</b>	25	24	26	28	26	23	18	13	10	9
<b>Ontonagon</b>	16	30	27	34	22	19	14	15	8	9
<b>TOTAL</b>	<b>345</b>	<b>375</b>	<b>331</b>	<b>319</b>	<b>338</b>	<b>282</b>	<b>212</b>	<b>161</b>	<b>146</b>	<b>142</b>

*Source: U.S. Census Bureau (<http://censtats.census.gov/bldg/bldgprmt.shtml>)*

With all six counties in the region being designated as low to moderate-income communities, affordable housing takes on more significance when attempting to meet the national goal of “a decent home for every family in a suitable environment.” A low- to moderate-income designation indicates that 51% or more of the population meets the low to moderate-income criteria.

Programs from both the Department of Housing and Urban Development (HUD) and the Department of Agriculture Office of Rural Development have been used to produce safe, sanitary, affordable housing in the region. There is also the Michigan State Housing Development Authority (MSHDA) Rehabilitation Program. This program is geared toward low to moderate-income homeowners. It assists the homeowners in bringing their homes up to current building code standards.

### Changing Populations

In planning and analyzing social services, it is becoming increasingly important to consider the changing demographics of the region and the effect age cohorts have on developing needs. As earlier established, the region has a larger percentage of the population than the State average in age groups over 45 and over 64 years. The latter is the only cohort which is growing in percentage terms. Although relevant social services must continue to be provided for all age groups, special consideration must be given to the needs of seniors. This emphasis should extend beyond methodical provision of bureaucratic services by government.

As the population ages, there is a movement to provide renewed living environments and infrastructure suited to changing lifestyles. Whereas in the past many elderly people preferred to live out their lives in the same locations they had been accustomed to for decades, there is a renewed interest among both the young and the old in more urban environments. Opportunities for development of these environments are limited in the small city centers of the region, but downtown areas such as Houghton-Hancock, along with those of numerous smaller communities, provide residential areas adjacent to downtown with easy access by foot, wheelchair, or similar devices to errand destinations such as grocery stores, banks, pharmacies, and medical offices. In such areas it is important to maximize the benefits of self-contained “one-stop” living by prioritizing development of safe and accessible pedestrian routes and by appropriately tailoring municipal regulations such as zoning to neighborhood needs. In more distant residential areas catering to the elderly, improved services such as public transit aid in promoting livability and integration among neighborhoods.

## Section 3| Regional Profile

Environments conducive to livability for the elderly also benefit other population groups such as school children. Younger population groups are the future of the region and require special consideration in order to stem population decline. Redevelopment of residential neighborhoods and their associated commercial- and service-oriented districts will benefit all population groups by increasing outdoor activity and street life, ultimately resulting in more welcoming and livable environments in communities throughout the region.

### School Districts

The region is organized into three Intermediate School Districts (ISDs). They include the Copper Country ISD (which includes Baraga, Houghton and Keweenaw Counties), the Gogebic-Ontonagon ISD and the Dickinson-Iron ISD (only Iron County is in the region). The ISDs are service agencies to the local school districts and serve as a liaison between the State Board of Education and the local areas. There are 23 local public school districts and three nonpublic schools in these three ISDs. The local and intermediate school districts are shown along with county designation in **Table 3-IX** and **Map 3-IV** below.



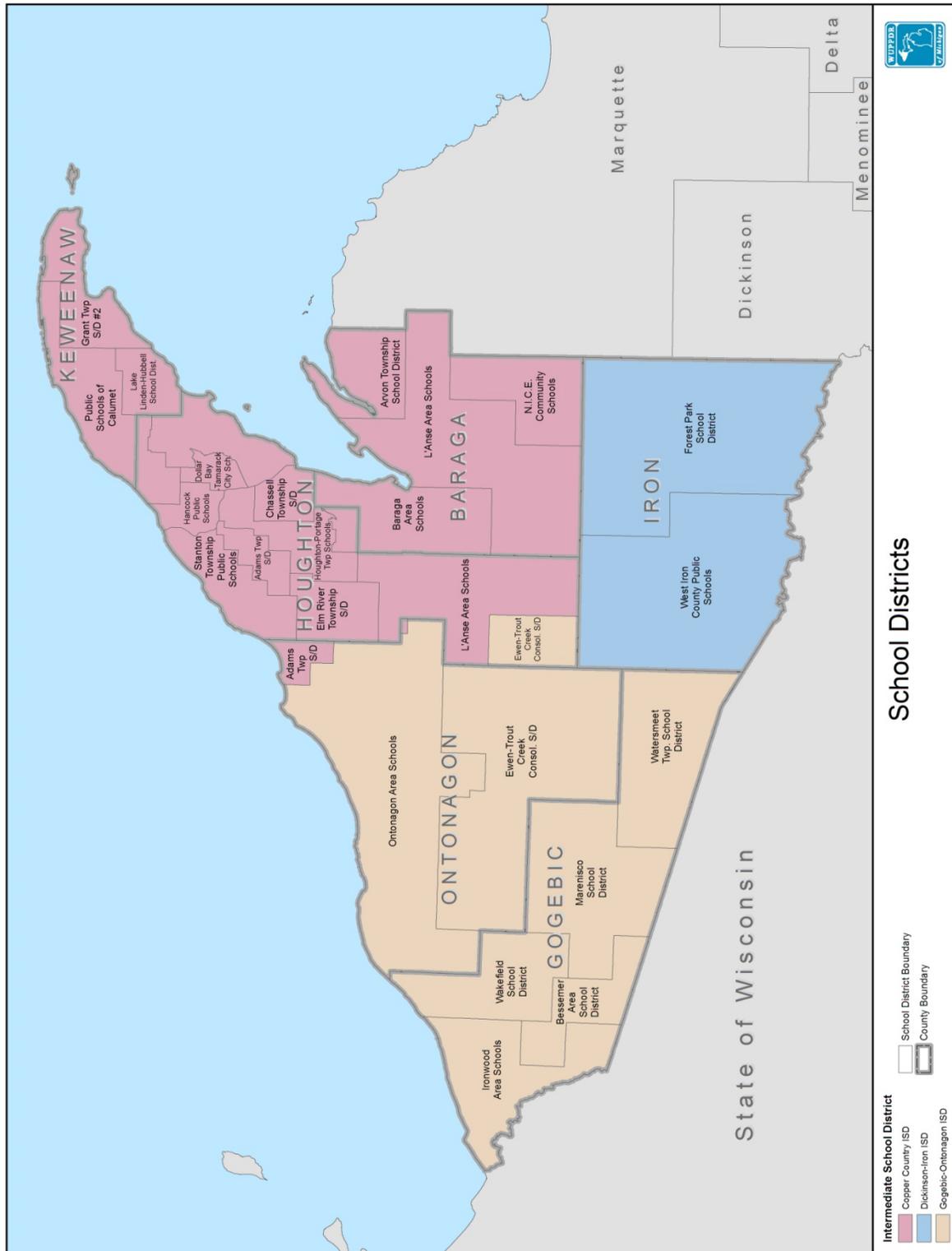
## Section 3| Regional Profile

**Table 3-IX: Western Upper Peninsula School Districts**

<b>Copper Country ISD</b>	Baraga	Arvon Township Schools
		Baraga Area Schools
		L’Anse Area Schools
		L’Anse Sacred Heart School (private)
	Houghton	Adams Township School District (crosses into Ontonagon County)
		Public Schools of Calumet, Laurium & Keweenaw
		Chassell Township Schools
		Dollar Bay – Tamarack Area Schools
		Elm River Township Schools
		Hancock Public Schools
		Houghton-Portage Township School District
		Lake Linden-Hubbell Public Schools
		Stanton Township Public Schools
		Horizons Alternative School
BRIDGE Alternative School		
Copper Country Christian School (private)		
Keweenaw	Grant Township School, District No. 2	
<b>Gogebic-Ontonagon ISD</b>	Gogebic	Bessemer Area School District
		Ironwood Area Schools
		Wakefield-Marensico School District
		Watersmeet Township School District
		Our Lady of Peace School (private)
		St. Sebastian School (private)
	Ontonagon	Ewen-Trout Creek Consolidated School District (crosses into Houghton County)
		Ontonagon Area School District
<b>Dickinson-Iron ISD</b>	Iron	Forest Park School District
		West Iron County School District

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## Map 3-IV: Western Upper Peninsula School Districts



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### PHYSICAL FEATURES

#### The Great Lakes Ecosystem & Lake Superior Basin

The nonliving environment and all living organisms occupying and interacting in a given area are considered an ecosystem. The WUPPDR region is part of the Great Lakes drainage basin, an ecosystem that encompasses 292,000 square miles and contains the largest supply, 20%, of the world's fresh water. The five Great Lakes (Superior, Huron, Michigan, Erie and Ontario) and almost 80,000 other lakes are a key link in this fragile ecosystem, supporting the 35 million inhabitants (27 million in the U.S. and roughly 8 million in Canada) that share responsibility for its health.

Within the Great Lakes drainage basin lies the Lake Superior basin, home to the WUPPDR Region. The basin encompasses three States on the U.S. side—Minnesota, Wisconsin, and Michigan—and the province of Ontario on the Canadian side. The basin is sparsely populated with roughly 700,000 persons. Almost half of the population resides in the urban areas of Duluth, Minnesota; Thunder Bay, Ontario; and Sault Ste. Marie, Ontario. The rest is scattered in small towns mostly near the coastline of the lake. Early French traders gave it the name “Lac Supérieur,” French for “Upper Lake.” Lake Superior is the largest freshwater lake in the world with 31,700 square miles of surface area and it holds 53.8% of the water in the Great Lakes. The lake is 350 miles in length and 160 miles across at its widest point. Its mean depth is 489 feet and 1,333 feet at its deepest point. It has a coastline of 1,826 miles, of which 909 miles are in the United States and 917 miles are in Canada. There are 1,525 tributaries that empty into the lake, of which 840 are in the U.S. and 685 are in Canada. Approximately 91% of the basin is forested. In Canada (Ontario) about 95% of land is in public ownership, and in the United States, about 25% is in public ownership.

#### Regional Water Resources

The WUPPDR region has 354 miles of Lake Superior coastline and another 96 miles of Keweenaw waterway. The coastline is over 50% developed—largely by small residences—and development continues. The region also has approximately 7,500 inland water bodies with nearly 102,300 acres of water. The six counties of WUPPDR contain all or parts of seven watersheds discharging into Lake Superior, numerous small coastal watersheds, one that discharges to Lake Michigan, and one that discharges to the headwaters of the Wisconsin River as part of the Mississippi River basin.

Groundwater resources are provided via two physiographic divisions, the Superior Upland and the Central Lowlands. The Superior Upland includes most of the Western Upper Peninsula with quality ground water available but in low-yielding Precambrian glacial deposits. Central Lowland is found in the northeast quadrant of the region primarily along the Lake Superior coastline and groundwater levels differ considerably in these areas.

In the Western Upper Peninsula, 220,235 acres or approximately 5.5% of the region has been identified as wetlands. They are found in each of the six counties and range from a low of 3.0% in Ontonagon County to a high of 8% in Iron County. The wetlands acreage percentages in the remaining counties are as follows: Gogebic, 4.8%; Houghton, 5.4%; Baraga, 6.6%; and Keweenaw, 7.5%. In their natural conditions wetlands provide many benefits to the region. These include food and habitat for fish and wildlife; water quality improvement; flood protection; shoreline erosion control; natural products for human use and opportunities for recreation; and aesthetic appreciation. Each wetland works in combination with other wetlands as part of a complex, integrated system that delivers these benefits.

## Section 3| Regional Profile

Michigan has a very comprehensive regulatory program aimed at preserving and protecting wetland resources.

### Natural Resources

Beyond water itself, the economic foundation of the region has been shaped by its people and natural resources—particularly native copper, iron ore, timber, and fisheries. Since at least 3000 B.C. Lake Superior copper has played a significant role in the lives of Native American societies throughout eastern North America. By the mid-1800s both the copper and iron ore deposits had attracted a large European population who settled parts of the region around these mines. Large-scale commercial harvesting of the region's timber and Great Lakes fish stock came after profitable minerals were exhausted.

### Forestlands

#### *History*

Following the mining booms of the mid-1800s, the eastern part of the forest in the Western Region was composed primarily of white and red pine while the western part had pine interspersed with hardwood and hemlock. The first logging occurred in the pine stands near settlements established around mining areas. Here, timber companies produced mine and building timbers, flat lumber for surface construction, and cordwood for fuel.

By the end of the 19<sup>th</sup> century the peak of the pine lumber era in Michigan had passed and by 1910 hardwood logging replaced it. Raw stumps, tangles of tree wastes, and ghost towns replaced the pine stands. In order to divest themselves of these cutover lands, the railroads, large landowners, and governments promoted the settlement possibilities of these former pine lands. However, once settlers moved onto the land it was clear that potential prosperity was a myth. Credit on reasonable terms was difficult to obtain, startup capital was very high, and the price of retail goods was inflated due to dispersed settlement patterns.

Due to tax homestead laws and land abandonment, these lands changed hands continually between the public and private domains until the 1920s when the State acquired title to almost two million acres of abandoned land and kept it. This broke the cycle of parcels being acquired, exploited and eventually reverting to the State. The forestlands were in poor condition, and keeping them in the public domain contributed towards the national conservation movement. The combination of these factors eventually produced several State forests, a county forest, and three national forests in the Upper Peninsula that were dedicated in 1931. Today the Ottawa National Forest is located in the Western Upper Peninsula as are the Copper Country State Forest and the Gogebic County Forest. These conservation measures have, over many decades, created new forests which again are contributing significantly to the economic development and diversification of the region's economy. While a source of solid wood and wood fiber products, forests have also come to be valued for their recreational and environmental attributes as evidenced by the designation of wilderness areas and wildlife refuges. The forests and their associated recreation activities provided the foundation for a strong and growing tourism industry.

## Section 3| Regional Profile

Currently forestlands in the Western Upper Peninsula constitute a complex set of natural resources which supply the basic sectors of the regional economy including travel and tourism. These forestlands include approximately 3,552,952 acres and account for 87.5% of the region's land base. The forests are dominated by Northern Hardwoods, a maple-birch forest type which covers 51% of the region. This is twice the area of Aspen, the second most extensive forest cover type. Other important forest cover types ranked by coverage area include Pine (White, Red and Jack), Swamp Conifers (Balsam Fir, Spruce, Cedar and Tamarack), and Lowland Hardwoods (Ash and Red Maple.)

In resource utilization, hardwoods have historically taken second place to softwoods. The softwoods have been generally more useful due in part to their long length fibers and usefulness in construction. High-quality hardwoods used in furniture manufacture have been an exception to this overall pattern. Breakthroughs in utilization and marketing of hardwoods have taken place in recent decades. The developments through technology have increased the usefulness of a considerable number of hardwood species. This technology includes the press-drying process for paper production and the saw-dry-rip process used in making lumber.

Hardwood forest types comprise approximately 95% of these totals with the remainder in softwood forest types. The surplus is interpreted as being able to produce greater volumes in the short-term by catching up on accumulated over-mature acreages. In the long term, greater volumes will be available as increased harvests will decrease mortality rates and increase net growth rates. Overcutting has been occurring in pine forests as well as in the other softwood types, which makes it imperative that softwood regeneration regimes be put into place to accommodate future demand.

The region's forests are a source of industrial raw materials and are important to the regional economy, particularly in providing employment opportunities in forest products primary and secondary industries. Over 50% of the region's manufacturing establishments are associated with these industries. The establishments produce such products as dimension lumber, furniture and furniture components, hardwood flooring, railroad ties, shingles and paper products.

Forest stewardship is becoming more important in order to provide diversified uses, which include a variety of habitats for wildlife, recreational opportunities, scenic landscapes, jobs which support a rural lifestyle, clean air, stable soil, high quality water, wood products for everyday life, and healthy trees for the future. Sustaining both ecological and economic systems is imperative to ecosystem management, since the well-being of both systems is co-dependent over time.

Most of the region's forestland—2,114,040 acres, or nearly two-thirds—is privately owned, and approximately 57% of privately owned land is enrolled in the Commercial Forest Act (CFA) program. (The remaining forestland is publicly owned, in large part by the Federal government.) The CFA program, created by Michigan Public Act 94 of 1925, promotes the establishment of commercial forests on private lands within the State that are conducive to such use. Along with providing tax benefits to landowners, it requires landowners to permit public access for hunting, trapping, and fishing.

## Section 3| Regional Profile

At the time of enrollment in the program, CFA lands must carry sufficient forest growth of suitable character and assurance that a stand of merchantable timber will be developed within a reasonable time. Lands offered and approved under the CFA are not subject to ad valorem general property tax but rather to an annual specific tax. This tax is a financial incentive for which the owner agrees to develop, maintain, and actively manage the land as a commercial forest through planting, natural reproduction, and other silvicultural practices.

The productive potential of the CFA resource base has shaped and continues to shape the land ownership of the region. CFA land ownership falls into two main categories: 1) private nonindustrial forest and 2) forest industry, which has traditionally accounted for the majority of large, homogeneous tracts. Private nonindustrial forestlands are owned by farmers, private individuals, and corporations not a part of the forest industry such as the Upper Peninsula Power Company and the Wisconsin Electric Power Company. Traditionally industrial forest ownership has been by timber product companies with vested interests in managing the land for use in their company mills. More recently there have been changes in ownership patterns away from timber product companies (vertically integrated timber product companies) to large-tract forestland investors including timber investment management organizations and real estate investment trusts. This change in ownership has and is expected to continue to result in fragmentation of lands as higher value lands are sold. Ultimately sales to small landowners will result in a loss of public access and wildlife habitat.

### Fish and Wildlife

#### *Historic Fisheries*

Narrative accounts of the exploration of Lake Superior noted the existence of Native American maintenance fisheries as early as the 17<sup>th</sup> century with commercial fisheries established in 1835. Soon after, fisheries were established at many points along the Lake Superior shoreline by the first white settlers. Between the 1930s and 1950s the fishing industry yielded its greatest production of high value fish due to several technological advancements. However, this came to an end in the 1950s due to a collapsing lake trout population, which was attributed to the sea lamprey invasion of the Upper Great Lakes. The loss of the trout resource was an economic disaster for the fishing industry.

The Great Lakes Fishery Commission worked on controlling the sea lamprey population and restocking the lake trout in the 1950s, and in the 1960s Michigan Department of Natural Resources (DNR) began planting hundreds of thousands of Chinook and Coho salmon. Additionally, the DNR began heavily regulating the commercial fishing industry, which in turn contributed to its demise. These restrictions were challenged by Native Americans who claimed the regulations violated their treaty rights, an argument which was won in Federal court. In 1979 it was ruled that the State could not regulate or restrict those tribes whose treaty rights include the right to fish in ceded Michigan waters of lakes Huron, Michigan and Superior. The ruling caused considerable controversy, and in 1985 the tribes, the State of Michigan, the US Department of Interior and various fishing organizations negotiated an Entry of Consent order. Today, the small number of commercial fishermen is in sharp contrast to the 1940s and 50s when there were 50 or more operators fishing in the waters of the Western Upper Peninsula.

## Section 3| Regional Profile

### *Current Wildlife Management*

Fish and wildlife in the region are primarily the responsibility of the DNR, and they constitute a valuable and desirable resource. It is the agency's mission to maintain viable, self-sustaining species of fish and wildlife for the social and economic well-being of the people of Michigan. In the past, before the era of resource management, these resources received scant consideration, and the various native species of fish and wildlife thrived or suffered as their habitats were altered. More recently, fish and wildlife biologists have focused primarily on effectively managing fish, birds and mammals of sporting or economic value to certain segments of the public. Examples of some of these wildlife species include waterfowl (ducks and geese), upland birds (woodcock, grouse, and turkey), big game (deer and bear), small game (rabbit and squirrel), and fur bearers (muskrat, beaver, fox, coyote, mink, bobcat, and raccoon). Examples of fish species include trout (brook, rainbow, brown, and lake), salmon (chinook and coho), whitefish, herring, northern pike, walleye, and perch.

Today the broad topic of fish and wildlife management runs the gamut of concerns, ranging from habitat protection to species preservation to predator control. These concerns involve activities which include fish and wildlife research, hunter education, game and fish stocking, and law enforcement. The activities, however, principally address how to facilitate and regulate fishing, hunting and trapping. The introduction of non-native plant and animal species also are a major threat to the region with numerous entities and funds being directed at invasive species control.

### **Minerals**

The western six counties of the Upper Peninsula have a rich history of mineral resource development. Some of these are still mined today, and some have potential for further development in the future. The Western Upper Peninsula has a wide variety of geological settings that are promising environments for such deposits. Some of the mineral commodities and other mineralized resources known to exist, both metallic and non-metallic, are described below.

### *Copper*

Copper mining is at the core of the region's modern history and is currently undergoing a resurgence. Native copper occurs in nature uncombined with other elements such as silver and gold. Most of the native copper lies along a narrow belt, two to four miles wide and a hundred miles in length, along the spine of the Keweenaw Peninsula. The vast majority of native copper production—96 percent—and its associated silver came from a 28-mile stretch between Painesdale in Houghton County and Mohawk in Keweenaw County.

Modern mining of native copper deposits in the Lake Superior Copper District began in 1845 at the Cliff Mine near Eagle River in Keweenaw County. The copper mining industry then slowly moved down the Keweenaw Peninsula as well as northward from Ontonagon as new copper deposits were discovered. The Lake Superior Copper District's popularity began to wane in the 20<sup>th</sup> Century. As the mines went deeper underground the copper content per ton of copper rock began to decline. It was only through the development of different technologies that the mining industry was able to maintain its profitability for as long as it did. The war years of both the First and Second World Wars gave a reprieve to the industry, but retrenchment followed the peace.

## Section 3| Regional Profile

As profitable operation became more difficult, the assets of smaller mining companies were acquired by the large ones until there were only three firms left: Quincy Mining Company, Calumet & Hecla Consolidated Copper Mining Company (C&H), and Copper Range Company. The Quincy Mining Company operated until the Second World War then ceased in 1945. C&H survived into the 1960s, but insurmountable labor/management problems in 1968 closed the company down after 125 years of operation. Through its history (1845-1968) the native copper district produced over 11 billion pounds of refined copper and 10 million ounces of silver.

Copper Range Company had ceased mining native copper in the 1930s but had turned its attention to developing its copper sulfide ( $\text{Cu}_2\text{S}$ ) deposits in the Nonesuch Shales of Ontonagon County. In the 1950s the United States became a net importer of copper. As the Korean War was starting, the Federal government took measures to boost domestic production of this metal. It assisted Copper Range Company in getting these deposits into production through the development of an integrated modern mine, mill, and smelter facility. It was not until fall 1995 that the White Pine Copper Mine became the last to close. The company was Canadian-owned, and several factors including environmental problems and low copper prices led to the decision to close the mine, laying off over 1,000 workers in the Region.

The White Pine Mine in Ontonagon County produced some native copper but mostly copper sulfide and silver as a by-product. The mine operated almost continuously from 1955 to 1995. Gogebic County is experiencing renewed interest in copper mining with the proposed construction of the CopperWood Mine in 2012. The viability of renewed copper mining rests upon world copper prices, current technology, and applicable environmental protection standards.

### *Iron*

While copper mining flourished in the 1850s through 1870s in the northern part of region, the southern part remained mostly an inaccessible wilderness until iron ore mining began in the late 1870s. Gogebic and Iron counties contain portions of two of the nation's six principal iron ranges, the Gogebic and the Menominee Ranges. In Gogebic County in 1884 the Colby Mine in Bessemer became the first operating mine on the Gogebic Range. By 1890, 26 mines produced and shipped 2,226,000 tons of ore. However, the Great Depression closed all but five mines by 1932.

World War II caused production activity to rebound. Iron ore mining activity reached its peak in the late 1940s when there were 42 producing mines in Iron County and 96 producing mines in total on the Menominee Range. Mining on the Gogebic and Menominee Ranges declined quickly during the 1950s until Gogebic County lost its last mine in 1966 when the Peterson Mine closed ending 82 years of activity in the county. By 1967 there were only four producing mines remaining in Iron County, and by 1978 the last mine in that county closed. In the period between 1884 and 1967, over 323,000,000 tons of iron ore had been shipped from the Gogebic Iron Range. Today there are no operating iron mines in the region of the Western Upper Peninsula.

# Section 3| Regional Profile

The iron ore mining industry overall has faced a number of difficulties in recent decades due to trade policies, changes in world supply, and technical changes in the mining and steel industries. Even so, just east of the Western Region, iron ore mining has remained active and today is prosperous in bordering Marquette County. Meanwhile, lack of interest and relatively low ore concentrations have contributed to stagnation of the industry in Iron and Gogebic counties since the 1970s. The Western Region’s historic iron and copper deposits are shown in **Map 3-V**.

## Graphite

Some graphite was mined in Baraga County at the turn of the 20<sup>th</sup> century. In recent years these graphite slates have been studied both for their graphite content and potential uses. While large deposits are available for industrial uses, insufficient efforts have been made to entice private investment.

## Manganese

A small manganese deposit in the Keweenaw Peninsula was mined in the 1800s. Further exploration could reveal economic deposits for future development.

**Map 3-V: Western U.P. Iron and Copper Ranges**



## Section 3| Regional Profile

### *Diamonds*

There have been several explorations undertaken in the last ten years to discover diamond-bearing Kimberlite deposits in the region. While several micro-diamond-bearing Kimberlites have been found, no macro-diamonds greater than one millimeter (1/25 of an inch) have been located.

### *Stone*

At the turn of the century, red sandstone quarries furnished building stone. The potential still exists for developing a building and decorative stone industry in the Western Region. Minnesota, Wisconsin, and the province of Ontario all produce stone for the world market which is similar to some stone found in the Western U.P. Limestone is also a viable option: currently a small deposit is being quarried near Pelkie in Baraga County. Most of this stone was previously shipped to White Pine to be used as flux in the copper smelting process. Now most of it is used as agricultural lime and road building material.

### *Clay*

This mineral is an abundant substance in part of the Western Upper Peninsula, but little is known of its economic value as a raw industrial material.

### *Sand and Gravel*

Deposits of these non-metallic minerals are distributed unevenly throughout the region. Some areas have abundant supplies, and some areas are notably deficient.

## **Agricultural Lands**

Agricultural land is the third largest land cover category following forestlands and wetlands. In 2007, agricultural lands occupied approximately 104,555 acres of the land area. These are allocated disproportionately through the region with the highest percent (29.5%) in Ontonagon County and the lowest in Keweenaw County where the area was too low to establish a percentage. The remaining county percentages include Iron – 26.5%, Houghton – 22.6%, Baraga – 17.6% and Gogebic 3.7%. As a general rule, agricultural lands tend to be located in proximity to the more urbanized areas in the region. Some exceptions include the Bruce Crossing and Covington areas.

The potential of the agricultural lands is based primarily on physical factors such as soil, physiology, and microclimate, which influence the types of agriculture undertaken. The types include dairying, beef (cow/calf) production, potatoes, small fruits (strawberries and raspberries), cold climate vegetables, sheep, and egg production. An examination of the 2007 Agricultural Census shows that there were 488 farms counted in the six county region which is up from the 1997 count of 413 farms—a gain of 18%. The total agricultural land acreage also increased from 98,650 to 104,555. This increase is possibly due to subdivision of larger plots of land and a national trend towards hobby farm activities. Newer initiatives are aimed at reclaiming idle farmlands for production of woody biomass crops.

## Section 4| Infrastructure, Facilities, and Services

### INFRASTRUCTURE AND THE ECONOMY

The quality of a region's infrastructure is a critical index of its economic vitality. Reliable transportation, clean water, and safe disposal of wastes are basic elements of civilized society and a productive economy. Basic infrastructure includes highways and roads, airports and airways, public transit, water supply, wastewater treatment, water resources, and solid waste and hazardous waste services. Other elements include communications and power production facilities, railroads, schools, public housing, hospitals, and public buildings. These services are the foundation for a strong economy.

Private and public investment must be balanced to support stable economic growth. Firms have some flexibility to adjust labor and capital inputs to produce desired outputs. However, this flexibility is greater in growing than in declining areas. As a result, adequate infrastructure is critical in those areas to help close the gap with private investment. Deficiencies in public investment may increase the downward spiral of a depressed area. This is of significance to the Western Region and reinforces the argument that the region needs a strong infrastructure strategy in its economic development program.

### HEALTH CARE INFRASTRUCTURE

The rural nature of Michigan's Western Upper Peninsula coupled with the changing health care legislation at the federal and state levels provides real challenges for health care providers. To meet these challenges, health care networks have been established to provide complete health care services to consumers in the most cost-effective manner possible. These networks are addressing both current service issues and how future trends in health care may affect this region.

#### *Acute and On-Demand Care*

There are six acute care facilities (hospitals) in the region. Included in **Map 4-I**, they include:

- Baraga County Memorial in L'Anse
- Aspirus Grand View in Ironwood
- Aspirus Keweenaw in Laurium
- Portage Health in Hancock
- Northstar Health System in Iron River
- Aspirus Ontonagon in Ontonagon

These facilities are operated by local units of government or non-profit organizations. Each facility listed provides 24-hour emergency room access. Portage Health is a secondary level care facility and is classified as a Level III ASC trauma center. Baraga County, Aspirus Grand View, Aspirus Keweenaw, Aspirus Ontonagon and Northstar Health System are classified as Critical Access Hospitals.

Walk-in clinics are also located in Houghton, Lake Linden, Laurium, L'Anse and Ironwood. UP Rural Health operates a clinic in Ewen which provides primary care services. Ontonagon Community Health Center is a primary care clinic in the Village of Ontonagon that offers walk-in services, primary care, X-ray and lab services along with visiting specialists. The Lac Vieux Desert Band of Chippewa Indians operates a primary care clinic offering walk-in service on its reservation in Watersmeet Township.

## Section 4| Infrastructure, Facilities, and Services

### *Long-Term Care*

This type of care is provided by medical care facilities operated by county governments, by private nursing home operators, and in two cases by hospitals. Gogebic, Houghton and Iron Counties operate long-term medical care facilities, as do Portage Health and Aspirus Ontonagon hospitals. In the private sector there are nine licensed nursing home facilities in the region.

## PROTECTION SERVICES

The majority of incorporated cities and villages in the region have small police departments to handle law enforcement and provide protection to the citizens of these communities. In the townships police services are handled by the county sheriff's department. The local police network is augmented by the Michigan State Police with additional road patrols and technical services such as detective investigations, the crime laboratory, canine, fire marshal, and other special units.

### *Fire Protection*

Community fire protection in the region is provided by approximately 63 fire departments. These firemen are for the most part non-paid volunteers. Fire protection costs can be a serious challenge to rural communities. To help offset some of these costs, the U.S. Department of Agriculture Rural Community Fire Protection grant program is available to local fire departments through the state foresters. In recent years the Federal Emergency Management Agency (FEMA) has made grants available to fire departments. Funds from this program can be used to purchase equipment and various items used to perform duties.

### *Emergency Services*

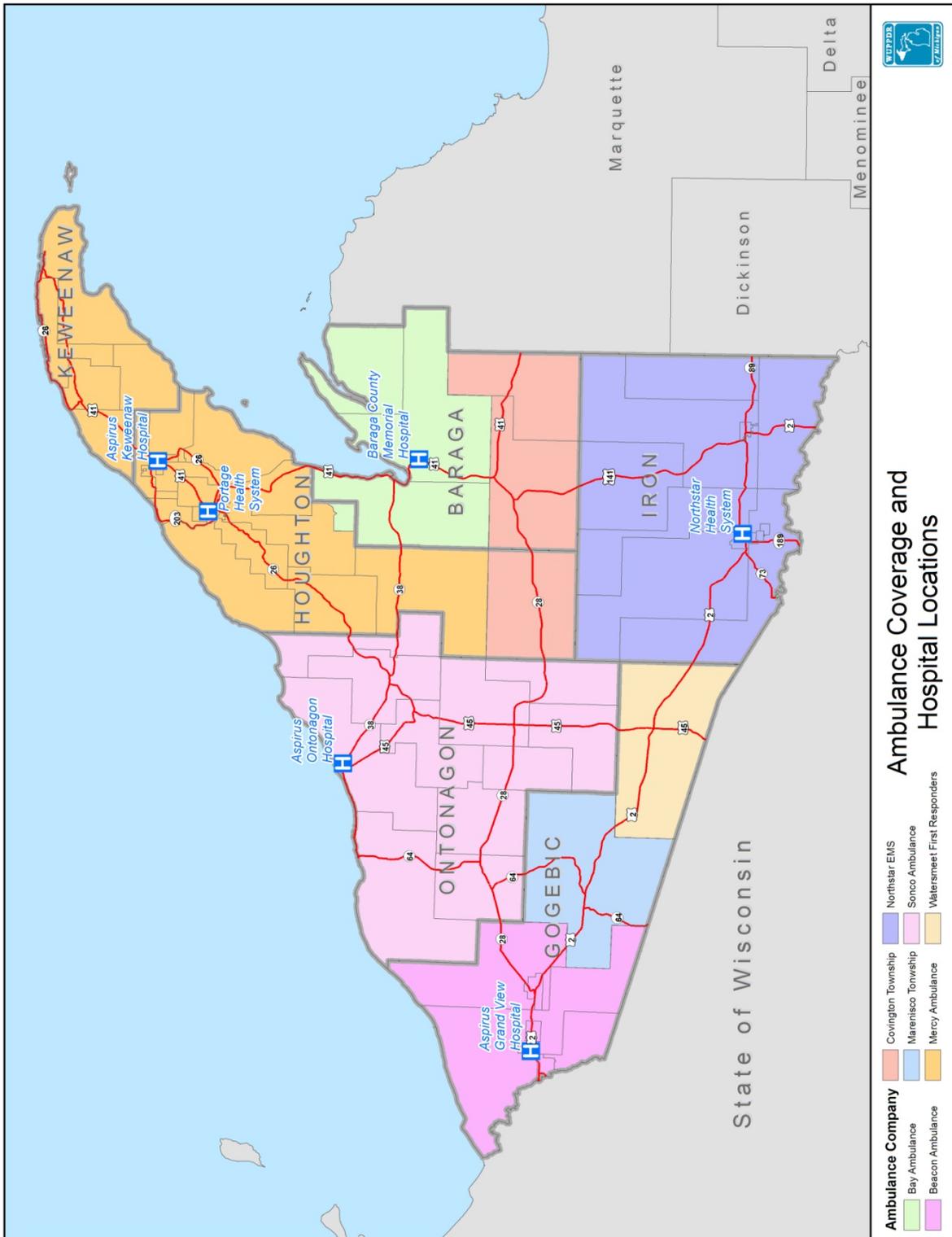
This type of service is provided by a variety of private, local government, and non-profit organizations. They operate ambulances and transport patients between medical facilities on request. In some outlying rural areas where distance and time become critical in emergency situations, groups of volunteers have received training to act as first responders. These individuals provide initial assistance until the ambulance and the emergency medical technicians arrive on the scene.

### *Ambulance Services*

The main ambulance services in the region are Beacon Ambulance, which serves western Gogebic County; Bay Ambulance, which covers northern Baraga County; Mercy Ambulance, which serves Houghton and Keweenaw counties; Northstar EMS (operated by Marquette General Health System); and Sonco Ambulance, which serves Ontonagon County. Covington Township in Baraga County and Marenisco Township in Gogebic County have their own ambulance services, and Watersmeet has a first responder service. See **Map 4-1** for ambulance coverage in the region.

# Section 4| Infrastructure, Facilities, and Services

Map 4-I: Ambulance Coverage in the Western Upper Peninsula



## Section 4| Infrastructure, Facilities, and Services

### TRANSPORTATION INFRASTRUCTURE AND SERVICES

#### *Aviation*

**Air Carrier Airports** – An air carrier airport is one used by certified airlines with regularly scheduled flight service. These facilities are also classified as transport airports and are capable of handling virtually all types of general aviation aircraft. There are two such facilities in the region. One is the Houghton County Memorial Airport near Hancock. The other is the Gogebic County Airport near Ironwood. These are highly developed facilities with paved runways capable of handling jet aircraft. They are equipped with modern terminals, hangars, navigational aids, and emergency vehicles to handle crash situations. These are staffed facilities with a manager and support persons on site.

**General Aviation Airports** – These facilities are also referred to as utility airports and provide a basic level of air service to communities. There are two categories: paved and turf utility airports. Paved utility airports are medium to large facilities that have paved runways capable of handling approximately 95 percent of general aviation type aircraft. Turf utility airports are smaller facilities and can handle approximately 75 percent of general aviation aircraft.

There are three **public-use paved utility airports** in the region. Iron County operates two, the Crystal Falls Airport and the Stambaugh Airport. Ontonagon County operates the third. All three facilities are unstaffed. Both Houghton and Baraga Counties operate **public-use turf utility airports** in the region. These are the Prickett-Grooms Field at Sidnaw in Duncan Township in Houghton County and the Baraga Airport four miles west of the village of Baraga. A steering committee in Iron County has been analyzing the feasibility of consolidating and relocating their services. This could better serve the private sector and position the county for improved economic growth.

**Air Service** – The Houghton and Gogebic County airports are served by commuter or “third level” air carriers. While once served by the larger carriers, federal legislation in the late 1970s and early 1980s produced a deregulated and unsubsidized airlines industry. Forced to compete in an unprotected environment, economics has dictated service curtailment. The Essential Air Service (EAS) subsidy program was created by the federal government in the mid-1970s to ensure that small communities, served by full-service airlines prior to deregulation, continued to receive a minimal level of commercial service. Both the Houghton County and Gogebic County Airports are currently included in this program.

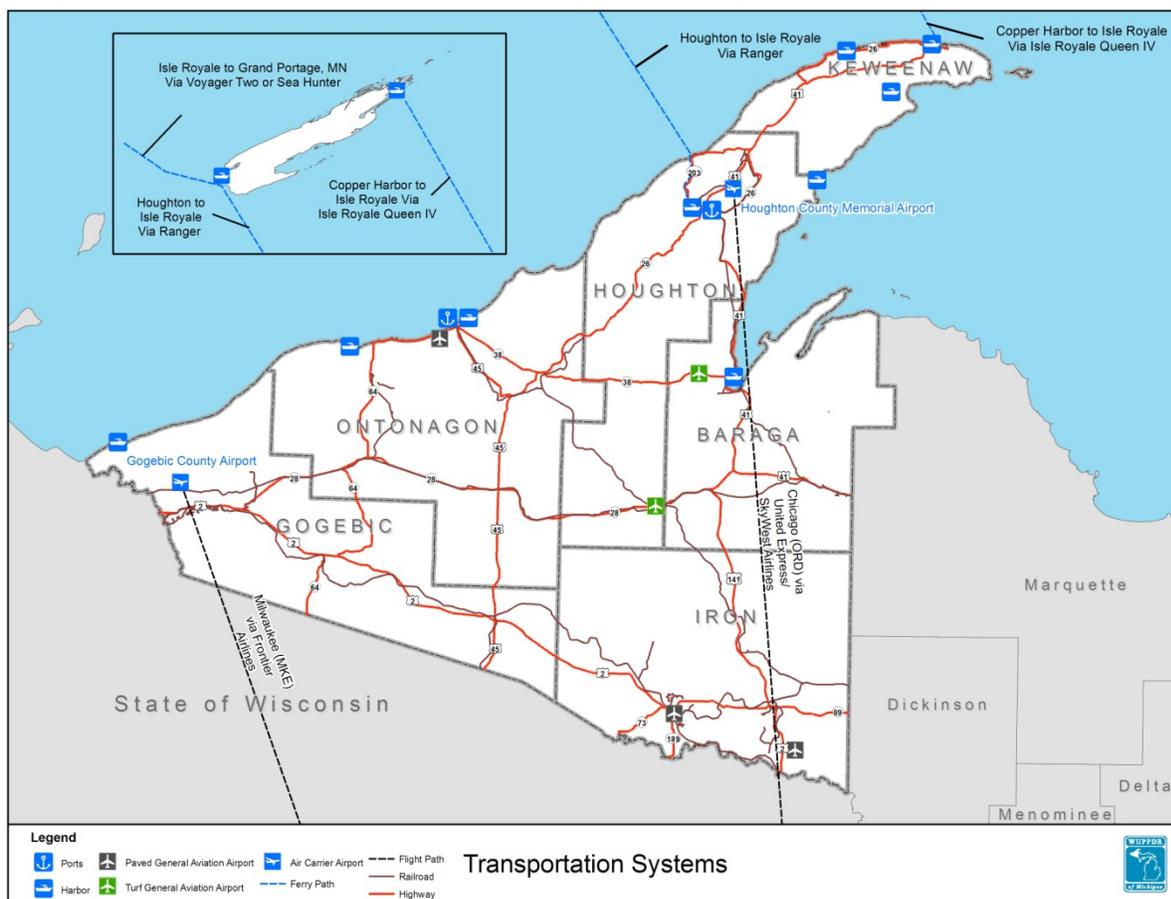
In today’s commercial air travel environment, commuter air carriers serve small, low-density, short-haul markets. Houghton County Memorial Airport is served by United-SkyWest Airlines, which links Houghton County to the O’Hare International Airport in Chicago. Frontier Airlines connects the Gogebic County Airport with Milwaukee.

The seven public-use airports in the region are significant to the future economic development of the region. A primary consideration, therefore, is protecting existing general aviation airports from slipping out of existence and commercial passenger service from being removed from the air carrier airport. Eliminating the need for EAS subsidies for commercial service is also a goal whenever and wherever viable. Maintenance of adequate facilities is also important to the region’s accessibility—not just for passenger activity but to accommodate air freight.

See **Map 4-II** for the region’s airports and scheduled passenger routes along with water-based transportation facilities, ferry routes, and major roads, which are discussed below.

## Section 4| Infrastructure, Facilities, and Services

Map 4-II: Transportation Facilities in the Western Upper Peninsula



### Marine

The St. Lawrence River and the Great Lakes form a maritime transportation system extending more than 2,000 miles from the Gulf of St. Lawrence to the western end of Lake Superior. Michigan's 3,200 miles of shoreline contains over 100 ports. About 90 of these ports can accommodate commercial activities, including cargo handling, ferry services, commercial fishing, ship building, marine contracting, and excursion services. A commercial harbor in the Great Lakes is one with commercial dock handling facilities and a minimum water depth of 18 feet.

**Ports and Harbors** – There are 23 Michigan ports which regularly accommodate commercial cargoes. The region has one deep-draft commercial port located at Ontonagon. The Ontonagon port has two terminals. These include Smurfit-Stone Container Corporation and the Ontonagon County Economic Development Corporation. Coal is by far the largest commodity, by volume, received in the port. In 2009 Smurfit-Stone Container in Ontonagon ceased operation, closed, and is for sale. At the time of this publication it is unknown what will happen to the terminal at that facility.

## Section 4| Infrastructure, Facilities, and Services

There are 11 recreational harbors in the region, which are part of Michigan’s recreational harbor network, located in:

- Ontonagon
- Grand Traverse
- Lac La Belle
- Copper Harbor
- City of Houghton
- City of Hancock
- Houghton County
- Eagle Harbor
- Keweenaw Bay
- Black River Harbor
- Rock Harbor (Isle Royale)

***Inland Waterways*** – The Keweenaw Waterway, whose primary purpose is to facilitate waterborne commerce, is located in northern Houghton County. Today the waterway is approximately 22 miles in length and utilizes a natural river and lake along with a man-made canal to cross the Keweenaw Peninsula. The waterway’s channel averages 300 feet in width and 25 feet in depth.

***Aids to Navigation*** – The Coast Guard Station – Portage on the Keweenaw Waterway at Houghton-Hancock is responsible for placement and service of all aids to navigation on that portion of Lake Superior adjacent to the region. These also include those at Isle Royale and those in the Keweenaw Waterway.

Aids to navigation assist mariners in making landfalls, mark isolated dangers, make it possible for vessels to follow the natural and improved channels and provides a continuous chain of charted markers for coastal piloting. In all waters over which the United States has jurisdiction, these aids are designed, built and maintained by the United States Coast Guard.

***Ferry Services*** – Ferry services are provided on three routes in the region and all connect Isle Royale National Park, located out in Lake Superior, with the mainland. There are three ferry services which operate seasonally with sailing frequencies that include one round trip daily to two and three round trips per week. The National Park Service operates a service between Houghton and Rock Harbor while the Isle Royale Ferry Service runs between Copper Harbor and Rock Harbor. The Grand Portage Isle Royale Transportation Service operates between Grand Portage, Minnesota and Windigo.

***Great Lakes Shipping Services*** – Great Lakes waterborne commerce is predominately confined to bulk commodity movement. Sand, stone, iron ore, and coal account for the major traffic. Cement, petroleum, and chemicals account for a small percent.

The vast majority of Michigan’s waterborne commerce is shipped to and from U.S. ports and Canadian ports on the Great Lakes or along the St. Lawrence River. A small percent of the cargo handled at Michigan ports travels to or from an overseas port. Most of this direct overseas traffic passes through the port of Detroit. While Michigan business and industry generate a large volume of overseas trade, most of it is transported overland by truck or rail to coastal ports for ocean shipping.

## Section 4| Infrastructure, Facilities, and Services

### *Surface*

**Rail Network** – The active rail system in Michigan’s Upper Peninsula is made up of 959 miles of right-of-way. The State of Michigan owns and maintains 117.3 miles of this rail system which is leased to the Escanaba and Lake Superior Railroad.

Rail service is provided by three companies: the Canadian National Railway (CN); the Lake Superior & Ishpeming Railroad (LS&I); and the Escanaba & Lake Superior Railroad (E&LS). CN is the only Class I carrier in the Upper Peninsula. There is no passenger service in the Upper Peninsula. Other than some lines that serve as tourism facilities, passenger service is not expected to come closer than Green Bay, Wisconsin. The rail freight service which is provided by the Class I carriers link Michigan’s Upper Peninsula with Wisconsin and the U.S. rail system via Chicago and with Canada at Sault Ste. Marie. A brief description of the operations of each railroad follows:

The CN operates primarily north and south in the Upper Peninsula. It has a direct route between Palmer and Escanaba. It also provides service east and west between Iron Mountain and Escanaba. It has a major north-south line running from Powers to Menominee, which then extends south through Wisconsin to Chicago.

The LS&I primarily transports iron ore pellets from the mines in western Marquette County to the Presque Isle dock in Marquette. This dock serves as a secondary alternative ore handling facility to the CN dock in Escanaba.

The E&LS, in addition to its original line from Wells to Channing, has acquired the bulk of the property abandoned by the Milwaukee Road in the Upper Peninsula. This property includes lines from Iron Mountain to Channing, Channing to Ontonagon (the only active line within the Western Region), and Channing to Republic. In addition, the E&LS operates on the old Milwaukee Road line from Iron Mountain to Green Bay, Wisconsin, where it links with the Milwaukee Road. In 2010, E&LS applied to the Surface Transportation Board to abandon 42.9 miles of track between Sidnaw and Ontonagon.

**Rail Traffic Characteristics** – Due to the geography of the Upper Peninsula, most rail traffic either originates or terminates in this large area. Freight that is transported through the Upper Peninsula with origin and destination points outside the Upper Peninsula is carried primarily via CN from Sault Ste. Marie south through Wisconsin. This traffic consists primarily of lumber and other wood products being transported from Canada to various points in the United States.

Certain commodities shipped to and from the Upper Peninsula move predominately by rail. Principal outbound commodities include lumber and other wood products; metal concentrates; pulp, paper and allied products. Inbound commodities include bentonite clay (used in refining iron ore); various chemicals used by the mining, pulp and paper industries; coal and propane gas. Waste and scrap paper reprocessed by the pulp and paper mills are also transported by rail. Commodities of these types can often be more profitably shipped by rail than by truck. Rail service usually provides more convenient access than shipping by boat.

Rail service viability is a function of the economic viability of each participating line. Over the past three decades, the Upper Peninsula’s rail service viability has been challenged. Subsequently the railroad industry has gone through major restructuring including abandoned lines, reduced or eliminated service, and fewer railroad companies to maintain a viable rail service presence. This restructuring is and will continue as the industry deals with a rapidly changing global economy.

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**Roadway Network** – The region’s highways, roads and streets comprise a total of 7,971 road miles. This network is composed of five separate systems operated by a hierarchy of state and local government agencies. The roadway network is well integrated and allows for efficient internal movement.

The first of the five systems is the state trunkline system (state highways) which is operated by the Michigan Department of Transportation (MDOT). This system has 620 miles of roads, 543 miles of which are all-season routes. This system also has 343 miles in the Priority Commercial Network (PCN). These PCN segments are considered the most important to Michigan’s economy. Routes on the PCN are selected according to their relative importance in serving agriculture, forestry, wholesale trade, manufacturing, and tourism. Within the region there are four PCN routes: US-41 and US-141 from Houghton south to Crystal Falls and the Iron County line; M-38 from Baraga to Ontonagon; M-28 west from the Baraga-Marquette County line to Ironwood; and US-2 from Crystal Falls west to Ironwood.

The second system is made up of roads under the road commissions of each county. This system includes a total of 3,375 road miles and is responsible for moving people and goods in and out of and between communities in the rural parts of the region. This system has two classifications. There are 1,282 miles of primary roads and 2,093 miles of secondary or local roads. Local roads have a lower priority than primary roads with regard to funding and maintenance.

The third system is made up of city streets under the jurisdictions of the various municipalities. City streets also have two classifications: There are 113 miles of major streets and 238 miles of local streets for a total of 351 miles.

The two remaining road systems comprise approximately 125 miles of seasonal roads located in the Copper Country State Forest and 3,500 miles of roads or road segments in the Ottawa National Forest. These systems are the responsibility of the Michigan Department of Natural Resources Forest Management Division and the U.S. Department of Agriculture Forest Service respectively. These two systems provide access for harvesting and transporting forest products out of the forests as well as for wildfire suppression and recreation activities.

**Roadside Development** – MDOT operates one welcome center in the region. It is located at Ironwood on US-2, a major gateway into the State. Thousands of travelers take advantage of the travel counseling available at the state welcome centers, which inform visitors of services and activities that can be found in Michigan. It also maintains 14 roadside parks and scenic turnouts in the region. In addition, there are many roadside facilities provided and maintained by county, township, municipal units of government as well as the U.S. Forest Service.

**Motor Carriage Service** - Existing Michigan law governing intrastate trucking restricts the number of trucking companies allowed to operate in the Upper Peninsula and between the U.P. and the rest of Michigan. It also excludes “contract carriers” from putting more than one manufacturer’s freight on the same truck; requires carriers to prove that their freight rates are high enough to cover all possible costs; and makes it difficult for small package carriers to increase the size of packages they carry. For the Upper Peninsula to receive the kinds of trucking services and rates it needs, the state law needs to be re-examined so that services like those available for interstate moves are possible. The economic deregulation of intrastate trucking would provide greater benefits to the Upper Peninsula than most other areas of Michigan because of the high cost of transportation associated with the distances involved.

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**Intercity Bus Service** – The intercity bus system in the Upper Peninsula is in need of strengthening in terms of routes and schedules as well as providing more direct service to the population centers. The Indian Trails bus system provides a vital link to most Upper Peninsula population centers and key destinations in Wisconsin and Minnesota. Indian Trails services can be accessed on two routes: 1) Ironwood → Sault Ste. Marie → St. Ignace Route, with stops in Ironwood, Bessemer, Marenisco, Watersmeet, Iron River, and Crystal Falls; and 2) Hancock → Marquette → Green Bay → Milwaukee → Chicago Route, with stops in Calumet, Hancock, Houghton, Chassell, Keweenaw Bay, Baraga, and L’Anse. MDOT provides Indian Trails funding in the form of subsidies to offset the cost of these services.

**Public Transit** – Transit services need to be developed or improved (and maintained) in most Upper Peninsula counties. Public transit is essential so trips for medical, employment, and education-related activities can occur without depending on the automobile. Within the Western Upper Peninsula there are two countywide transit agencies and two city services. The county services are Gogebic County Transit and the Ontonagon County Public Transit. The cities of Houghton and Hancock each operate bus services. The Baraga-Houghton-Keweenaw Community Action Agency provides limited transit services (demand and fixed routes) to program-eligible consumers in Houghton County, as well as Baragaland Senior Citizen Center in Baraga County. All systems receive financial assistance through Michigan’s Comprehensive Transportation Fund and Federal Section 5311 funds.

**Bicycle Pathways** – While bicycling is permitted on all highways, roads, and streets in Michigan, except on limited access freeways, an effort has been made by bicyclists to ensure that all roadways in the state have paved shoulders (four feet or more in width) suitable for bicycling. Bicyclists affirm the need for direct and convenient access to every destination served by the roadway system. They believe the key to their mobility is improving the existing system through paved shoulders.

In 2004 and 2009 WUPPDR assisted MDOT in developing and updating a map highlighting on-road bicycle facilities throughout the region. In addition this map allows consumers to see shoulder widths on all US and MI highways. When MDOT is developing projects in the region, generally the agency widens paved shoulders to accommodate bicyclists.

**Other Trail Systems** – Trail systems represent a growing aspect of recreation access in the region. These trails serve a wide spectrum of users ranging from snowmobiles, motorcycles, and all-terrain vehicles to non-motorized cyclists, cross-country skiers, joggers, and hikers. The development and maintenance of these off-road trails varies with ownership. While the bulk of the motorized systems are maintained through Michigan Department of Natural Resources programs, including funding appropriations to local organizations, most non-motorized systems are built and maintained by volunteer organizations. An exception is the North Country National Scenic Trail which is a component of the National Trails System. This 3,200 mile trail extends from Crown Point, New York to Lake Sakakawea in North Dakota. A 120 mile segment runs through the region. The trail is under the jurisdiction of the National Park Service. Development and maintenance assistance in this region falls to the Forest Service and a volunteer trail group.

The State of Michigan has been working to establish a statewide trail system by supporting efforts that link existing trail systems. In the Western Region there are a variety of trail systems, including groomed cross-country ski trails and facilities, mountain bike and hiking trail systems, off-road recreational vehicle (ORV) trails, and over 1,200 miles of groomed snowmobile trails. The region also has several segments of multipurpose trails using abandoned railroad right-of-ways connected by local roadways. Many of the

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trails have segments that cross private property. Permanent easements and/or acquisitions are needed to protect the Western Region's network of recreational trails.

### WATER RESOURCES

**Dams** – There are numerous water impoundment structures located in the region. One type creates reservoirs to stabilize the flow of water for the production of hydroelectric power. The other type maintains water levels to promote recreational activities and to enhance fish and wildlife habitat.

Five hydroelectric impoundment systems are operating in the region. These are owned and operated by Upper Peninsula Power Company (UPPCO), Wisconsin Electric (WE), Xcel Energy, and the City of Crystal Falls, Michigan.

There are many water control structures which impound, divert, and maintain water levels for recreation and fish and wildlife habitat. These structures are scattered throughout the region and are as varied as simple plank dams to much more complicated devices such as pumps and fish ladders.

**Water Supply** – Approximately 94 percent of the region's potable water supply is drawn from groundwater sources. The remainder is drawn from surface water sources—primarily Lake Superior. Some general reasons for not using surface water include costly construction along with operation and maintenance of treatment facilities.

The distribution of the water supply is composed of many systems found primarily in the cities, villages, and unincorporated communities located in the population center. However, there are some systems found in rural areas. Some examples include Covington in Baraga County, Amasa in Iron County, Copper Harbor in Keweenaw County, and Ewen-Trout Creek in Ontonagon County.

The majority of the water systems are publicly owned and operated. There are some exceptions, such as Michigan-American Water Company which serves an area from the Houghton County Airport north into Keweenaw County.

A great deal of rehabilitation work has been undertaken on water systems across the region. Nevertheless, the systems can still be described as suffering from undersized lines, inadequate treatment facilities, a lack of secondary sources for backup, and political situations which inhibit development of intercommunity water transmission lines.

### ENERGY RESOURCES

With the exception of energy generated from hydroelectric facilities on some of the river systems, the region is energy-poor and has none of the traditional resources such as natural gas, oil, and coal. Utilities still retain their government franchise to distribute electricity and natural gas to residential customers. Their franchise to produce energy has undergone important changes that have led to a more competitive system. This new business environment is providing utilities such as those in the region with challenges as well as opportunities.

**Electrical Energy** – Several utilities produce electrical energy to the region. All transmission of electrical energy, using the large electric lines that transport higher amounts of electricity, is controlled by American Transition Company (ATC). The utilities that distribute electricity to residential, business, and

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industrial customers include WE; UPPCO and Wisconsin Public Service Company, which are both subsidiaries of Integrys Energy Group; and Xcel Energy Corporation. UPPCO is a major supplier in Baraga, Houghton, Keweenaw and Ontonagon Counties. Another electric distributor in the region is the Ontonagon County Rural Electrification Association. A number of communities also purchase power and do their own distribution. These communities include the villages of L'Anse and Baraga and the cities of Crystal Falls and Wakefield.

**Natural Gas** – SEMCO Energy services all of Baraga, Houghton, Iron and Ontonagon Counties and the eastern half of Gogebic County. Xcel supplies the western half of Gogebic County and the communities of Bergland and Ewen in Ontonagon County.

### Other Energy Resources

- Fuel oil, LP gas, and gasoline are all transported into the region and sold by distributors located throughout the region. Some examples include Ferrellgas, Krans Oil, LaCourt Bottled Gas, etc.
- Coal is also an important energy source but used primarily for heavy industrial purposes. Coal is brought into the region by boat or rail and is off-loaded relatively close to its utilization point.
- Wood or woody biomass is an alternate fuel to coal, fuel oil, or natural gas. Some commercial establishments and institutions have successfully converted to wood and continue utilizing it as an energy source. The forest products industry has used wood for years as a fuel to lower energy costs and reduce its solid waste disposal problems.

The market for renewable energy has continued to grow. Climate change concerns, coupled with high oil prices and increasing government support are driving increasing renewable energy legislation, incentives and commercialization.

## POST-SECONDARY EDUCATION FACILITIES

The region boasts four post-secondary educational institutions. These include Gogebic Community College (GCC), Ojibwa Community College (OCC), Michigan Technological University (Michigan Tech), and Finlandia University. Each has modern facilities and offers academic programs which prepare students for the rapidly changing environment of work in today's global economy. However, there is a need for vocational education programs, and studies have shown high school graduates are leaving the area for other higher educational opportunities and not returning to the area.

### Community Colleges

- GCC was formed in 1932 as Ironwood Junior College. In 1965 it became the Gogebic Community College District. The campus site was established in the city of Ironwood. The school is a two year institution with between 1,100 and 1,200 students and approximately 65 faculty members. The school's academic programs fall into two major groups. One group is oriented toward students planning to transfer to four-year universities or colleges while the second group is oriented for those planning to enter directly into the workforce following graduation.
- OCC was originally formed in 1975 as a non-profit educational corporation. The college closed its doors from about 1980-1998 and reopened in the fall of 1998 after the Tribal Council approved the college's revitalization. The college offers a variety of associate degree programs. Vocational education programs are also offered through a variety of community enrichment programs.

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### Universities

- Michigan Tech was founded in 1885 as the Michigan Mining School; it became Michigan Technological University in 1964. The school is a technological university and trains students for career opportunities in scientific and technological fields. With a faculty of approximately 400 it offers 125 academic program options to a student body of 6,000 to 7,000. The school awards associate, baccalaureate, master, and doctor of philosophy degrees.
- Finlandia University (formerly Suomi College) was founded in 1896. Finlandia is a private university located in the City of Hancock. It has 500 to 700 students and approximately 55 faculty members and offers 23 programs of study from which to choose. These combine a study of the liberal arts with career preparation and include certificate, associate, and baccalaureate degree programs.

### TELECOMMUNICATIONS INFRASTRUCTURE

Today's global economy depends on how well organizations move and manage information. Application of information technologies in businesses, schools, governmental, and public agencies is critical to future economic and community development in the region. These technologies are essential to rural organizations, because they can help to overcome two barriers to rural growth: geographic isolation and economic specialization. In order to take advantage of these opportunities, a public telecommunications infrastructure that is capable of supporting advanced equipment and services at affordable prices must be in place.

- The Regional Educational Media Center (REMC) serves the Western U.P., and offers a variety of services such as video conferencing for members, non-members, and commercial use for an hourly fee.
- The Upper Peninsula TeleHealth Network serves health care providers by maximizing the practical use of technologies to provide health care to residents of the Upper Peninsula and the surrounding region.
- Merit Network, Inc. is a nonprofit, member owned organization formed in 1966 to design and implement a computer network between public universities in Michigan.

To address the need for doing business more smartly, UP Link was developed. With shrinking budgets and increasing energy costs, all organizations, public and private, have been affected by the disadvantages of being located in the geographically isolated Upper Peninsula. Currently UP Link, a proposed high definition video conferencing network, is moving toward implementation. The proposed high definition video conferencing network offers private and public sectors a means for addressing the unique challenges of conducting business in the UP and an opportunity to save time, money, and gas emissions. With designated video conferencing hubs established across the region and possibly in Lansing, users of UP Link will realize cost, energy, and time savings through reduced travel. Each one of the proposed hubs will be easily accessible from anywhere in the UP and will be equipped with high quality, high-definition video cameras and screens, mimicking the experience of face to face communication.

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Nevertheless, the Western U.P. continues to suffer from a lack of high-speed internet access throughout much of the region. This is exemplified by the presence of only three total wireless hotspots provided by AT&T (see <http://www.att.com/gen/general?pid=13540>) and T-Mobile (see <https://selfcare.hotspot.t-mobile.com/locations/viewLocationMap.do>) in 2011 as compared with eight each for the Central and Eastern U.P. planning regions, 32 in the Northwest Michigan region, and 864 in the state as a whole<sup>i</sup>.

### INDUSTRIAL PARKS

These are tracts of land designated for specific industrial uses such as light manufacturing, research and development, or business services. Industrial parks are platted properties that have roads, water, sewer, and energy services in place or planned to be implemented when required. Site and building restrictions are established for maintaining the integrity of the facility and for the individual protection of the tenants. Industrial parks located in the region are listed in **Table 4-I** and **Map 4-III** below.

**Table 4-I: Industrial Parks in the Western Region**

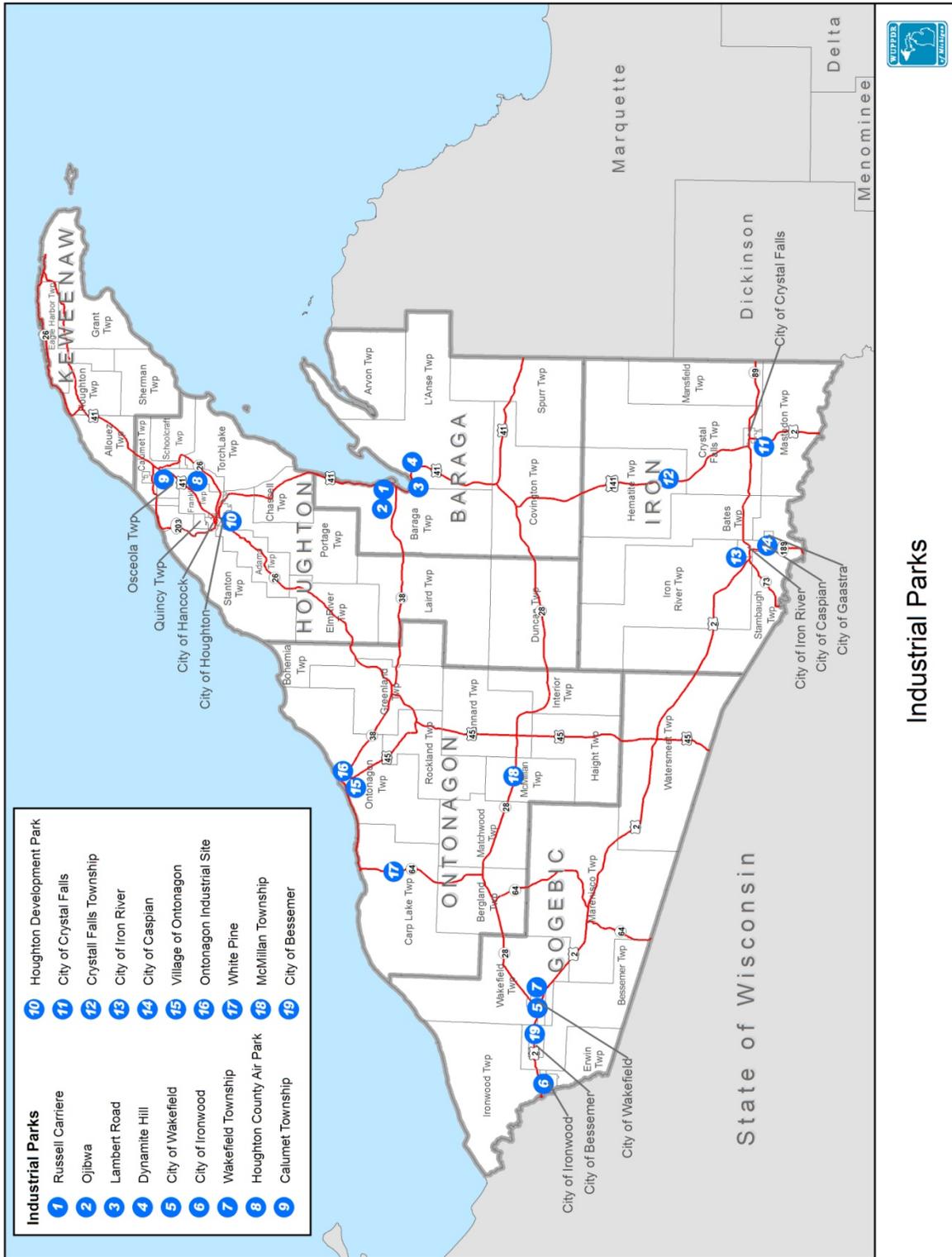
Map Key	Industrial Park Name	Location (City/Township)	Total Area (acres)	Space Available	Contact	Phone Number
1	Russell Carriere Industrial Park	Baraga	40	No	Village of Baraga	906-353-6237
2	Ojibwa Industrial Park	Baraga	400+	Yes	Keweenaw Bay Indian Community	906-353-4133
3	Lambert Road Industrial Park	L'Anse	20	No	Village of L'Anse	906-524-6116
4	Dynamite Hill Industrial Park	L'Anse	20	No	Village of L'Anse	906-524-6116
5	City of Wakefield Industrial Park	City of Wakefield	27	Yes	City of Wakefield	906-229-5131
6	City of Ironwood Industrial Park	City of Ironwood	100	Yes	City of Ironwood	906-932-5050
7	Wakefield Township Industrial Park	Wakefield Township	60	Yes	Wakefield Township	906-224-3721
8	Houghton County Air Park	Hancock	400	Yes	Houghton County Airport Manager	906-482-3970
9	Calumet Township Renaissance Zone	Calumet Township	160	Yes	Calumet Township	906-337-2410
10	Houghton Development Park	Houghton	26	Yes	City of Houghton	906-482-1700
11	City of Crystal Falls Industrial Park	City of Crystal Falls	91	Yes	City of Crystal Falls	906-875-3212
12	Crystal Falls Township Industrial Park	Crystal Falls Township	100	Yes	Tom Lesandrini	(906) 875-3062
13	City of Iron River Industrial Park	City of Iron River	77	Yes	Iron River City Manager	(906) 265-4719 ext. 100
14	City of Caspian Industrial Park	City of Caspian	Unknown	Yes	Caspian City Manager	906-265-2514
15	Village of Ontonagon (M-64)	Village of Ontonagon	Approx. 41.5	Probably	Ontonagon Village Manager	906-884-2305
16	Ontonagon Industrial Site (Renaissance Zone, M-38)	Village of Ontonagon	Approx. 50.9	Yes	Ontonagon Village Manager	906-884-2305
17	White Pine Industrial Park	White Pine	28	Yes	Carp Lake Township	906-885-5517 (Roger Jurak)
18	McMillan Township Renaissance Zone	McMillan Township	200	Yes	McMillan EDC Chair	906-988-2323
19	City of Bessemer Industrial Park	City of Bessemer	100	Yes	City Manager	906-663-4311

*Source: Survey Conducted by WUPPDR*

<sup>i</sup> Non-WUPPDR region hotspot statistics are according to the Eastern Upper Peninsula 2010 CEDS.

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## Map 4-III: Industrial Parks in the Western Upper Peninsula



### ECONOMIC SETTING

The Western Region has a relatively small population but is large geographically. Its location along the border of many political and physical divisions perpetuates relative economic isolation. Still, it contains a diverse industrial base, which includes manufacturing, retail trade and services, tourism, and natural resources, along with government. An internationally renowned technological university and three other institutions of higher learning, along with industrial parks and economic incentive zones, provide support for this industry. Mining has promising growth potential after decades of decline, as indicated by renewed exploration by several companies and one project already well underway. Although the project in progress is targeting copper, other exploration is for minerals not traditionally extracted in the region. Such specialized and desirable productive industries are also being supported by service-based industries, which, while facing some difficulties, are more viable in today's economy.

Despite renewed growth of some industries, however, not all in the region are prospering. In particular, some natural resource industries and some retail operations have slumped. Forestry faces challenges as commercial forestland is sold off and becomes increasingly fragmented and as regulatory policies limit the amount of public land available for timber cutting. As well, the potential to utilize forest products for secondary value-added manufacturing has never been fully realized. However, currently there is a movement to develop biomass fuels from waste timber products or dormant agricultural land which may help to reverse this trend. Natural resources are discussed further below.

The region has long remained stagnant in comparison to the national economy and that of the relatively prosperous Ninth Federal Reserve District ("Ninth District," which is comprised of Montana, North and South Dakota, Minnesota, Northwestern Wisconsin, and the Upper Peninsula). This has not always been a disadvantage, however; it has given the region less "room" to decline during the recession of the past decade. Similarly, the Ninth District did not participate as fully as some regions of the nation in the expansion and excesses of the middle and late 1980s. Although the district's removal from such trends may have held the region back in nationally prosperous times, it has buffered the region and district from recent economic decline on broader scales.

### INTERDEPENDENT ECONOMIES

The local economies of the Western Upper Peninsula are interconnected with and linked to the larger economies of the Upper Peninsula and the States of Michigan and Wisconsin. The local economies are also associated with specialized economic and cultural regions, such as the Ninth District and the Great Lakes Region (GLR), which are better suited to economic analysis.

The Western Region has much in common with the specialized regions described but is hardly a mirror image of them. For example, the Twin Cities of Minneapolis-St. Paul, Minnesota, where the Ninth District is based, are home to multiple Fortune 500 companies, many of them focused on technology-based or professional industries. Large parts of the district also heavily depend on agriculture. These industries have a fledgling presence in the Western Region, but it would be inappropriate to compare the region to the Twin Cities hinterlands or to States such as the Dakotas where those industries are more prominent.

The GLR is less defined than the Ninth District. The Western Region may be viewed as the heart of the Upper GLR, which is generally similar geographically and economically to the Western Region. However, the Western Region has little in common with the southern part of the GLR, much of which is characterized by metropolitan areas and heavy productive industry (although this sector has been

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declining for some time). The Western Region has long been an integral part of the lower or southern GLR, however, supplying raw materials to urban industry.

The Western Region is just one of three planning regions in the Upper Peninsula. With the entire peninsula having only approximately three percent of Michigan's population, it is vital for the three regions to work together to accomplish peninsula-wide goals. The peninsula's sparse population, long distances between economic centers, and underdeveloped transportation network necessitates collaboration in order to break down barriers to efficiency. An example of one effort currently being driven by the Western Region is U.P. Link, a high definition videoconferencing network which will make remote meetings in the U.P. much more effective, helping to eliminate the problem of distance. The proposed system also includes a link to Lansing, the State Capital, which is over a ten-hour drive from the most distant part of the region.

### Economic Foundation

#### *Infrastructure*

As demonstrated in Section 4 of this report, the quality of a region's infrastructure is a critical index of its economic vitality. While a sound infrastructure does not guarantee future prosperity, long-term economic growth cannot be achieved without it. Economic efficiency, public health, and the general quality of life are linked inextricably to it. In addition, infrastructure investment directly supports additional economic activity.

Infrastructure's importance lies in the services it provides. The physical assets make these services possible, but they come with no guarantee that they will deliver the quality, quantity, or cost of service needed to sustain the economy and the standard of living. The performance of these assets depends on a range of human and technical factors as well as the ongoing level of capital investment and maintenance. The infrastructure discussed in Section 4 has strong links to economic development.

Many of the public work infrastructure categories such as highways, airports, public transit, and water resources have a tradition of direct public sector involvement. Conversely, private sector infrastructure tends to include communication services, power production facilities, railroads, and healthcare. Taken as a whole, the services both the public and private sector provide make up a foundation for a strong economy.

It is important to understand the interdependence between public and private capital investment in order to understand regional development. Underlying most regional development strategies is the premise that an important share of the regional capital investment must be in public capital stock. Furthermore, the scale and location of this stock should have a positive effect on subsequent private investment as well as on the decisions made by firms and households about where to locate.

Private and public investment, however, must be balanced to support stable economic growth. Inadequate infrastructure reduces productivity because industry substitutes private capital and labor for nonexistent or inadequate public infrastructure. In effect, firms compensate by using more capital and labor to produce the same output. This ability is more available in growing than in declining areas. As a result, inadequate infrastructure may promote the downward spiral of a depressed area. This is of significance to Michigan's Western Upper Peninsula and it reinforces the argument that the region needs a strong infrastructure strategy in its economic development program.

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Today's reality is that of dwindling government resources to fund services that have been provided for decades. Local units of government are faced with cutbacks in funding at a scale never seen before. To help counteract this trend the Michigan Municipal League (MML) has provided information and a small amount of capital to work towards a "shared services" concept which is taking root in certain communities. A form of shared services, consolidation, happened in the cities of Iron River, Mineral Hills, and Gastra several years ago when they decided to combine into one unit of government and keep the name of the City of Iron River. This was the first consolidation of municipalities in the history of the State of Michigan.

The shared services concept is catching on quickly and will happen in areas that cannot support the services that they have always offered to their residents. These include such services as fire protection, street plowing, and police. The MML is seeking monies from the State of Michigan to help communities do cost analysis on sharing services with adjoining municipalities.

### *Education*

Historically it has been argued that high rates of achievement in education are necessary for communities to achieve high levels of economic growth. Many studies have identified these correlations between education levels and economic prosperity. Analysis by the Michigan State University Land Policy Institute (LPI) identified talent as a key ingredient of a successful economy.

Efforts to provide educational and workforce development throughout the region are made available for all ages in many capacities. Public education is emphasized for pre-kindergarten children all the way through high school. In April 2011, three Western UP schools, Houghton High School, C-L-K Elementary School and E.B. Holman Elementary School, were identified by the State as schools "beating the odds" and performing better than expected, based on school testing data. The Copper Country Intermediate (CCISD), Gogebic-Ontonagon (G-OISD), and Dickinson-Iron (D-IISD) Intermediate School Districts fill a much needed role in the form of training to faculty and staff, internet connectivity between districts, and additional educational opportunities for students and adults. As mentioned in Section 4, the region is home to two four-year postsecondary institutions and two two-year institutions. The four-year schools included Michigan Technological University in Houghton and Finlandia University in Hancock. The two-year schools include Gogebic Community College in Ironwood and Ojibwa Community College in Baraga on the Keweenaw Bay Indian Community Reservation. The quality of services at every level influences the talent development, retention, and attraction success of the region.

Vocational training for non-bachelor's degree-seeking students is available in the region for high school students and adults. The CCISD offers adult enrichment opportunities including computer classes, residential construction, and adult nurse aide classes. The G-OISD offers career/technical courses for high school students ranging from accounting to computer programming to welding. If the students decide to enter college, these courses may qualify for college credit. D-IISD, which serves Iron County, also offers high school students technical courses in nine topic areas including auto repair, graphic communications, and health occupations. GGC offers a variety of both certificate and two-year degrees ranging from nursing to business to ski area management. OCC offers associates of arts and associates of science degrees in applied science in education, liberal studies, and environmental science.

### FINANCIAL TRENDS AND STATISTICS: INCOME AND POVERTY

#### *Per Capita Income*

Per capita income is a good proxy for the overall wealth and spending patterns for an area. Caution must be used when analyzing per capita income measurements because they serve as a one-year gauge, and unusual circumstances, such as a bumper crop or natural disaster, could skew the measure. **Table 5-I** shows per capita income growth rates since 2000 and the annual figures of the region, counties, Michigan, and the United States.

The region had an average per capita income of \$29,533 in 2009, which is \$4,782 below the State's average level. There is some variance in per capita income among the six counties with Baraga County varying the most by 11% from the regional average with \$26,272, while Ontonagon County varied the least by 2.6% with \$30,304.

The region's per capita income from 2000 to 2009 grew, on average, at a faster rate than the State's: 4.1% versus 1.8%. The nine-year average growth rate mitigates the chance of unusual occurrences influencing the per capita figures for any particular year. The region was ahead of both the nation and the State with the U.S. per capita growth rate at 3.1% for the same 2000 to 2009 period.

#### *Median Household Income*

An alternative measure of income that highlights a unit as opposed to the individual is household income. Household income is the total income received by all household members, 15 years of age and older from all sources. Household income differs from family income by including all income received by all household members, including those not related to the householder and by persons living alone. The median household income of the region is \$35,013, or 28.1% less than Michigan, which is \$48,700. Baraga has the highest median household income, at \$40,849, or 16.1% below the State's median household income. Houghton, at \$31,824, has the lowest median household income in the region. See **Table 5-II**.

A comparison of household income cohorts among the counties and the region to those of the State reveal a relative lack of wealth. Household income levels less than \$10,000 account for 10.9% of the households in the region compared to 8.0% in the State. Houghton County had the greatest percentage, at 12.5%, in this cohort, while Iron had the lowest with 8.7%. When the next two income cohorts (\$10,000 – 14,999 and \$15,000 – 24,999) are included in a cumulative figure, the region has 38.1% of its households in a cumulative total compared to 25.0% for the State.

**Table 5-I: Per Capita Income Calculations, 2000-2009**

<b>Per Capita Income Growth</b>											
	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2000-09 AVG/year</b>	
<b>Baraga</b>	3.5%	-0.6%	3.6%	5.1%	3.0%	5.8%	4.5%	8.9%	0.7%	3.8%	
<b>Gogebic</b>	4.4%	1.8%	2.6%	7.2%	1.6%	4.2%	5.4%	6.2%	2.2%	4.0%	
<b>Houghton</b>	9.1%	-3.0%	2.6%	5.0%	2.0%	5.6%	5.4%	4.1%	2.6%	3.7%	
<b>Iron</b>	11.0%	-0.3%	4.2%	5.5%	3.3%	4.1%	5.7%	6.9%	1.7%	4.7%	
<b>Keweenaw</b>	6.8%	1.4%	5.0%	6.7%	4.4%	2.8%	6.9%	5.2%	2.7%	4.7%	
<b>Ontonagon</b>	7.2%	-1.1%	3.9%	9.7%	2.0%	3.6%	5.2%	6.6%	1.4%	4.3%	
<b>Region Average</b>	6.9%	-0.3%	3.6%	6.5%	2.7%	4.2%	5.5%	6.2%	1.9%	4.1%	
<b>Michigan</b>	2.0%	0.7%	3.4%	1.4%	2.0%	2.9%	3.1%	3.1%	-2.8%	1.8%	
<b>United States</b>	2.7%	1.0%	2.6%	5.0%	4.6%	6.4%	4.7%	3.1%	-2.6%	3.1%	
<b>Per Capita Income</b>											
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>% Change (2000-2009)</b>
<b>Baraga</b>	18,793	19,447	19,330	20,031	21,054	21,687	22,940	23,968	26,095	26,272	39.8%
<b>Gogebic</b>	20,277	21,170	21,551	22,116	23,700	24,083	25,102	26,464	28,097	28,718	42.1%
<b>Houghton</b>	19,569	21,352	20,716	21,254	22,307	22,750	24,027	25,327	26,376	27,054	38.2%
<b>Iron</b>	20,671	22,954	22,886	23,848	25,156	25,993	27,060	28,596	30,561	31,094	50.4%
<b>Keweenaw</b>	21,102	22,544	22,868	24,018	25,622	26,751	27,487	29,397	30,912	31,749	50.5%
<b>Ontonagon</b>	20,861	22,356	22,110	22,972	25,195	25,699	26,637	28,010	29,871	30,304	45.3%
<b>Region Average</b>	20,546	21,971	21,911	22,707	24,173	24,828	25,877	27,295	28,987	29,533	43.7%
<b>Michigan</b>	29,392	29,979	30,193	31,221	31,661	32,283	33,212	34,249	35,305	34,315	16.7%
<b>United States</b>	30,318	31,145	31,461	32,271	33,881	35,424	37,698	39,461	40,674	39,635	30.7%

*SOURCE: U.S. Department of Commerce (DoC), Bureau of Economic Analysis (BEA), Regional Economic Information System (REIS), Table CA1-3, April 2011*

*Note: Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2000-2009 reflect county population estimates available as of April 2010.*

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**Table 5-II: Household (HH) Income Calculations, 2009**

	# HH	% Total HH	Cumulative %		# HH	% Total HH	Cumulative %
<b>BARAGA</b>				<b>HOUGHTON</b>			
Income <\$10,000	287	9.3%	9.3%	Income <\$10,000	1,755	12.5%	12.5%
\$10,000-\$14,999	216	7.0%	16.3%	\$10,000-\$14,999	1,282	9.2%	21.7%
\$15,000-\$24,999	360	11.7%	28.0%	\$15,000-\$24,999	2,658	19.0%	40.7%
\$25,000-\$34,999	464	15.1%	43.1%	\$25,000-\$34,999	1,814	12.9%	53.6%
\$35,000-\$49,999	550	17.9%	61.0%	\$35,000-\$49,999	2,226	15.9%	69.5%
\$50,000-\$74,999	650	21.1%	82.1%	\$50,000-\$74,999	2,090	14.9%	84.4%
\$75,000-\$99,999	319	10.4%	92.5%	\$75,000-\$99,999	1,004	7.2%	91.6%
\$100,000-\$149,999	197	6.4%	98.9%	\$100,000-\$149,999	850	6.1%	97.7%
\$150,000-\$199,999	28	0.9%	99.8%	\$150,000-\$199,999	141	1.0%	98.7%
\$200,000 or more	10	0.3%	~100.0%	\$200,000 or more	189	1.3%	100.0%
<b>Median Income -</b> \$40,849				<b>Median Income -</b> \$31,824			
<b>GOGEBIC</b>				<b>IRON</b>			
Income <\$10,000	752	10.2%	10.2%	Income <\$10,000	473	8.7%	8.7%
\$10,000-\$14,999	660	9.0%	19.2%	\$10,000-\$14,999	514	9.5%	18.2%
\$15,000-\$24,999	1,444	19.6%	38.8%	\$15,000-\$24,999	987	18.1%	36.3%
\$25,000-\$34,999	1,095	14.9%	53.7%	\$25,000-\$34,999	813	14.9%	51.2%
\$35,000-\$49,999	1,149	15.6%	69.3%	\$35,000-\$49,999	941	17.3%	68.5%
\$50,000-\$74,999	1,192	16.2%	85.5%	\$50,000-\$74,999	1,001	18.4%	86.9%
\$75,000-\$99,999	575	7.8%	93.3%	\$75,000-\$99,999	404	7.4%	94.3%
\$100,000-\$149,999	337	4.6%	97.9%	\$100,000-\$149,999	218	4.0%	98.3%
\$150,000-\$199,999	85	1.2%	99.1%	\$150,000-\$199,999	43	0.8%	99.1%
\$200,000 or more	61	0.8%	~100.0%	\$200,000 or more	45	0.8%	~100.0%
<b>Median Income -</b> \$32,692				<b>Median Income -</b> \$34,083			

*SOURCE: ACS, 2005-2009 5-Year Estimates*

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**Table 5-II: Household (HH) Income Calculations (2009, cont.)**

	# HH	% Total HH	Cumulative %		# HH	% Total HH	Cumulative %
<b>KEWEENAW</b>				<b>REGION 13</b>			
Income <\$10,000	95	9.7%	9.7%	Income <\$10,000	3,694	10.8%	10.8%
\$10,000-\$14,999	93	9.5%	19.2%	\$10,000-\$14,999	3,096	9.0%	19.8%
\$15,000-\$24,999	169	17.2%	36.4%	\$15,000-\$24,999	6,151	18.0%	37.8%
\$25,000-\$34,999	121	12.3%	48.7%	\$25,000-\$34,999	4,838	14.1%	51.9%
\$35,000-\$49,999	228	23.2%	71.9%	\$35,000-\$49,999	5,564	16.2%	68.1%
\$50,000-\$74,999	163	16.6%	88.5%	\$50,000-\$74,999	5,815	17.0%	85.1%
\$75,000-\$99,999	68	6.9%	95.4%	\$75,000-\$99,999	2,666	7.8%	92.9%
\$100,000-\$149,999	18	1.8%	97.2%	\$100,000-\$149,999	1,738	5.1%	98.0%
\$150,000-\$199,999	14	1.4%	98.6%	\$150,000-\$199,999	345	1.0%	99.0%
\$200,000 or more	12	1.2%	~100.00%	\$200,000 or more	354	1.0%	100.0%
<b>Median Income - \$35,977</b>				<b>Median Income - \$34,928 *</b>			
<b>ONTONAGON</b>				<b>MICHIGAN</b>			
Income <\$10,000	332	9.8%	9.8%	Income <\$10,000	308,694	8.0%	8.0%
\$10,000-\$14,999	331	9.7%	19.5%	\$10,000-\$14,999	220,515	5.7%	13.7%
\$15,000-\$24,999	533	15.7%	35.2%	\$15,000-\$24,999	434,594	11.3%	25.0%
\$25,000-\$34,999	531	15.6%	50.8%	\$25,000-\$34,999	434,302	11.3%	36.3%
\$35,000-\$49,999	470	13.8%	64.6%	\$35,000-\$49,999	576,877	14.9%	51.2%
\$50,000-\$74,999	719	21.1%	85.7%	\$50,000-\$74,999	735,542	19.1%	70.3%
\$75,000-\$99,999	296	8.7%	94.4%	\$75,000-\$99,999	474,955	12.3%	82.6%
\$100,000-\$149,999	118	3.5%	97.9%	\$100,000-\$149,999	437,708	11.3%	93.9%
\$150,000-\$199,999	34	1.0%	98.9%	\$150,000-\$199,999	131,864	3.4%	97.3%
\$200,000 or more	37	1.1%	100.00%	\$200,000 or more	105,109	2.7%	100.0%
<b>Median Income - \$34,140</b>				<b>Median Income - \$48,700</b>			

SOURCE: ACS, 2005-2009 5-Year Estimates

\* Mean of county median incomes

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### Poverty Rates

Poverty rates are another indicator of economic well-being. These rates may be examined on the level of the family or the individual. In the Western Region 16.3% of individuals are below the federally established poverty level according to the ACS (2005-2009 5-Year Estimates). This is above the State's individual poverty rate of 16.8%. However, the rate varies widely among counties within the Region. Houghton County has the highest poverty level, due in large part to the college student population, at 22.6%. The next highest rate is in Keweenaw County at 19.8%. The lowest poverty rate is in Ontonagon County at 11.7%.

## FINANCIAL TRENDS AND STATISTICS: LABOR AND INDUSTRY

The labor force and employment data used in this section are derived from the Labor Market Information provided by the Michigan Department of Technology, Management, and Budget. This information is standardized to allow for comparison between individual counties and the State as a whole. County data can also be aggregated as desired. Here, the Western Region's six counties are considered as one of the state's 25 Michigan Works Areas (MWA), the "Western U.P. MWA." **Table 5-III** illustrates labor force comparisons between Michigan and the Western U.P. MWA. As can be seen, the Western U.P. MWA experienced about the same change in labor force as the State from 2006 to 2011.

**Table 5-III: Persons in Labor Force, 2006-2011, Western U.P. MWA/Michigan/United States**

Area	July 2006	July 2008	July 2010	July 2011	2006-2011 % Change
<b>Western U.P. MWA</b>	41,034	40,131	38,816	38,008	-7.4%
<b>Baraga Co.</b>	4,432	4,432	4,308	4,033	-9.0%
<b>Gogebic Co.</b>	8,046	7,791	7,518	7,385	-8.2%
<b>Houghton Co.</b>	17,656	17,319	17,051	16,812	-4.8%
<b>Iron Co.</b>	6,223	6,117	5,730	5,657	-9.1%
<b>Keweenaw Co.</b>	1,044	1,032	1,053	1,030	-1.3%
<b>Ontonagon Co.</b>	3,633	3,440	3,156	3,091	-14.9%
<b>Michigan</b>	5,149,000	5,047,000	4,867,000	4,777,000	-7.2%
<b>United States *</b>	153,208,000	156,300,000	155,270,000	154,812,000	1.0%

*SOURCES: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

*\* Accounts only for civilian labor force*

In the Region, the labor force experienced a drop of 3,026 persons, or -7.4%; however, as shown in **Table 5-IV** below, total employment decreased by much more at -11.6% or 3,800. This, too, was approximately the same as the State rate. **Table V** shows unemployment rate for the counties in the Region, for the State, and for the U.S. The decline in the number of persons employed at a faster rate than the size of the labor force pushed the Region's unemployment rate to 14.9% in 2010, which was somewhat higher than the state rate and well above the national average. In all three labor market measures discussed here—labor force change, employment change, and unemployment rate—both Michigan and the Region compared unfavorably to the U.S.

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**Table 5-IV: Persons Employed, 2006-2011, Western U.P. MWA/Michigan/United States**

Area	July 2006	July 2008	July 2010	July 2011	2006-2011 % Change
<b>Western U.P. MWA</b>	37,928	36,560	34,494	33,532	-11.6%
Baraga County	3,958	3,877	3,315	3,295	-16.8%
Gogebic County	7,407	7,107	7,518	6,494	-12.3%
Houghton County	16,430	15,885	15,049	15,073	-8.3%
Iron County	5,811	5,604	5,082	5,113	-12.0%
Keweenaw County	957	938	925	927	-3.1%
Ontonagon County	3,365	3,149	2,605	2,630	-21.8%
<b>Michigan</b>	4,738,000	4,591,000	4,226,000	4,209,000	-11.2%
<b>United States</b>	145,606,000	146,867,000	140,134,000	140,384,000	-3.6%

*SOURCES: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

The annual average unemployment rates for the region from 2000 through 2010 indicate that although the unemployment rate is slightly higher than the State overall, it follows the same year-to-year pattern as the State. The rate increased steadily throughout the decade. The region experienced a noticeable rise in unemployment from 2008-2010 due to the nationwide recession starting with the housing bubble burst in 2006 that led to the stock market crash of 2008-2009.

Houghton County consistently led the region with the lowest unemployment rate of the decade, ranging from 4.9% to 10.9%. All other counties in the region except Gogebic posted a higher rate than the State of Michigan. Baraga County posted the highest in the region and the State in 2009 and 2010. During some months in 2009, Baraga County had the second highest rate in the nation. One of Baraga County's biggest industries is manufacturing, which took a hit during the economic downturn. Additionally, Terex Handlers, a major customer for many local shops, relocated its Baraga operations to Washington State in late 2009 compounding the already high unemployment rate. See **Table 5-V** for a full listing of annual unemployment rates for the region; **Table 5-VI** breaks it down further and provides labor force numbers by labor market area.

Each labor market area (LMA) is defined as a central community and surrounding territory in which there is a concentration of economic activity or labor demand and in which workers can generally change jobs without changing their residence. Each LMA's central community, or nucleus, must have a population of 5,000 or more. There are five small labor markets in the region. Except for the Houghton-Keweenaw Labor Market (HKLM), all are composed of individual counties. HKLM provides 45% of the industrial jobs located in the region. Another 19% are located in Gogebic County. The remaining employment is distributed throughout Iron, Ontonagon and Baraga Counties. In the Western Region the labor markets' nuclei are distributed rather unevenly over a broad rural landscape with a dispersed population, making for long commuting distances.

**Table 5-V: Unemployment Rates (Annual Averages, %), 2000-2010, Western U.P. MWA/Michigan/United States**

Area	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baraga Co.	6.5	8.8	9.6	9.9	11.5	11.1	10.9	12.5	13.7	23.6	23.3
Gogebic Co.	6.3	7.0	7.7	8.5	7.9	7.7	7.4	7.6	8.6	12.5	12.9
Houghton Co.	4.9	6.0	6.8	7.0	6.4	6.4	6.8	7.0	7.8	10.5	10.9
Iron Co.	5.8	6.4	7.1	7.4	7.5	7.3	7.1	7.2	8.4	11.7	11.7
Keweenaw Co.	6.2	7.8	8.9	10.3	11.6	10.4	9.9	10.7	10.8	13.7	13.6
Ontonagon Co.	6.4	7.4	7.4	7.9	7.6	7.3	7.8	8.2	9.2	15.3	17.1
<b>WUPPDR</b>	<b>6.0</b>	<b>7.2</b>	<b>6.0</b>	<b>8.5</b>	<b>8.8</b>	<b>8.4</b>	<b>8.3</b>	<b>8.9</b>	<b>9.8</b>	<b>14.6</b>	<b>14.9</b>
<b>Michigan</b>	<b>4.6</b>	<b>6.1</b>	<b>7.1</b>	<b>7.9</b>	<b>7.8</b>	<b>7.4</b>	<b>7.6</b>	<b>7.9</b>	<b>9.1</b>	<b>13.7</b>	<b>13.2</b>
<b>United States</b>	<b>4.0</b>	<b>4.7</b>	<b>5.8</b>	<b>6.0</b>	<b>5.5</b>	<b>5.1</b>	<b>4.6</b>	<b>4.6</b>	<b>5.8</b>	<b>9.3</b>	<b>9.6</b>

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI); U.S. Bureau of Labor Statistics (BLS)*

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**Table 5-VI: Annual Average Labor Force, Western U.P. MWA**

Labor Market Areas	Year	Labor Force	Total Employment	Unemployment Number	Unemployment Percent
Baraga	2000	4,119	3,852	267	6.5
	2001	4,018	3,665	353	8.8
	2002	3,842	3,472	370	9.6
	2003	3,895	3,509	386	9.9
	2004	4,001	3,542	459	11.5
	2005	4,125	3,669	456	11.1
	2006	4,258	3,792	466	10.9
	2007	4,291	3,754	537	12.5
	2008	4,306	3,718	588	13.7
	2009	4,409	3,370	1,039	23.6
	2010	4,216	3,235	981	23.3
Gogebic	2000	7,724	7,240	484	6.3
	2001	7,991	7,428	563	7.0
	2002	7,851	7,243	608	7.7
	2003	7,874	7,207	667	8.5
	2004	7,809	7,189	620	7.9
	2005	7,749	7,149	600	7.7
	2006	7,797	7,222	575	7.4
	2007	7,684	7,099	585	7.6
	2008	7,600	6,950	650	8.6
	2009	7,377	6,456	921	12.5
	2010	7,348	6,397	951	12.9
Houghton	2000	17,117	16,283	834	4.9
	2001	17,075	16,059	1,016	6.0
	2002	16,880	15,728	1,152	6.8
	2003	17,057	15,861	1,196	7.0
	2004	17,177	16,074	1,103	6.4
	2005	17,561	16,435	1,126	6.4
	2006	17,861	16,653	1,208	6.8
	2007	17,797	16,543	1,254	7.0
	2008	17,548	16,179	1,369	7.8
	2009	17,432	15,609	1,823	10.5
	2010	17,379	15,483	1,896	10.9

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**Table 5-VI: Annual Average Labor Force, Western U.P. MWA (cont.)**

Labor Market Areas	Year	Labor Force	Total Employment	Unemployment Number	Unemployment Percent
Iron	2000	5,659	5,331	328	5.8
	2001	5,751	5,384	367	6.4
	2002	5,691	5,287	404	7.1
	2003	5,832	5,400	432	7.4
	2004	5,902	5,458	444	7.5
	2005	5,871	5,442	429	7.3
	2006	6,020	5,593	427	7.1
	2007	5,985	5,552	433	7.2
	2008	5,888	5,396	492	8.4
	2009	5,693	5,027	666	11.7
	2010	5,559	4,907	652	11.7
Keweenaw	2000	1,050	985	65	6.2
	2001	1,060	977	83	7.8
	2002	1,027	936	91	8.9
	2003	1,050	942	108	10.3
	2004	1,063	940	123	11.6
	2005	1,063	952	111	10.4
	2006	1,075	969	106	9.9
	2007	1,066	952	114	10.7
	2008	1,071	955	116	10.8
	2009	1,113	960	153	13.7
	2010	1,102	952	150	13.6
Ontonagon	2000	3,649	3,417	232	6.4
	2001	3,560	3,297	263	7.4
	2002	3,500	3,240	260	7.4
	2003	3,511	3,235	276	7.9
	2004	3,559	3,287	272	7.6
	2005	3,575	3,315	260	7.3
	2006	3,538	3,263	275	7.8
	2007	3,442	3,160	282	8.2
	2008	3,304	2,999	305	9.2
	2009	3,160	2,676	484	15.3
	2010	3,090	2,562	528	17.1

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI); U.S. Bureau of Labor Statistics (BLS)*

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### Industry Structure

In a regional economy which makes up such a small part of the State economy, all economic activities are important. In **Table 5-VII**, based on earnings, four types of activity are identified as driving the economy in the Western Upper Peninsula: government, manufacturing, services, and retail trade. The most significant difference between employment in the Western Region and in the State is the proportion of earnings supplied by the region's public sector. Table 5-VIII shows that public employment accounts for a substantial portion of earnings; government also accounts for 43% of jobs, well in excess of the State or nation. Statewide, employment is relatively greater in manufacturing; transportation; communications; utilities; professional services; finance and insurance; real estate; and services.

**Table 5-VII: Total Earnings by Industry by County (Thousands \$)**

Industry	Baraga	Gogebic	Houghton	Iron	Keweenaw	Ontonagon	TOTAL
Farm	270	10	352	447	0	211	1,290
Forestry & Logging	3,566	(D)	3,425	1,609	(D)	557	9,157
Construction	2,791	5,816	37,571	6,018	(D)	4,192	56,388
Manufacturing	24,605	22,710	22,401	14,780	(D)	(D)	84,496
Information	2,659	2,189	3,806	1,347	0	1,374	11,375
Wholesale Trade	807	3,381	8,578	1,575	(D)	(D)	14,341
Retail Trade	5,580	19,522	43,479	12,221	487	7,780	89,069
Finance & Insurance	(D)	4,334	12,625	6,194	(D)	2,770	25,923
Real Estate	(D)	2,534	2,159	1,545	(D)	108	6,346
Accommodation & Food Services	(D)	6,289	15,566	3,130	(D)	1,919	26,904
"Other Services" *	3,018	7,868	16,974	13,028	1,497	1,948	44,333
Government	78,668	84,673	245,573	49,655	6,237	20,229	485,035
<b>TOTAL **</b>	<b>145,458</b>	<b>238,808</b>	<b>588,453</b>	<b>165,158</b>	<b>19,910</b>	<b>86,867</b>	<b>1,244,654</b>

*SOURCE: BEA, 2009 – Table CA05N (Personal Income and Earnings by Industry)*

*(D): Not shown to avoid disclosure of confidential information*

\* *Does not include public administration, health care, social assistance, or numerous other service categories (which could not be totaled due to inclusion of (D) entries*

\*\* *Greater than sum of above rows as it includes other categories and estimates of (D) entries*

### Public (Governmental) Sector

Based on measures of both employment and total earnings, the public sector plays a leading role in the economy. It also provides stability to an economy that has been strongly oriented toward natural resource commodities which react sharply to business cycle changes. The sector's importance emerged during the Great Depression in the 1930s, when government at all levels increased intervention in the economy as a matter of public policy, eventually becoming the region's dominant economic force.

Currently there is a major policy effort to "reinvent" government. It is being pursued with two methods. One method is reducing the number of public service employees. An emerging trend in the region serving as a means to this end is privatization, as with school bus services in some communities. A second method is through the budget. This seeks to eliminate programs by reducing their size or shifting responsibility for them elsewhere.

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While such policy decisions are occurring at all levels of government, they are most evident at the federal level. A substantial federal presence is expected to continue in the region through the USDA Forest Service, the USDI National Park Service, the Postal Service and numerous other agencies with special missions such as the Coast Guard with new responsibilities for Homeland Security. However, decline of federal monies affects not only federal operations but State operations through reductions in State aid. This in turn reduces local and regional funding opportunities.

Regardless of funding conditions, the State government is expected to continue to have a strong presence in the region with facilities that include a major university, a maximum security prison, eight State parks, State forestlands, and a portion of the State trunkline. In addition, there is a State presence in fulfilling social service, health care and other responsibilities. While hiring freezes currently exist in most State departments, the Department of Corrections remains a significant force and continues to hire corrections officers and support staff. This will continue to have an impact on the regional economy far into the future.

Local government makes the largest contribution to the economy. In addition to the traditional public service employees who are found serving in city, village, township and county governments, there are many others. Some of these include the public school teachers and support staff, employees of county road commissions, and employees of medical care facilities. Non-traditional types of organizations have emerged to handle special functions, including planning and economic development commissions, water, sewer, and solid waste authorities along with human services agencies. All contribute in different ways, and all are connected to the economy.

### Private Sector

Looking at employment in a different way, **Tables 5-VIII & 5-IX** show total private sector jobs classified by industry in 2009. Table 5-IX indicates that over one fourth of the region's private industry employment is concentrated in three classifications: food services and drinking places, 10.9%; ambulatory healthcare services, 8.3%; and hospitals, 6.7%.

Table 5-IX provides data on the region's top ten private industries by employment, which represent 52.0% of private wage and salary employment. Food services and drinking places rank number one with 10.9% of total employment. This trend with accommodations and food and beverage stores making up 19% of private industry employment in the region shows how important the service sector is to the local economy. Additionally, health care is a strong sector, with ambulatory health care services and hospitals making up 15% of private industry employment.

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**Table 5-VIII: Private Industry Employment Analysis, Western U.P. MWA, 2009**

NAICS - Industry Title	Jobs	Percent of Total
<b>000 - Total, All Industries</b>	<b>18,557</b>	<b>100.0%</b>
111 - Crop Production	198	1.1%
112 - Animal Production	P	P
113 - Forestry and Logging	291	1.6%
115 - Agriculture and Forestry Support Activities	40	0.2%
212 - Mining, Except Oil and Gas	32	0.2%
213 - Support Activities for Mining	P	P
221 - Utilities	196	1.1%
236 - Construction of Buildings	733	3.9%
237 - Heavy and Civil Engineering Construction	94	0.5%
238 - Specialty Trade Contractors	605	3.3%
311 - Food Manufacturing	64	0.3%
312 - Beverage and Tobacco Product Manufacturing	P	P
314 - Textile Product Mills	P	P
321 - Wood Product Manufacturing	458	2.5%
322 - Paper Manufacturing	P	P
323 - Printing and Related Support Activities	36	0.2%
325 - Chemical Manufacturing	P	P
326 - Plastics and Rubber Products Manufacturing	124	0.7%
327 - Nonmetallic Mineral Product Manufacturing	158	0.9%
331 - Primary Metal Manufacturing	P	P
332 - Fabricated Metal Product Manufacturing	166	0.9%
333 - Machinery Manufacturing	398	2.1%
334 - Computer and Electronic Product Manufacturing	176	0.9%
335 - Electrical Equipment and Appliance Manufacturing	5	0.0%
336 - Transportation Equipment Manufacturing	P	P
337 - Furniture and Related Product Manufacturing	3	0.0%
339 - Miscellaneous Manufacturing	10	0.1%
423 - Merchant Wholesalers, Durable Goods	144	0.8%
424 - Merchant Wholesalers, Nondurable Goods	126	0.7%
425 - Electronic Markets and Agents and Brokers	51	0.3%
441 - Motor Vehicle and Parts Dealers	381	2.1%
442 - Furniture and Home Furnishings Stores	81	0.4%
443 - Electronics and Appliance Stores	68	0.4%
444 - Building Material and Garden Supply Stores	270	1.5%
445 - Food and Beverage Stores	872	4.7%
446 - Health and Personal Care Stores	126	0.7%
447 - Gasoline Stations	352	1.9%
448 - Clothing and Clothing Accessories Stores	199	1.1%
451 - Sporting Goods, Hobby, Book and Music Stores	121	0.7%
452 - General Merchandise Stores	921	5.0%
453 - Miscellaneous Store Retailers	159	0.9%
454 - Nonstore Retailers	48	0.3%

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NAICS - Industry Title (Continued)	Jobs	Percent of Total
481 - Air Transportation	P	P
483 - Water Transportation	P	P
484 - Truck Transportation	107	0.6%
485 - Transit and Ground Passenger Transportation	17	0.1%
486 - Pipeline Transportation	P	P
487 - Scenic and Sightseeing Transportation	P	P
488 - Support Activities for Transportation	P	P
492 - Couriers and Messengers	P	P
511 - Publishing Industries, Except Internet	77	0.4%
512 - Motion Picture and Sound Recording Industries	28	0.2%
515 - Broadcasting, Except Internet	58	0.3%
517 - Telecommunications	140	0.8%
518 - ISP's, Search Portals and Data Processing	P	P
522 - Credit Intermediation and Related Activities	491	2.6%
523 - Securities, Commodity Contracts, Investments	9	0.0%
524 - Insurance Carriers and Related Activities	179	1.0%
525 - Funds, Trusts and Other Financial Vehicles	P	P
531 - Real Estate	217	1.2%
532 - Rental and Leasing Services	74	0.4%
541 - Professional and Technical Services	596	3.2%
551 - Management of Companies and Enterprises	P	P
561 - Administrative and Support Services	294	1.6%
562 - Waste Management and Remediation Services	83	0.4%
611 - Educational Services	216	1.2%
621 - Ambulatory Health Care Services	1,539	8.3%
622 - Hospitals	1,247	6.7%
623 - Nursing and Residential Care Facilities	501	2.7%
624 - Social Assistance	524	2.8%
711 - Performing Arts and Spectator Sports	19	0.1%
712 - Museums, Historical Sites, Zoos and Parks	20	0.1%
713 - Amusements, Gambling and Recreation	270	1.5%
721 - Accommodations	607	3.3%
722 - Food Services and Drinking Places	2,021	10.9%
811 - Repair and Maintenance	257	1.4%
812 - Personal and Laundry Services	299	1.6%
813 - Membership Associations and Organizations	245	1.3%
814 - Private Households	46	0.2%

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)\**

*\* Some data with this source, including those in this table, were originally obtained from the Department of Energy, Labor, and Economic Growth. That department has since been renamed/reorganized as LARA.*

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**Table 5-IX: Top 10 Private Industry Employers, 2009, Western U.P. MWA**

Industry	Jobs	% of Total
Food Services and Drinking Places	2,021	10.9%
Ambulatory Health Care Services	1,539	8.3%
Hospitals	1,247	6.7%
General Merchandise Stores	921	5.0%
Food and Beverage Stores	872	4.7%
Construction of Buildings	733	3.9%
Accommodation	607	3.3%
Specialty Trade Contractors	605	3.3%
Professional and Technical Services	596	3.2%
Social Assistance	524	2.8%

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

### Industry Employment Trends

Absolute and relative job generating performance can be identified by comparing industry employment levels over time. This private industry employment data for the period 2006 through 2009 is presented in **Table 5-X**. Area private industry employment decreased by 1,641 jobs or -8.1% from 2006 to 2009. The only industry that added jobs in this data set was educational & health services (with 58 new jobs or a 1.5% increase). All other industries saw decline again due to the nationwide economic recession.

**Table 5-X: Private Industry Employment Trends, 2006-2009, Western U.P. MWA**

Industry	2006 Employment	2009 Employment	2006-2009 Numeric Change	2006 -2009 % Change
<b>Total Employment</b>	<b>20,198</b>	<b>18,557</b>	<b>-1,641</b>	<b>-8.1%</b>
Natural Resources & Mining	581	570	-11	-1.9%
Construction	1,727	1,431	-296	-17.1%
Manufacturing	2,934	2,070	-864	-29.4%
Trade, Transportation & Utilities	4,371	4,341	-30	-0.7%
Information	323	304	-19	-5.9%
Financial Activities	1,039	970	-69	-6.6%
Professional & Business Services	978	770	-208	-21.3%
Educational & Health Services	3,969	4,027	58	1.5%
Leisure & Hospitality	3,392	2,937	-455	-13.4%
Other Services	884	848	-36	-4.1%

*SOURCE: MI DTMB, BLMISI, Quarterly Census of Employment and Wages - ES 202*

In some specific sectors there was growth during the 2006-2009 period. The top private industries for job growth are presented in **Table 5-XI** and show the largest growth was in telecommunications. Although only 59 jobs were added, it accounted for a 72.8% growth rate. Administrative and support services followed with a 21.0% growth rate.

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**Table 5-XI: Top Private Industries in Job Growth, 2006-2009, Western U.P. MWA**

Industry	Numeric Job Growth	% Job Growth
Telecommunications	59	72.8%
Administrative and Support Services	51	21.0%
General Merchandise Stores	148	19.1%
Sporting Goods, Hobby, Book and Music Stores	18	17.5%
Membership Associations and Organizations	23	10.4%
Real Estate	20	10.2%
Professional and Technical Services	53	9.8%
Utilities	16	8.9%
Merchant Wholesalers, Durable Goods	11	8.3%

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

Many industries saw steep decline as shown in **Table 5-XII** during the 2006-2009 period with fabricated metal product manufacturing taking the biggest hit with a 69.4% drop, or 376 jobs lost. This decline was the main catalyst for the development of Superior Suppliers Network (SSN), a consortium of Baraga County fabrication shops whose employment has dropped precipitously since 2004-05 as seen in **Table 5-XIII**. SSN allows the shops to pool resources in order to increase business.

**Table 5-XII: Declining Industries, 2006-2009, Western U.P. MWA**

Industry	2006 Employment	2009 Employment	2006-2009 Numeric Change	2006-2009 % Change
Fabricated Metal Product Manufacturing	542	166	-376	-69.4%
Plastics and Rubber Products Mfg	232	124	-108	-46.6%
Wood Product Manufacturing	592	458	-134	-22.6%
Construction of Buildings	938	733	-205	-21.9%
Merchant Wholesalers, Nondurable Goods	161	126	-35	-21.7%
Nursing and Residential Care Facilities	636	501	-135	-21.2%
Waste Mgmt and Remediation Services	104	83	-21	-20.2%
Gasoline Stations	428	352	-76	-17.8%
Forestry and Logging	349	291	-58	-16.6%
Specialty Trade Contractors	718	605	-113	-15.7%

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

### PREDOMINANCE OF SMALL BUSINESSES

Just as levels of employment vary by industry, large differences exist among industries in the proportion of jobs supplied by firms of different sizes. These differences have clear implications for workforce development strategies, since small and large firms tend to have differing labor requirements, hiring patterns, occupational staffing, and wage rates.

Aside from public and non-profit employers such as universities and hospitals, almost all employers in the region are small businesses. The most recent for-profit “large” (over 500 employees) business in the region was the White Pine Mine, which was operated with an associated copper refinery by the Copper Range Company until fall 1995. The region’s only employer of any kind meeting this threshold in 2009 was MTU. Meanwhile there were 2,236 small business establishments in the region, categorized as shown in **Table 5-XIII**.

**Table 5-XIII: Small Business Establishments by County and # Employees**

	Baraga	Gogebic	Houghton	Iron	Keweenaw	Ontonagon	TOTAL
<b>&lt;20</b>	199	383	848	377	56	194	2057
<b>20 to &lt;100</b>	10	30	86	20	1	13	160
<b>100 to &lt;500</b>	2	7	7	3	0	1	20
<b>TOTAL</b>	211	420	941	400	57	208	2237

*SOURCE: U.S. Census Bureau County Business Patterns, 2009*

Small businesses have contributed to the regional economy by introducing new technologies and products and serving new markets; implementing better working conditions; and creating new jobs. They have also helped the economy to adapt. Small firms and the self-employed have theoretically functioned as a safety net for employees laid-off by larger firms and have helped stabilize the economy during downturns.

### PRIVATE SECTOR DEVELOPMENT ASPIRATIONS

The region has high aspirations to increase private sector employment in its most prominent industries. Traditionally the most desirable has been the manufacturing sector. Others include services and retail, tourism (an informal category encompassing several sectors), and natural resources (which is strongly related to both tourism and manufacturing). Further discussion of these follows.

#### *Manufacturing*

Manufacturing still plays a major role in supporting the economy, and it is highly desirable to local residents and leaders due to its long-established roots and traditionally high associated standards of living and job security. Different manufacturing processes add different levels of value. Before manufacturing even takes place, resources must be extracted to provide raw materials such as minerals and lumber. This has traditionally been the region’s strongest asset, and it remains so. Subsequent parts of the value chain produce further developed “raw” materials, such as mineral pellets and cut wood, and ultimately end-user products such as engineered parts. The region takes part in all stages to some extent.

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### *Manufacturing- Superior Suppliers Network*

In Baraga County in June 2009, the Superior Suppliers Network (SSN) was created to help fabricators develop a network for business opportunities. The concept for SSN arose in response to the need to boost Baraga County’s distressed manufacturing industry. WUPPDR’s Executive Director, Kim Stoker, spear-headed coordination of the group in order to find a viable plan. The initial idea was to explore new markets through a trade mission to explore manufacturing opportunities in the Canadian oil sands industry. SSN’s goals have since expanded to include other opportunities, but the purpose remains the same: to seek out new markets and bring work to the area.

Members of the SSN have shown their commitment to work together to overcome economic hardship by forming a Limited Liability Corporation (LLC). Superior Suppliers Network, LLC has signed an operating agreement representing 11 manufacturing, fabricating, finishing and engineering companies primarily based in Baraga County, shown in **Table 5-XIV** below. In July 2010, members of the Network hired a Business Development Manager (BDM) to represent all interests of the Network.

The possibility of hiring a BDM was realized after a USDA Rural Business Enterprise Grant Program proposal was approved providing \$45,000 towards the Network’s efforts. Members, in turn, match that funding by paying dues displaying a real commitment to the Network. WUPPDR plays a key role in supporting the Network through grant writing, meeting facilitation, and task administration. WUPPDR also assisted in securing funding for the position, which included help from the Village of Baraga, Baraga County, MTEC SmartZone, Michigan Economic Development Corporation, USDA Rural Business Enterprise Grant, and the Network members. Without financial assistance from the Economic Development Administration this project would have never happened to help WUPPDR deliver on its mission statement: “to foster stable and diversified economies in the Western Upper Peninsula.”

**Table 5-XIV: Superior Suppliers Network (SSN) Member Profiles**

Company	2004-05 Employees	2010 Employees	2011 Employees
D&H Welding	14	0	3
Des Rochers Brothers, Inc	45	7	9
Johnson & Berry Manuf., Inc	15	7	9
K&D Fabrication, Inc	9	3	4
Laser North—Northern Tool	20	3	2
Massie Manufacturing, Inc	40	23	28
Northern Painting & Coating	11	2	6
Peninsula Powder Coating, Inc	45	9	19
Selkey Manufacturing, Inc	65	12	12
GS Engineering			
<b>TOTALS</b>	<b>264</b>	<b>66</b>	<b>92</b>

*Source: WUPPDR*

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Mining is beginning an upswing, with one operation in the works and others likely to come. Meanwhile, the lumber and wood products industry group continues its long-term significance as shown in **Table 5-XV** (at the end of this section). Wood product and paper manufacturing establishments represent 19.8% of all manufacturing establishments in the region. Forestry remains dominated by timber extraction, however, which is strictly a primary industry. The lack of value-added processing of forest products is a major concern in the region.

Although there has been little success in secondary manufacturing using forest products, other value-added manufacturing processes have arisen through the work of local entrepreneurs. Development of small manufacturing businesses is promoted by several industrial parks throughout the region. Michigan Tech supplies a trained workforce of graduates in engineering and other high technology fields.

### *Services and Retail Trade*

As in many rural areas, the primary sector of the region's economy is based on retail and services. These are needed by all segments of the local population, are often supported by relatively low wages, and cannot be easily outsourced. As large-scale resource extraction, manufacturing, and other industries have declined in the post-mining era, an influx of jobs in retail and services have come in to fill the gaps. The result for individuals in the economy is mixed: retail positions offer limited job security, wages, and opportunity for advancement, whereas some professional service positions allow a higher standard of living than heavy industry ever could. Retail trade and services are likely to remain the backbone of the regional economy in years to come, so it is worth considering them as the core which should be supplemented by other industries in an effort to diversify the economy.

### *Tourism and Natural Resources*

One way of diversifying retail and services, decreasing reliance on local residents, and reaching out to an expanded customer base is by focusing on tourism.

The region's forests, lakes, and streams; scenic landscapes; and summer climate have attracted tourists for decades for recreation activities such as camping, boating, and fishing. More recently, off-road vehicle use has been supported by the same trails used for snowmobiling, a long-important winter standby. The popularity of snowmobiling has supported the growth of cross-country and downhill skiing and snowshoeing as important forms of winter recreation. The potential of such activities to mitigate the seasonality of the tourism industry has changed the perception of it. The activities' economic impact and visibility have given the industry recognition as a vital year-round contributor to the region's economy.

In the course of providing access to natural areas and recreational opportunities, the region's natural resources also serve as more direct economic drivers in the course of manufacturing-related resource extraction. This dual use of resources necessitates a careful approach. Even innocent recreation can have negative impacts on resources. Removal of timber and minerals can have devastating results if not undertaken responsibly. Government regulations and industry best practices eliminate many concerns of the past. Still, competing uses of resources can result in conflict among tourists, residents, and industrialists, and all factors must be weighed objectively to ensure the best possible outcome for the widest range of stakeholders possible. A public dialogue is essential to promote this balance.

**Table 5-XV: Distribution of Establishments by County and Major Industry Group**

<b>Components by Type</b>	<b>Baraga</b>	<b>Gogebic</b>	<b>Houghton</b>	<b>Iron</b>	<b>Keweenaw</b>	<b>Ontonagon</b>	<b>TOTALS</b>
Agriculture, Forestry, Fishing, & Hunting	17	17	25	21	2	9	<b>91</b>
Forestry and Logging	16	13	24	18	2	9	<b>82</b>
Mining, Quarrying, and Oil & Gas Extraction	3	-	2	1	2	-	<b>8</b>
Utilities	-	1	3	2	-	5	<b>11</b>
Construction	19	39	117	55	3	24	<b>257</b>
Manufacturing	23	21	42	20	1	4	<b>111</b>
Wood Product Manufacturing	4	5	5	7	-	1	<b>22</b>
Paper Manufacturing	-	-	-	-	-	1	<b>1</b>
Wholesale Trade	6	8	21	11	2	6	<b>54</b>
Retail Trade	35	82	171	66	11	37	<b>402</b>
Transportation and Warehousing	15	11	19	21	4	13	<b>83</b>
Information	4	9	14	12	-	5	<b>44</b>
Finance and Insurance	9	23	54	26	3	11	<b>126</b>
Real Estate and Rental & Leasing	4	11	26	16	2	4	<b>63</b>
Professional, Scientific, & Technical Services	1	24	67	32	-	9	<b>133</b>
Management of Companies and Enterprises	-	-	-	1	-	-	<b>1</b>
Administrative & Support & Waste Management & Remediation Services	4	8	25	7	1	6	<b>51</b>
Educational Services	5	2	12	-	2	-	<b>21</b>
Health Care & Social Assistance	23	39	96	21	-	23	<b>202</b>
Arts, Entertainment, & Recreation	2	10	17	8	4	5	<b>46</b>
Accommodation & Food Services	16	59	113	40	17	29	<b>274</b>
Other Services (Except Public Administration)*	25	56	115	38	3	18	<b>255</b>
Unclassified	-	-	2	2	-	-	<b>4</b>
<b>TOTALS</b>	<b>211</b>	<b>420</b>	<b>941</b>	<b>400</b>	<b>57</b>	<b>208</b>	<b>2237</b>

*SOURCE: U.S. Census Bureau County Business Patterns, 2009*

*\* Does not necessarily include all other service categories*

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Keeping this dialogue *public* is important particularly because so much land is publicly owned. Although public ownership allows for a variety of land uses, including resource extraction, recreational use by locals and tourists is the most prominent. Land access for this purpose is facilitated by public ownership of 218,000 acres in the Copper Country State Forest, nearly one million acres in the Ottawa National Forest, and developed facilities within and outside of these lands. Local and county lands provide for some public recreational access to smaller tracts. Access on private land is provided through the Commercial Forest Act (CFA), which requires that participating landowners agree not to deny the general public the privilege of hunting, trapping, and fishing. The CFA opens approximately 1,200,000 acres on private land in the region for these purposes. Many CFA landowners have traditionally allowed access for other recreational uses as well.

Interest in another type of resource, the region's historical assets, has always been strong, but a new trend toward heritage tourism is increasing it further. Designation of the Keweenaw National Historical Park and Copper Country Trail National Byway has helped to capture the imagination and generate enthusiasm. Passion for recording the drama of human experience in local histories, historic preservation, and interpretation (story telling) is finding expression in economic development activities through adaptive reuse, new businesses, and the arts. The planning and development of mining-based heritage areas and pathways throughout the region is helping to energize the tourism industry.

Indian gaming enterprises now rank among the largest employers in each county where they operate. Such enterprises are found on the L'Anse Reservation in Baraga County and on the Lac Vieux Desert Reservation in Watersmeet in Gogebic County. In rural areas gaming activities are a strong stimulus to tourism. These activities have also had a significant impact on social and community development issues both on the reservations (where they fund a variety of public services) and in the surrounding communities.

### OCCUPATIONAL SKILL LEVELS

There are several specialized challenges confronting our regional economy, one is a perception that the regional workforce lacks levels of occupational skills that potential employers want or believe are desirable. While there may be a gap in filling the skilled positions, there is a surplus of persons for the semi-skilled positions. This appears, in part, to be a function of the regional labor market place. The county labor market areas have several characteristics that contribute to this deficit.

First, the region's labor markets are in rural locations and the distances reduce or eliminate the mobility of needed skilled persons from labor surplus area. Second, there is the question of economies of scale. The current industry structure requires only limited numbers of skilled positions. There is not a high demand for persons to fill such positions and consequently no skilled labor pool has developed. Third, there is a depressed wage scale, (article in the *Daily Mining Gazette* states "wage levels are 35% lower in the U.P. than the rest of the state") due in part to technological obsolescence and lower productivity. Business and industry therefore are unwilling or unable to attract or retain workers for the skilled positions.

### SEASONAL AND PART-TIME EMPLOYMENT

The other specialized challenge is the region’s substantial seasonal and part-time employment. All industries create some of it, but the more traditional ones are lumber and wood products, construction, retail, and services. The firms either don’t provide full-time, year-round employment, or they reduce hours worked below 32. A number of things can occur in these situations. For example, jobs below 32 hours per week worked generally don’t provide any fringe benefits, and in the case of seasonal work, not enough time is worked to qualify for unemployment insurance.

There are economic reasons for firms to use seasonal and part-time workers, including reducing labor costs. In many instances these jobs are entry-level positions that don’t pay high wages. In cases where there is a second income, these situations may be acceptable. However, if such jobs are the primary source of family income, they become a drain on the economy over time. Individuals working such jobs often become dependent on public assistance for such basic necessities such as food and medical care.

### OCCUPATIONAL EMPLOYMENT FORECAST

The Michigan Department of Career Development generates detailed statistics on projected occupational employment as well as related information on occupational demand and supply. While no detailed information is available for the Western Upper Peninsula MWA, it is available for Michigan’s Upper Peninsula. Information for the largest U.P. categories is provided in **Table 5-XVI**.

**Table 5-XVI: Employment Forecast for All Occupations and Top Ten Major Categories, 2008-2018, U.P.**

Occupational Category	2008	2018	Employment Growth	
			Number	Percent
<b>Total, All Occupations</b>	<b>138,825</b>	<b>143,115</b>	<b>4,290</b>	<b>3.1%</b>
Office & Administrative Support	19,895	20,075	180	0.9%
Sales & Related	13,755	13,800	45	0.3%
Food Prep. & Serving	13,640	14,285	645	4.7%
Healthcare & Support	11,375	13,015	1,640	14.4%
Education/Training/Library	9,790	10,140	350	3.6%
Transportation & Materials Mov’g	9,500	9,320	-180	-1.9%
Production	9,285	8,900	-385	-4.2%
Construction & Extraction	7,475	7,635	160	2.2%
Bldg./Grounds Cleaning/Maint.	7,040	7,010	-30	-0.4%
Installation, Maint., & Repair	6,980	7,130	150	2.2%

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

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Upper Peninsula projections call for total occupational employment, which includes wage and salary jobs as well as agriculture and self-employment, to amount to 149,185 by the year 2016. With future job growth expected to be concentrated in the private service-producing industries, the occupational forecasts call for expansion of professional, health care, and service fields.

Pharmacy technicians, medical assistants and home health aides will account for the largest number of workers in the Upper Peninsula for the projected time period. High-technology workers will also expand the work force as can be seen in **Table 5-XVII**.

**Table 5-XVII: Ten Fastest Growing Occupations, 2008-2018, U.P.**

Occupations	Employment Change	
	Number	Percent
Network Systems and Data Communication Analysts	40	45.2%
Market Research Analysts	105	34.8%
Skin Care Specialists	10	33.3%
Occupational Therapist Assistants	10	31.4%
Home Health Aides	195	30.7%
Physical Therapist Assistants	35	26.4%
Physician Assistants	15	26.1%
Veterinarians	15	26.0%
Compliance Officers	50	25.5%
Surgical Technologists	15	24.4%

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

In general, the projections show faster rates of employment growth for occupations that require moderate to high levels of education and training. The professional and technical occupational group, which has a large concentration of workers requiring a college education or post-secondary training, is expected to increase in employment faster than the average for all occupations. In the professional and technical occupations, computer applications will continue to expand and employment opportunities should be good for systems personnel, programmers, and computer repair occupations. With increased emphasis on product development and improved manufacturing processes, the outlook remains favorable for several engineering fields.

The strongest growth patterns are forecasted for the health care industry, which is projected to increase by 390 jobs over the period and includes occupations such as home health aides, pharmacy technicians, medical assistants, and varying therapist positions. Growth stems from the rising demand for health services, both hospital and home-health care. Workers in these occupations are expected to be in great demand to provide personal and physical care to our aging population.

## Section 5| The Economy

**Table 5-XVII** presents annual job openings by major occupational category from 2006-2016 in the entire Upper Peninsula in both growth and replacement job openings. The service industry will see the largest number of job openings during this period, but the majority will be in replacement positions. Health care, on the other hand, will see growth above and beyond replacement job openings, which is consistent with aging population trends.

**Table 5-XVII: Annual Job Openings for All Occupations and Top Ten Major Categories, 2008-2018, U.P.**

Occupational Category	Total Openings	Growth	Replacement
<b>Total, All Occupations</b>	<b>3,863</b>	<b>653</b>	<b>3,210</b>
Food Prep. & Serving	549	67	482
Office & Administrative Support	468	65	403
Sales & Related	461	28	433
Healthcare & Support	363	164	199
Education/Training/Library	258	40	218
Transportation & Materials Mov'g	236	16	220
Production	196	15	181
Personal Care & Service	176	46	130
Installation, Maint., & Repair	164	27	137
Management	151	15	136

*SOURCE: Michigan Department of Technology, Management, and Budget (DTMB), Bureau of Labor Market Information and Strategic Initiatives (BLMISI)*

### INDUSTRIAL STRUCTURE: FLEXIBLE FOR THE FUTURE

As in the rest of the United States, globalization has drawn traditional types of manufacturing and in some cases resource extraction away from the region and to foreign countries. These once reliable standbys are being replaced in large part with service and retail operations, relying heavily on tourism, along with advanced manufacturing. Both of these new industries bring challenges. Tourism-related employment is often perceived as being unsupportive of a high standard of living. Advanced manufacturing is more attractive on the surface, but it requires skilled workers with higher levels or specialized types of education, and it generally employs smaller numbers of people than traditional types of manufacturing.

Both industry forms have strengths as well, however, largely in location advantage. Tourism is popular as a result of the region's natural features and hence, location, whereas advanced manufacturing is ideal particularly for the Houghton-Hancock area due to the presence of Michigan Tech. Tourism also has the advantage of being geographically dispersed, potentially offering employment within a reasonable distance of much of the region's sparse population. Manufacturing is inherently more clustered near concentrated populations. This mix of dispersed and concentrated employment helps the region retain a balance of rural and urban areas that is desirable for tourists and acceptable to residents, preserving regional character.

## Section 6| Planning/Economic Development Network

### INTRODUCTION

WUPPDR is one of many organizations in a very large network that deals with planning and economic development activities which are focused totally or in part on the Western Upper Peninsula of Michigan. These organizations are found in both the private and public sectors, and each has some influence on economic development activities in the region. Some organizations play larger roles than others.

These organizations represent both traditional and non-traditional organizations. The non-traditional organizations are defined as those which have not been historically engaged in the pursuit of economic development activities, i.e. community arts councils and historical societies. The territorial interests of all the organizations cover a very wide continuum, from that of a few acres for a historical society museum to hundreds of square miles for a national forest. Those in the public sector represent all levels of government from federal departments to local minor civil divisions of cities, villages and townships. Those in the private for-profit and non-profit sectors can most easily be described as representing very diverse interests.

Organizations dealing with planning and economic development activities, such as WUPPDR, have continually repositioned themselves into new relationships. In these relationships terms like collaboration, partnerships, and cooperation, which were once used more rhetorically, have now gained more meaning through actual use. Today planning and economic development organizations in the Western U.P. are not only sharing information and programs among themselves but are frequently working cooperatively with organizations in other disciplines. They have discovered in the process that cooperation can mean access to new constituents, new sources of funding and increased effectiveness.

### INVENTORY OF ORGANIZATIONS

The organizations listed below represent only a partial inventory of the network. WUPPDR has partnerships with many other organizations in the private for-profit, private non-profit, and public sectors. A few representative non-profit examples include the National Association of Development Organizations, Michigan Association of Regions, and Michigan Chapter of the Society of Planning Officials. While all collaborations are important, the number of these organizations and their individual missions makes it inappropriate to enumerate them all here. The following, therefore, represent only the primary organizations with which WUPPDR has the most direct and frequent relations in the pursuit of planning and economic development activities:

#### *U.S. Department of Agriculture Forest Service*

The Forest Service is responsible for the administration and management of close to a million acres within the boundaries of the Ottawa National Forest. These lands occupy approximately 24 percent of the total area of the Western Upper Peninsula. With this amount of land and the number of different programs the Forest Service must operate to meet its mission, the agency has a significant impact on rural development in the region. It meets many of its obligations through partnership arrangements.

#### *U.S. Department of Agriculture Natural Resources Conservation Service*

The Natural Resources Conservation Service works with individual property owners, non-governmental organizations, and local governments in areas involving soil and water issues. Through its Resource Conservation and Development (RC&D) Program, it provides technical and financial assistance to local

## Section 6| Planning/Economic Development Network

RC&D councils. These councils identify problems and priorities along with setting goals to solve problems in four broad areas: land conservation, water management, community development, and environmental enhancement.

### ***U.S. Department of Agriculture Rural Development***

The programs of this agency are used to support public works programs in partnership with other agencies. The agency's housing programs have also been used effectively throughout the region, and RD is currently directing resources toward certain aspects of rural business infrastructure assistance.

### ***U.S. Department of the Interior National Park Service (NPS)***

NPS works in partnership primarily with local organizations and local units of government that have special interests in these parks. Since the parks attract visitors that use both private and public services, addressing different user groups' needs and how best to fulfill them requires coordinated planning to reduce possible negative impacts on both the parks and local communities. Two national parks are located within the region. Isle Royale National Park is mostly isolated on an island northwest of the Keweenaw County mainland, whereas Keweenaw National Historic Park includes partner sites across much of the peninsula's mainland, drawing special attention to historic town sites and features.

### ***U.S. Department of Interior Bureau of Indian Affairs***

This organization is represented through the two reservations that are located in the region, the L'Anse Reservation in Baraga County around the communities of L'Anse and Baraga and the Lac Vieux Desert Reservation in Gogebic County at Watersmeet. Both tribal governments are pursuing community and economic development programs and interact with adjacent local governments.

### ***U.S. Department of Commerce Economic Development Administration (EDA)***

Besides operating a multi-county economic development planning program, EDA also offers a number of programs which allow for the economic development implementation through financial assistance. Since financial resources are limited, cooperative partnerships to undertake projects—particularly in public works—are quite commonplace.

### ***Michigan Economic Development Corporation (MEDC)***

This autonomous agency functions as a public-private partnership responsible for workforce development and economic expansion. When it was formed, programs and funds from several disparate departments were transferred into a new framework to maximize coordination of workforce development programs. Business retention and assistance activities were transferred into a second new framework for economic expansion. In addition to these functions, MEDC promotes urban and community development, furthers an environment rich in arts and culture, and manages the *Pure Michigan* statewide tourism campaign.

### ***Michigan Departments of Technology, Management, and Budget; Corrections; Natural Resources; Environmental Quality; Transportation; and History***

Each of these agencies has planning functions and programs which offer a wide range of rural, community, and economic development initiatives, and each is active in the region and in the network.

## Section 6| Planning/Economic Development Network

### ***Michigan Works!***

This agency is responsible for operating the employment services within the state. Through its field office system, it provides recruitment, counseling, testing, training referrals, job placement, and job market information. It also maintains a statistical monitoring and reporting system which provides information used in planning and economic development activities.

### ***Workforce Development Board***

This is a consortium of business and institutional representatives from WUPPDR's six counties that implements Michigan Works! and other associated workforce development programs in the region under the Job Training Partnership Act.

### ***Michigan State University Cooperative Extension Service***

Through a network of field offices, county extension directors and extension specialists, the economic and social needs of Michigan residents, particularly in rural areas, are being addressed. The agency has also moved aggressively into the area of economic development activism.

### ***Upper Peninsula Economic Development Alliance (UPEDA)***

This nonprofit membership organization promotes the entire Upper Peninsula as a business location by integrating and improving on the region's many unique qualities. UPEDA provides marketing and informational services to its private and public members. Services are funded in part through a matching grant from MEDC.

### ***Upper Peninsula Workforce Development Consortium***

This organization is made up of the two- and four-year higher education institutions along with the intermediate school districts in the Upper Peninsula of Michigan. The group works on issues involving secondary and post-secondary education relative to workforce development in the Upper Peninsula economy.

### ***Upper Peninsula Commission on Area Progress (UPCAP)***

This nonprofit organization was the organizing entity for the three Upper Peninsula planning and development districts, including WUPPDR, in 1968 (at EDA's request). Today UPCAP is responsible for development, coordination, and provision of human, social, and community resources across the Upper Peninsula. It is also designated as the U.P.'s Area Agency on Aging to advocate for and provide services to older adults.

### ***Upper Peninsula Travel and Recreation Association (UPTRA)***

Upper Peninsula Travel and Recreation Association is a private non-profit organization composed of members that represents the small businesses which make up the tourism industry. Its primary mission is to promote the tourism attributes of the region to markets outside the region.

### ***Operation Action U.P.***

This private non-profit organization is an advocate of existing industry on key issues affecting Upper Peninsula businesses. It also promotes economic development through industrial prospecting and promotions.

## Section 6| Planning/Economic Development Network

### *Northern Initiatives*

This private non-profit community development corporation, once an academic department of Northern Michigan University in Marquette, provides a broad range of technical and economic development services to small businesses in Northern Michigan including lending, training, informational and efficiency consulting, and regional strategies such as Eastern Upper Peninsula tourism promotion.

### *MTEC SmartZone*

This establishment serves as an incubator for connecting all types of enterprises, from private entrepreneurs to Fortune-100 companies, with Michigan Technological University student talent. MTEC provides infrastructure systems and support along with consulting services. MTEC is one of 15 SmartZones in the state. MTEC operates as a non-profit corporation with a board currently composed of local business leaders, educational leaders, and public administrators.

### *Upper Peninsula Educational Institutions*

Too numerous to name, these provide not only education to their students in the region but also supplementary educational, arts/cultural, and technological services and event space to communities.

### *Michigan Department of Community Health and County/Regional Health Departments*

These public agencies provide consultation, assistance, and service in the areas of environmental health, food service licensing and training, employee health testing, wellness education, disease prevention, and inoculation clinics.

### *Community-Business Partnerships*

A number of convention and visitors' bureaus, tourism associations, and chambers of commerce are located throughout the region. The northern part of the region is also served by the Keweenaw Economic Development Alliance, which is focused on technical and financial business assistance. These organizations work to strengthen area businesses through cooperation, association, and marketing, while also offering services to benefit tourists and the public at large.

### *Local Community Development and Planning Organizations*

There are a variety of local organizations which address planning and economic development issues. These include chambers of commerce, industrial development councils, tourism councils, downtown development authorities, economic development commissions and corporations, and planning commissions. They are all involved in the network for planning and economic development to some degree, and they all make contributions to their local communities.

### *Regional Planning and Development Commissions*

There are 14 sub-state regional planning organizations in Michigan. While each has its own particular set of issues, these organizations all pursue planning and economic development activities which address problems and seek solutions from a regional perspective.

## **NETWORK CONNECTION TO MISSION**

The planning and economic development network facilitates the implementation of WUPPDR's mission which is fostering sustainable and diversified local economies within the region. The network helps to identify and address economic development problems and opportunities. It also helps marshal resources from EDA and other agencies that can be used to support actions which will help to achieve the mission.

## Section 7| Issue Identification

### PROCESS AND LIST OF ISSUES

Starting in mid-2011 WUPPDR undertook a process to interpret the region’s mission, goals, and objectives. The process began with a series of in-house staff sessions and successive revisions of recorded input. The purpose of these sessions was to identify the region’s assets and limitations relative to those of the six-state United States Economic Development Administration region overall. Staff sessions were not formally structured, the intention being to promote open discussion about the region from the point of view of people who work within it on a daily basis. Ultimately the process led to more questions than answers, but it was useful in identifying the region’s potential offerings and challenges. Due to the difficulty of categorizing multiple dimensions of different items that were discussed, they were broken down simply into positives and negatives, and two subcategories of each, as shown below:

#### **POSITIVES/ASSETS:**

<b><i>Culture, Environment, and Lifestyle</i></b>
<ul style="list-style-type: none"> <li>• Low violent crime rate (41% of six-state average)</li> <li>• Sense of place; collaborative spirit</li> <li>• Networking of counties through several organizations including WUPPDR</li> <li>• International character and heritage</li> <li>• Affordable housing/real estate</li> <li>• Recreation and four-season tourism</li> <li>• Shoreline/water</li> <li>• Weather/low risk of natural disaster</li> </ul>
<b><i>Institutions and Economy</i></b>
<ul style="list-style-type: none"> <li>• Institutional memory &amp; organizational learning</li> <li>• Higher education institutions</li> <li>• Infrastructure for mining and multi-modal transportation</li> <li>• Innovative companies, entrepreneurship, &amp; patenting; defense contracting</li> <li>• Workforce with low labor cost</li> <li>• Increased demand for iron and copper from higher prices</li> <li>• Demands for internet business and virtual workforce</li> <li>• Trend in local sourcing and manufacturing</li> <li>• Underutilized natural resources</li> </ul>

#### **NEGATIVES/LIMITATIONS:**

<b><i>Culture, Environment, and Lifestyle</i></b>
<ul style="list-style-type: none"> <li>• Population resistant to change</li> <li>• Inefficient, multi-level government and education systems</li> <li>• Nepotism</li> <li>• Outside perceptions</li> <li>• Political change</li> <li>• Aging population</li> <li>• Unpredictable climate</li> <li>• Location</li> <li>• Conflicting demands on resources</li> <li>• Lack of quality housing</li> </ul>
<b><i>Institutions and Economy</i></b>
<ul style="list-style-type: none"> <li>• Aged and limited infrastructure</li> <li>• Slow &amp; expensive services/utilities with limited coverage</li> <li>• Poor customer service</li> <li>• Conservative lending/borrowing culture</li> <li>• Outward migration</li> <li>• Seasonal workforce mentality</li> <li>• Lack of family-sustaining jobs</li> <li>• Minimal and limited tourism services</li> <li>• Rising costs of travel &amp; healthcare</li> <li>• Loss of employers</li> <li>• Unstable commodity prices</li> <li>• Global economic instability</li> <li>• “Big box”/internet retail</li> <li>• Reduced grants/government spending</li> </ul>

## Section 7| Issue Identification

### OVERVIEW OF ISSUES

#### Culture, Environment, and Lifestyle

A major reason attractor of current and prospective residents to the region is its unique culture and location-based amenities. The Upper Peninsula overall, and the Western Region specifically, possess a strong sense of place arising from a common heritage. A collaborative spirit arises out of necessity among the region and its many networked organizations. The region's physical and social properties are attractive by any measure. The six counties have an average violent crime rate less than half the average rate of the six-state Economic Development Administration region<sup>1</sup> (which includes the states of Minnesota, Wisconsin, Michigan, Illinois, Indiana, and Ohio). Housing and real estate are very affordable. The natural environment is attractive and serene, having been relatively untouched in recent decades, and it offers endless recreational opportunities over the course of four distinct seasons. The region possesses a large amount of Great Lakes shoreline along with inland lakes and streams. The undeniable severe weather can be viewed as either an advantage or a disadvantage, but it allows for specialized recreational opportunities, and despite extreme precipitation events, the risk of natural disasters is low.

On the downside, the region's population is aging and somewhat resistant to change, and outside perceptions of the region as an eccentric, out-of-the-way place tend to exacerbate this disadvantage. Obtaining employment and conducting business operations can be a challenge, especially to people from outside the region, due to nepotism and inefficient, multi-level government and educational systems. Institutional memory among staff, while advantageous in some ways, also contributes to negative inertia. The same natural resources that are so inviting to outdoor adventurers are also attractive to industry, and conflicts occasionally arise as a result. When it comes to family life, although housing is affordable, in many cases it is low in quality. And many are driven away from the region simply because of its geographic isolation and limited access to the amenities of more populated areas.



## Section 7| Issue Identification

### Institutions and Economy

Issues related to the economy result directly from the region's geographic isolation. Two entities that have eluded this isolation are Michigan Technological University, a nationally renowned public university, and Finlandia University, a private liberal arts college. The region is also home to two community colleges. The region's economic center is diversified with innovative companies including entrepreneurs, defense contractors, and a history of patenting. The region as a whole benefits from underutilized natural resources. Infrastructure is limited in some sense, but it provides strong support for mining and multi-modal industrial transportation. Renewed mining activity is becoming more realistic due in part to increased worldwide demand for iron and copper. The region also benefits from local sourcing and manufacturing trends and a low-cost workforce. Finally, opportunities for internet business and telecommuting are increasing, opening up a new front for employment.

Of course, limited support for the regional economy is what has historically held it back. There is no escaping the fact that the economy is stagnant and tends to lag behind regional and national trends. Aging and limited infrastructure makes transportation of goods, services, and information difficult. Services and utilities are slow and expensive with limited coverage. Customer service is in many cases poor. The borrowing and lending culture is overly conservative, often making commercial financing difficult. Lack of family-sustaining job opportunities causes outward migration, and much of the workforce that remains holds on to a seasonal mentality that impacts productivity. Rising costs of travel and health care have a disproportionate impact on the sparsely populated region, as do unstable commodity prices and global economics. Retail migration to "big box" (large retail) stores and the internet hurts small businesses, contributing to an ongoing loss of employers. Finally, due to the predominance of the government sector, reduced government spending and grant funding limit the region's prosperity.

### SUBSEQUENT STAGES

Although early stages of the process were done in-house, the ultimate intention was to submit a working document to the region's Executive Committee in its role as the CEDS Committee. When submitted, the document served to inform committee members of standout and commonly agreed-upon issues for further development. Following this broader input process, members were able to interpret an updated mission for the region as well as goals and objectives to work toward it.

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<sup>1</sup> FBI Uniform Crime Reporting Statistics by State (Number of Violent Crimes, 2009; retrieved August 4, 2011, from <http://www.ucrdatatool.gov/Search/Crime/State/StatebyState.cfm>); Michigan State Police Uniform Crime Reports Crime Statistics (Offense Reports by County, 2006; retrieved August 4, 2011, from [http://michigan.gov/msp/0,1607,7-123-1645\\_3501\\_4621-25744--,00.html](http://michigan.gov/msp/0,1607,7-123-1645_3501_4621-25744--,00.html))

## Section 8| Goals and Objectives

### RESPONDING TO A CHANGING RURAL LANDSCAPE

The global economy continues to change the way rural areas do business. Toward the end of the 20<sup>th</sup> Century, the rural economy shifted from heavy dependence on natural resource-based industries toward manufacturing and service industries, with much of the employment in low-wage, low-skill jobs. Today manufacturing is becoming increasingly less prevalent not only in the Western Region but in the nation. What manufacturing does remain is either highly specialized or closely connected to raw materials that can be easily accessed. Though raw materials—primarily timber—continue to play a significant role in the regional economy, the majority are shipped out of the region in an unmodified form. This further reduces the region’s manufacturing potential. What remains is government, which employs the majority of the region’s residents, and the retail and service industry sectors, which the region’s promotional organizations are now capitalizing on more than ever before. This economic reorganization is the new reality.

Industrial restructuring has left rural areas vulnerable to rapid shifts in production technologies, and such areas thus appear to have reduced their competitive position in both the national and international economies. At the same time, the rural economy has become more closely tied to national and global economies, making it more sensitive to changes in macroeconomic policy, business cycles, and global competition. Perhaps one saving grace is the emergence of internet-based business. Though this has also been a foe, resulting in emigration of local retail sales to mail order firms, the net result of internet business has been to break down geographic barriers and make remote provision of goods and services a viable option. The region faces minimal disadvantage relative to more populated areas in these aspects of industry.

Currently uncontrollable external factors are limiting the region’s ability to prosper in the private sector. At the same time, state and federal government policies are affecting the states of both private industry and of direct influxes of public funding to the region. Regulatory policies formulated at a great distance have an impact on extractive industries, for example. When traditional industries decline either as a result of public policy or for other reasons, the region faces a second hurdle: Public funding to mitigate these industrial declines through community- or project-specific grants is not as available as it once was. Current trends to limit government spending and overall involvement in all aspects of industry severely impact some of the largest private sectors of the regional economy. Perhaps even more importantly, they may have the effect of reducing government employment, limiting both public services and employment opportunities.

These events, combined with longstanding weaknesses in the rural economy, have led to significant problems in some areas. From a national perspective, these weaknesses include higher unemployment rates, lower per capita incomes, higher rural poverty, a high proportion of older inhabitants requiring higher expenditures per capita on health care (another rising expense), slower cyclical economic recovery, slower job growth, and lower educational attainment. Rising energy prices are a more recent development—one that has been mostly dormant for at least the past few decades. Most rural areas are disproportionately affected by this factor due to longer travel distances and higher gasoline costs. The Western Region in particular is affected by its extreme winter temperatures which lead to high consumption of heating fuel. The more universal rural factors above do not affect all communities equally, but they raise questions about the comparative ability of rural areas to adapt.

## Section 8| Goals and Objectives

### Economic Challenges for the Upper Peninsula

Despite its remoteness and strongly independent tradition, the Upper Peninsula of Michigan, as a non-metropolitan region, is influenced by the same forces that are shaping and reshaping the national economy. The job loss and high unemployment the Upper Peninsula suffered throughout the 2000-2010 decade was part of the struggle waged nationwide to adapt to the rapidly changing economic environment. This adaptation is being driven by five forces that will continue to challenge the region and the Upper Peninsula:

1. Volatile global economic conditions will increasingly influence the Upper Peninsula.
2. Technological advances will reduce labor demanded in goods-producing industries and raise the skills demanded by employers.
3. Upper Peninsula residents must create most new jobs in the region through entrepreneurship.
4. Fewer people will enter the labor force to fill emerging jobs.
5. In the Upper Peninsula, as in the nation, the benefits of growth are enjoyed by educated and trained people, while those without are left behind.

Responding to each of these forces will require that communities in the Upper Peninsula shoulder the major responsibility for identifying opportunities for local development and mobilize resources to deal with the structural change. It will also require the State of Michigan and these same communities to adapt quickly and extend their economic development initiatives to include greater emphasis on investing in people.

### Regional Goals and Objectives

WUPPDR, as a small non-metropolitan regional planning and economic development organization, cannot hope to counteract the overwhelming macroeconomic forces affecting its part of the Upper Peninsula. It can, however, define its goals and frame its objectives to respond to those challenges and address its mission of fostering sustainable and diversified local economies within the region. The goal statements which follow touch on a wide range of economic and social issues and represent WUPPDR's vision for the future of the region.

The objectives, on the other hand, identify key actions to accomplish. They represent targets toward the achievement of the goals. They also permit some opportunity to measure the degree of progress. Some are short-term in their attainment while most others are longer-term in nature. All are dependent on leadership and accessible human, financial, and institutional resources.

## Section 8| Goals and Objectives

**GOAL I: Help support the business environment within the region so that enterprise development activity can create and expand opportunities for local entrepreneurs and business establishments.**

- **Objective 1:** Help provide a small business support system which will contribute to a variety of services which include the development of business plans, market feasibility studies, marketing plans, cash flow analyses, loan packaging, and export assistance.
- **Objective 2:** Expand the network of business incubators that assist entrepreneurs and nurture small businesses, create goods, and generate services that can be sold outside the region.
- **Objective 3:** Establish and maintain a financial information system to provide regional capital seekers and lenders reliable information on the availability of capital resources and potential investment opportunities.
- **Objective 4:** Support business educational programs which are geared to the region and designed to enhance entrepreneurial skills and management capacity to meet the needs for expansion.
- **Objective 5:** Support the establishment of an industrial modernization program for small and medium size manufacturing enterprises (SMEs).

**GOAL II: Build upon the uniqueness of the region's existing rural resources to uncover new enterprise opportunities with a focus that supports sustainability and diversity.**

- **Objective 1:** Support the application of forest resource management, forest product utilization management, and forest product utilization systems on private non-industrial forestlands (PNIF) through easy access to technical assistance for owners.
- **Objective 2:** Enhance the opportunity for value-added investments through technology transfer into the forest products industry.
- **Objective 3:** Promote the revitalization of agriculture as a diverse sophisticated industry through a focus on value-added production and diversification into alternative agricultural products such as biofuels.
- **Objective 4:** Support and continue the development of the tourism industry through forest recreation, fish and wildlife, and heritage based strategies.
- **Objective 5:** Promote the use of idle farmlands to grow needed biofuel to support increasing demands for alternative energy source.

**GOAL III: Improve the region's transportation systems to ensure the safety and mobility of people and commerce while protecting the environment and improving the quality of life.**

- **Objective 1:** Support the improvement of the local road networks for resident mobility and access to natural resources.

## Section 8| Goals and Objectives

- [\*Objective 2:\*](#) Provide input into the planning process along with support for the continuation of upgrading the state trunkline system.
- [\*Objective 3:\*](#) Support airport facility upgrades and maintenance of commercial air service and general aviation activity to permit transport of passengers and goods.
- [\*Objective 4:\*](#) Support a railroad modernization program and harbor improvement program to maintain bulk transportation services for the region.
- [\*Objective 5:\*](#) Support the creation and maintenance of public transit systems to reduce energy consumption and congestion and to provide alternatives for persons without automobiles.
- [\*Objective 6:\*](#) Continue the development of pathways for pedestrians, bicycles, and other non-motorized means of transportation.

### **GOAL IV: Promote a framework for community development to improve community design and infrastructure which makes communities, small towns, and cities within the region quality places to live, work, and conduct business.**

- [\*Objective 1:\*](#) Support the establishment of a community design process that encourages the application of design standards which incorporate aesthetics, public art, the urban forest, and the application of technology at a human scale.
- [\*Objective 2:\*](#) Foster locally administered development regulations including building codes, subdivision regulations, historic preservation ordinances, and scenic landscape ordinances that protect the character and cultural resources of our small towns and rural communities.
- [\*Objective 3:\*](#) Foster the development, modernization, and renovation of public facilities.
- [\*Objective 4:\*](#) Support the modernization and sustainable expansion of water, wastewater, and solid waste systems to meet health, safety, and pollution requirements while limiting rural sprawl.
- [\*Objective 5:\*](#) Encourage development of quality affordable housing and rehabilitation of the existing housing inventory.
- [\*Objective 6:\*](#) Improve access to medical facilities and health programs.
- [\*Objective 7:\*](#) Foster the development and enhancement of community recreational and cultural facilities and programs for entertainment, recreation, wellness, and cultural enrichment.
- [\*Objective 8:\*](#) Upgrade physical infrastructure elements, such as roads, bridges, water, wastewater, and telecommunications systems, which are essential to economic growth.
- [\*Objective 9:\*](#) Support programs to undertake environmental cleanup activities which encourage the re-use and re-development of contaminated rural and urban sites.

## Section 8| Goals and Objectives

**GOAL V: Build and enhance the community social infrastructure of the region in order to provide an opportunity for individuals to improve their capability to help themselves and increase their communities' long-term capacity to surmount social problems.**

- **Objective 1:** Support the maintenance of a consortium of Upper Peninsula vocational education programs committed to meeting the workforce training and development needs of low- to moderate-income residents and value-added industries.
- **Objective 2:** Support the incorporation of innovative, proven-effective methods of training into Upper Peninsula vocational education curricula.
- **Objective 3:** Support programs to retrain older workers and people outside the economic mainstream.
- **Objective 4:** Support the establishment of a network of centers which motivates individuals and institutions to boost the degree of volunteer commitment in combating social problems and recruit volunteers to assist community agencies in addressing local needs.

**GOAL VI: Pursue inter-regional collaboration with other parts of the Upper Peninsula and bordering regions of Wisconsin.**

- **Objective 1:** Encourage cooperation with the Michigan Association of Planners (MAP).
- **Objective 2:** Actively encourage the MAP Board of Directors to continue directing special attention to the U.P. and its planning issues unique to dispersed communities and rural areas.
- **Objective 3:** Maintain regular contact with the Central and Eastern U.P. Planning Regions to coordinate projects and priorities and to maximize use of resources to meet common goals.
- **Objective 4:** Search for opportunities to work with adjacent Wisconsin organizations such as the Northwest Regional Planning Commission on projects based on common features, such as the presence of significant Native American populations and tribal governments, mining interests, and Lake Superior.

**GOAL VII: Continue furtherance of cultural preservation and heritage-based tourism in order to maintain and capitalize on the region's unique identity and capture associated economic benefits.**

- **Objective 1:** Complete the Copper Country Trail Interpretive Plan and seek an opportunity to complete a similar plan for the Iron County Heritage Trail.
- **Objective 2:** Pursue state designation of the Bridge to the Clouds Heritage Trail in Ontonagon and Gogebic Counties.
- **Objective 3:** Search for funding opportunities and support member governments' efforts to preserve significant historic resources, ethnic histories, and related assets.

## Section 8| Goals and Objectives

- **Objective 4:** Encourage local and regional organizations focused on tourism, economic development, and commercial promotion to coordinate their efforts in order to reduce duplication of efforts and avoid overburdening tourists with information.

In seeking to fulfill its mission of fostering sustainable and diversified local economies within the region, WUPPDR has undertaken a strategic planning process. This process is a way of thinking that guides an analysis of the present and helps realize a vision of the future. The result is a set of strategies, referred to as an action plan, which is supported by sound planning along with realistic thinking about the future.



## Section 9| Action Plan

### PLANNING FOR IMPLEMENTATION

In a region as big as WUPPDR's, a variety of strategies must be employed to address critical development issues. The strategies involve programs, projects, and activities and define the tasks, time frames, responsibilities, and required resources for individuals and organizations to carry them out. This is part of the strategic planning process.

It is strategic in nature in that it involves a belief that aspects of the future can be influenced and changed by what we do. It focuses on the process of planning as much as on the plan itself. The process is one of self-examination, confrontation of difficult choices, and establishment of priorities. It is action-oriented and thus connects the allocation of resources to critical issues. The outcomes represent the results of the strategic planning process.

#### Strategies – The Categories of Action

The programs and activities described here illustrate how resources are brought together to address certain economic development issues that have been identified within the region. This integration process includes both the direct and indirect allocation of resources, financial as well as nonfinancial, and it involves all the organizations in the planning and economic development network.

##### *Technical Assistance to Local Governments*

A technical assistance program has been established to respond to requests for help in solving specific economic and community development problems. This assistance takes the form of consultancies which fall into three categories: information transfer, document preparation, and project administration. Ancillary to solving specific economic and community development problems, this program also helps to improve the institutional capacity of local governments by building sources of professional expertise and by broadening the vision of local officials and citizens. Specific applications include recreation and hazard mitigation planning along with Geographic Information Systems (GIS) and parcel maintenance for municipalities.

To be able to respond to technical assistance requests, WUPPDR has developed and maintains an extensive information system for planning and development purposes. The foundation of this system is an internal database along with an intergovernmental liaison network. Complementing these components are electronic databases providing geographic, census, and other related data. These databases are specific to the use at hand, however, and appropriate data from them are most easily found through internet searches.

##### *Economic Development*

This strategy represents activities which seek out opportunities for public-private partnership investments within the sectors of the regional and local economies. Through the application of technology and new associations of resources, value-added processes are sought out, especially in the manufacturing and services sectors. Traditionally these were found in natural resources industries. Now they emphasize industries in the new information economy, whose fundamental sources of wealth are knowledge and communication, epitomized by some of the research being carried out by Michigan Technological University (Michigan Tech).

## Section 9| Action Plan

The activities of this strategy focus primarily on business prospecting, business development, and business financing. A major partner in this strategy is the Michigan Economic Development Corporation (MEDC), created to strengthen the state's business climate through convenient access to a wide range of economic development assistance. Other partners include industrial councils and economic development commissions operating at the local level. The objective of these efforts is the creation of jobs in a sustainable economy.

### *Tourism and Historic Preservation*

Tourism represents a special form of economic development endeavor. While tourism has played a role in the regional economy for years, it has only been taken seriously in the last two decades as an industry. The greatest increase in demand during this period has been in forest recreation and water-based activities. The most encouraging trend is in heritage tourism.

The significant role that the region's natural resources played in the industrialization of the nation has left remnants of a rich heritage. Due to the region's rural environment, combining historic preservation with natural resource protection through meaningful cultural landscapes is very important from an economic development perspective. Rather than focus solely on protection, this approach recognizes the need for local residents to earn a livelihood and the pursuit of economic opportunity in a sustainable manner with these resources.

To address this approach, WUPPDR has initiated the Heritage Reserve Program as a major regional economic development strategy. Its activities include identifying historic resources, evaluating them in a thematic context, and developing a marketing strategy to link them to the tourism industry. The impetus for this strategy has been the establishment of Keweenaw National Historical Park, followed more recently by Copper Country Trail National Scenic Byway.

### *Physical Infrastructure Development*

The modernization of the region's infrastructure is an important strategy because it helps create an environment that can support a modern market economy. It also contributes to the quality of life of the residents in that environment. This strategy not only focuses on the traditional public works categories such as highways, airports, water supply systems, wastewater, solid waste and hazardous waste facilities, but also considers the urban forest (park and street trees), telecommunications, and community cultural and recreation facilities. All of these make up the fabric of the community and contribute to its well being.

Operationally, the strategy functions by 1) defining projects in relation to regional goals and objectives and 2) seeking partners to undertake these projects. The United States Department of Agriculture (USDA), Economic Development Administration, and Environmental Protection Agency (EPA), along with the Michigan Department of Transportation (MDOT), Natural Resources (DNR), and Commerce, all have programs that make public investments in the physical infrastructure of communities.

### *Small Business Assistance*

The Michigan Small Business & Technology Development Center (SBTDC) is a statewide network of 12 regional offices providing services for small businesses that are emerging and growing throughout the state. As communities have realized the importance of nurturing small businesses, the significance of information transfer and of training for existing and emerging businesses has been recognized.

## Section 9| Action Plan

WUPPDR does not currently provide any direct services to small businesses, but it does co-sponsor occasional training programs and serves as a referral agency for SBTDC and other business entities. As an example of this, WUPPDR has assisted in the establishment of four small business incubators as part of the State-funded Smart Zone program. These are the Lakeshore Center and Powerhouse buildings, located in and around Downtown Houghton; the Jutila Center, part of Finlandia University in Hancock; and the Advanced Technology Development Center, located on the Michigan Tech campus in Houghton.

### *Workforce Development*

The challenge of building a sustainable economy in the Upper Peninsula that provides employment opportunities for its residents rests on converging institutional commitments of capital, technical assistance and human resource skills development. To meet this challenge, WUPPDR is represented on the Michigan Works! Workforce Development Board along with many regional businesses and institutions. The Board endeavors to improve the skills of entry-level workers and to meet the training needs of value-adding industries in the Upper Peninsula. A major partner in this effort is the MEDC with its wide array of workforce development resources. Educational partners from the region include Gogebic Community College, Michigan Tech, and Finlandia University.

### *Transportation Planning*

The transportation program encompasses a wide range of planning activities which address many transportation issues. The program reflects how MDOT has developed a relationship with WUPPDR which has blended technology and the social sciences within a highly political environment to meet local transportation needs in a global environment. The state trunkline (highways) and off-trunk (county roads and city streets) systems receive major attention in the region. However, other modes—namely marine, aeronautics, rail, and non-motorized methods (including bicycle and pedestrian facilities)—are not ignored. All transportation modes are assessed for ways they can help meet local transportation needs.

The specific activities undertaken involve data collection—traffic counts, for example. These activities serve as technical assistance to local jurisdictions in developing and evaluating proposals to improve transportation infrastructure. This technical assistance updates and maintains networks for transferring information to people and organizations that are interested or exert influence on transportation issues. Technical assistance also includes gathering and coordinating local public comment for input into documents such as the State Transportation Improvement Plan.

Implied in these activities are new approaches to transportation planning. These include increasing system efficiency, seeking non-traditional supply approaches (i.e. Rideshare Program transit feasibility studies), increasing the role of the private sector, implementing new financial strategies, and streamlining analytical procedures. The objective of these efforts is to develop and maintain transportation systems that facilitate access to employment and to goods and services that are crucial to the economic and social well-being of communities in the region.

### *Environmental Protection*

This strategy has traditionally focused on areas of concern in wastewater and solid waste management that impact individual or small consortia of local governments within the communities of the region. It included planning and implementation projects for reducing or eliminating point or non-point source water pollution. This also included establishing solid waste, recycling, and composting systems. With the demonstrated national commitment to environmental protection supported by powerful environmental

## Section 9| Action Plan

legislation, this strategy is now more pervasive and cross-cutting in its wide reach and foreseeable impacts.

Issues involving air quality, wetlands, hazardous waste, groundwater, wildlife habitat, and scenic views illustrate only some of the resource areas that have joined the traditional topics as areas of concern. In addressing them, WUPPDR is shifting from a position of treating them as separate issues to one of planning for the resources and their processes as part of a single system. To accomplish this, it is incorporating an ecosystem approach in its decision-making based on a landscape scale of a watershed or drainage basin. The principles of land use planning and growth management are all part of the foundation of this evolving strategy. WUPPDR is being assisted in this new approach by resource management agencies such as the USDA Forest Service and National Resources Conservation Service; United States Department of the Interior National Park Service; and Michigan DNR.

As the environment moves to the center of decision making, consumers are coming to desire less damaging ways of producing, utilizing, and disposing of goods. Preventing ecological decline is of particular importance to this region because its natural resource base underpins its economy. As such, WUPPDR is participating in a dialogue with Michigan Tech, EPA, and other environmentally oriented organizations as they examine and consider sustainable development and incentive-based environmental models which will introduce a new era of environmental policy.

### *Cultural Resource Development*

This strategy involves activities which help strengthen community arts organizations in the region by providing technical assistance to help carry out arts projects. These projects represent the arts in the broadest sense. They address quality of life needs which are so important in all economic development efforts.

Cultural resource development is also linked to issues concerning the creative process, innovation, and excellence as they impact the arts, technology, and business community. WUPPDR is supporting efforts to integrate arts and technology for both community growth and economic development. The activities of this strategy are supported by resources from the Michigan Council for Arts and Cultural Affairs and the Michigan Council for the Humanities.

### *Affordable Housing Development*

The housing strategy consists of a number of programs which focus on upgrading existing housing stock and adding new housing units to the current inventory. The programs are targeted at low- to moderate-income families and senior citizens with the objective of getting these families and individuals out of overcrowded or substandard housing or from paying an excessive amount of their income for standard housing. The major sponsors of these programs are the Michigan State Housing Development Authority (MSHDA) and USDA Office of Rural Development.

WUPPDR directly administers five MSHDA programs for local units of government in the region. These programs complement one another in the fact that they help facilitate the critical financing needed to implement the required rehabilitation of housing units to standard condition. The administration includes specific duties such as client outreach, housing inspections, preparation of bid specifications, and contractor management, along with financial management on behalf of the local governments.

## Section 9| Action Plan

WUPPDR also supports efforts to add new units to the region’s housing inventory. This is accomplished by providing technical assistance to local communities that are working with developers and non-profit organizations utilizing the USDA-RD housing programs. This technical assistance, generally in the form of information, is also provided on request to organizations dealing with persons with special needs but capable of relatively independent living, such as Michigan Department of Community Health, and to those self-help groups pursuing the building of single-family dwellings, such as Habitat for Humanity.

WUPPDR also administers the MSHDA Housing Choice Voucher (HCV) and the Homeless Assistance Recovery Program (HARP) for Baraga, Gogebic, Houghton, Keweenaw and Ontonagon Counties, which serves approximately 400 low to moderate income families with rental assistance.

### **Social Infrastructure Support**

Changes that result from adjustments to the economy and physical development appear inevitably to benefit some groups while causing harm to others. These changes manifest themselves negatively through economic dislocation, decline, and unemployment. These forces tend to impact those who are dependent to some extent on others and those who have been systematically discriminated against – children and the poor, unemployed, handicapped, women, minorities, and the elderly.

Social services to reduce the impacts placed on these vulnerable groups are administered by separate service-providing bureaucracies at the federal, state, and local levels. Many of the services are provided under contract by local non-profit, voluntary agencies. This social infrastructure is the result of a social policy developed to provide assistance as needed by dependent, disadvantaged persons who are at risk.

Planning for social services is done by a number of independent organizations, such as health planning agencies, area agencies on aging, developmental disabilities councils, community action agencies, and local departments of social services and mental health. This strategy recognizes the need for WUPPDR’s participation in a coordinated process of sharing information through interagency liaison. The objective is not only to understand how physical and economic development efforts can negatively affect various groups but also to prevent or relieve social problems that will be created and to recognize social trends that develop.

### **Strategies – The Plan of Action**

Building upon past successes there are several new initiatives that WUPPDR is pursuing for the upcoming period of this CEDS. One of which is UP Link, a high-definition video conferencing system, which compliments several Michigan statewide initiatives, including the State Energy Plan, the Broadband Initiative, and the Michigan Strategic Workforce Investment Plan. UP Link aims to:

- Connect existing technology to create a UP-wide standard platform that can be accessed without geographic or situational barriers. Several technological backbones exist in the Upper Peninsula already; the proposed UP Link system would connect those backbones and provide a platform for any person or entity in the Upper Peninsula to access the system and connect with anyone in the world.

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- Enhance the economic climate by neutralizing a potential disadvantage in regional cooperation: the Upper Peninsula's remote location. With 15 counties and 10.5 million acres, it takes six hours to travel the U.P.'s 330-mile span from east to west; travel to the State Capital takes ten hours and 525 miles. Local governments, economic developers, businesses and others will be able to meet without the barriers of time and cost of travel.
- Serve as a satellite work and meeting center, promoting cost effective energy savings and reduction of greenhouse gases. Use of the UP Link system could save an annual estimated 1,646,280 miles traveled, realizing an estimated carbon savings of upwards of 1.4 million pounds per year and a cost savings of a minimum of \$905,454 per year.

The possibilities and opportunities created by the proposed UP Link system are limitless. By bringing UP Link system to the Upper Peninsula, we are aligning our business culture with the current technology. The leveraging of information technology expands and deepens the opportunities for businesses to compete locally, regionally, nationally and globally. This reduces transactions costs thus releasing resources for other uses including increased employment and additional capital accumulation.

Possible scenarios of job creation as a result of use of the UP Link system are clear. Economic Developers in the U.P. could meet virtually on a regular basis to discuss implementation of projects outlined in the Regional Innovation Plan, which could result in the creation and retention of hundreds of jobs across the U.P. Private businesses could use the system to compete in the global economy creating more opportunity resulting in new and retained jobs. Rural locations could offer training and education classes sponsored by the major universities to obtain credit towards degrees instead of going off to college or having to commute on a daily basis. Entrepreneurs could be served by a connection to the SmartZones and Universities to help promote their ideas and start up new small businesses in their communities resulting in more job creation.

Following is an inventory of specific projects, categorized by county and government entity, to be accomplished over the period of this CEDS. Progress will be updated on an annual basis.

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
CEDS 2011 PROJECT INVENTORY**

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**MULTI-COUNTY**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>WUPPDR</b>	UP Link	Unknown at this time	EDA & Other

**BARAGA COUNTY**

<b>Village of Baraga</b>	US-41 Corridor Improvements	\$ 400,000	MDOT
	M-38 Industrial Park Expansion	\$ 500,000	EDA
	US-41 North Utility Extensions	\$ 1,000,000	MDOT
	Russell Carriere Industrial Park Expansion	\$ 2,100,000	EDA
	Downtown Streetscape	\$ 600,000	MEDC & DIG
	Waterfront Park/Greenspace/Development	\$ 500,000	DNR

<b>Village of L'Anse</b>	Industrial Road Bypass	\$ 1,500,000	EDA
	US-41 Industrial Park Improvements	\$ 1,750,000	EDA
	Wastewater System Improvements	\$ 1,000,000	RD
	Marina Pier Extension & Dredging	\$ 750,000	ACoE
	Water Treatment Project	\$ 1,500,000	RD
	Broad and Main Street Improvements	\$ 3,000,000	MDOT
	Phase II Sewer Project	\$ 7,700,000	RD
	Trail System along Falls River	\$ 300,000	DNR

<b>Covington Township</b>	Emergency Vehicle Upgrade	\$ 100,000	RD
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<b>Keweenaw Bay Indian Community</b>	Business Incubator	\$ 800,000	EDA
	US-41 North Utility Extensions	\$ 900,000	EDA
	Sand Point Brownfield Redevelopment	Unknown at this time	Other

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
2011 PROJECT INVENTORY**

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**GOGEBIC COUNTY**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>City of Ironwood</b>	Redevelop City Centre Building	Varies	Private/Public
	Redevelop the Historic Railroad Depot Building	Varies	SHPO; Private
	Wood Products/Value-Added Manufacturing Products	Varies	EDA
	Biomass District Heating/Cooling (Feasibility)	\$ 30,000	EDA, DoE
	New City Revolving Loan Fund	\$ 150,000	RD & Local Donations/Investments
	New Comprehensive Plan	\$ 100,000	Other
	Railroad Grade & Trail Development Projects	\$ 1,000,000	DNR & LAWCON; Local Private/Public
	Wood Products/Value-Added Manufacturing Projects	Varies	Varies
	Reverse/Minimize Population Loss	\$ 500,000	Private/Public
	Complete Street Projects	\$ 50,000	MDOT, MDCH, WUPHD
	Aurora Land Corporation	\$ 100,000	State & Federal Brownfields; CDBG

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
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**HOUGHTON COUNTY (pg 1 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Houghton County</b>	New Houghton County Justice Center	\$15,000,000	Other
	Houghton County Courthouse Renovation	\$ 300,000	RD
<b>City of Hancock</b>	Downtown Façade Improvement Project	\$ 400,000	DIG
	Development of the Lindrus Building into a Vocational/Education Center	\$ 500,000	EDA
	Industrial Park Business Incubator Building	\$ 800,000	EDA
	Technology Park Development/Infrastructure	\$ 1,200,000	EDA
	Waterfront Boardwalk, Phase IV	\$ 350,000	CZM
	West Quincy Streetscape	\$ 350,000	MDOT
	Hancock Street Streetscape Project	\$ 500,000	MDOT
	South Lincoln Streetscape Project	\$ 400,000	MDOT
	Navy Street Extension along Waterfront	\$ 300,000	MDOT
	Middle School Business and Health Science Incubator	\$ 5,800,000	EDA
	Gartner's Building Business Incubator	\$ 1,000,000	EDA
	Quincy Street Rehabilitation	\$ 7,000,000	MDOT
	Hancock to Lake Linden Rail Trail Development	\$ 300,000	MDOT
Campus Drive West Construction	\$ 800,000	EDA	

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
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**HOUGHTON COUNTY (pg 2 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>City of Houghton</b>	Parking Deck (over Franklin Square Inn Parking Lot with connecting Skywalk to Inn)	\$1,000,000	EDA
	Housing - Senior Citizens and Low and Moderate Income Persons	\$2,000,000	MSHDA
	South and West End Infrastructure	\$1,000,000	EDA
	West Houghton Sanitary Sewer Rehabilitation/Replacement	\$1,000,000	RD
	Sanitary Sewer Rehab/Replacement	\$2,000,000	RD
	Downtown Parking Deck Rehab	\$ 850,000	MEDC
	Parking Deck Repairs	\$ 250,000	DIG
	Houghton Incubators	\$2,000,000	EDA
	M-26 Streetscape	\$ 800,000	MDOT
	US-41/M-26 Traffic Reroute	\$2,500,000	MDOT
	National Park Service Property Conversion	\$1,000,000	Other
	Quincy Smelter Sitework	\$2,500,000	Other
	Dee Stadium	\$2,500,000	Rec
	Park Improvements (Downtown & Waterfront)	\$ 280,000	Rec
	Mattila Square	\$ 400,000	Other
	MTU Bike Path Connector	\$ 270,000	Rec
College Avenue Infrastructure	\$2,500,000	MDOT, CDBG, RD	

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
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**HOUGHTON COUNTY (pg 3 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>City of Houghton</b> (continued)	East Houghton Residential Street & Sidewalk Improvements	\$ 1,000,000	Other
	Townsend Drive Lighting & Infrastructure	\$ 500,000	Other
	Safe Routes to School – Intersections	\$ 600,000	MDOT
	Houghton Complete Streets Improvements	\$ 2,000,000	MDOT
	Cedar Street Extension & Utilities	\$ 2,200,000	EDA
	Huron Creek – Watershed Management	\$ 750,000	CZM
	Sharon Avenue Paving & Lighting	\$ 250,000	MDOT
	Parking Area & City Park Improvements	\$ 350,000	MDOT
	Evergreen Drive/Cedar Street Connector	\$ 400,000	MDOT
Façade Improvements & Signature Building	\$ 500,000	DIG	
<b>Village of Calumet</b>	Downtown Historic Street Renovation	\$ 1,000,000	DDA/TIF, MDOT, MEDC
	Street Lighting Improvements	\$ 200,000	DDA & MDOT
	Theatre/Town Hall Renovation	\$ 2,000,000	SHPO, DDA/TIF, MEDC
	Housing (Senior Citizen & Low & Moderate Income Persons)	\$ 2,000,000	MSHDA, Loans, Private
	U.P. Fire Fighters Museum	\$ 500,000	DDA/TIF, MEDC, Local Foundation
	Public Works Garage	\$ 400,000	RD, NPS, DDA
	History Museum	\$ 3,500,000	SHPO, MSHDA, CDBG
	Historic Brick Restoration at 300 Block Fifth Street	\$ 450,000	SHPO, MSHDA, CDBG, MDOT

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**HOUGHTON COUNTY (pg 4 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Village of Calumet</b> (continued)	Street Car Track Renovation/Replacement at Sixth Street	\$1,000,000	MDOT, DDA, MEDC
	New Fire Hall	\$ 700,000	RD
	Agassiz Park Improvements	\$ 350,000	Rec
	Concrete Street Restoration – Sixth and Seventh Street	\$2,000,000	MDOT & RD
	Surface Parking Lots (downtown)	\$ 120,000	DDA/TIF, MEDC, EDA
	Historic Structure Stabilization	\$ 350,000	SHPO, MEDC, MSHDA
<b>Village of Laurium</b>	Downtown Improvements	\$ 500,000	EDA, MEDC
	North End Curb, Gutter, Drainage and Streets	\$ 600,000	MDOT & RD
	Water System Improvements	\$ 500,000	RD
	George Gipp Memorial Recreation Area Improvements	\$ 740,000	DNR, LAWCON, Local
	George Gipp Arena Rehabilitation	\$2,500,000	DNR & MEDC
	Sidewalk Replacement	\$ 250,000	MDOT & MEDC
	Third, Osceola and Hecla Streets Rehab	\$1,500,000	MDOT & MEDC
<b>Village of South Range</b>	Village Street Improvements	\$ 175,000	MDOT & Village Street Fund
	Community Building Improvements	\$ 160,000	RD
	Community Building Kitchen Renovation Project	\$ 15,000	RD
	Veterans Memorial Park Improvements	\$ 85,000	DNR

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**HOUGHTON COUNTY (pg 5 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Village of South Range</b> (continued)	New Department of Public Works Garage	\$ 850,000	RD
	Fire Department Equipment Upgrade	\$ 116,000	RD
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<b>Adams Township</b>	Trimountain Area Water System Project	\$2,500,000	RD
	Township Ice Rink Repairs	\$ 300,000	Rec, DNR, RD
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<b>Charter Township of Calumet</b>	Calumet Community Center (former Armory)	\$ 200,000	RD
	Recreation Improvements at Water Works Park	\$ 250,000	Rec, LAWCON, DNR, CZM
	Office Renovations	\$ 140,000	RD & Local
	Youth Center	\$ 160,000	Rec & DNR
	Consolidation of Fire Departments	\$1,200,000	RD & State
	Consolidation Study (Study to consolidate 2 townships and 2 villages into single communities)	\$ 150,000	MML, MEDC, EVIP
	Coppertown Museum & Historic District Interpretive Center	\$ 120,000	SHPO, EDA, DoI, MEDC
	Historic Railroad Depot	\$1,100,000	MDOT, EDA, RD, EPA
	Historic #2 Warehouse	\$ 120,000	SHPO, EDA, DoI, MEDC
	#6 Centennial Industrial Park	\$ 240,000	EDA & RD
	Drill Shop Improvements	\$ 250,000	SHPO
	North Water Project	\$ 450,000	RD, CDBG, EDA
	Legion Field Recreation Area	\$ 28,000	Rec & DNR

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
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**HOUGHTON COUNTY (pg 6 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Charter Township of Calumet</b> (continued)	Swedetown Ponds	\$ 40,000	DNR, LAWCON, DEQ
	Wolverine Ball Field	\$ 20,000	Rec, LAWCON, DNR
	Swedetown Ski Trails	\$ 190,000	Rec & DNR
	Calumet Lake	\$ 250,000	Rec, DNR, RD
<b>Franklin Township</b>	Wastewater System Improvements for Paavola	\$ 1,200,000	RD
	Wastewater System Improvements for Ripley Location	\$ 3,500,000	RD, DEQ, CDBG
	Fire Hall/Community Building	\$ 500,000	RD & CDBG
	Shaft House & Hoist House Preservation	\$ 1,000,000	SHPO, RD, MDOT
	Round House Preservation	\$ 1,300,000	SHPO, RD, MDOT, CMI, EDA, NPS, CDBG
	Quincy Smelter Historic Renovation	\$ 6,000,000	SHPO, RD, MEDC, EDA, DNR, DEQ
	Seaman Mineralogical Museum Relocation & Historic Renovation of Blacksmith Shop and Machine Shop	\$10,000,000	SHPO, RD, MEDC, DEQ, EDA, Private
	Quincy Mine Adit Transportation System	\$ 500,000	EDA, RD, Local
<b>Laird Township</b>	Fire Hall Addition	\$ 125,000	RD
<b>Osceola Township</b>	Tamarack City Water Project	\$ 1,000,000	RD
	Wastewater Collection & Treatment (Mason)	\$ 750,000	RD

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
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**HOUGHTON COUNTY (pg 7 of 7)**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Charter Township of Portage</b>	Water Improvements – Phase 3	\$ 1,000,000	RD
	Royalewood Estates Water	\$ 1,800,000	RD & DEQ
	M-26 Utilities	\$ 2,000,000	EDA, MEDC, RD
	Transmission Main Replacement	\$ 1,200,000	RD, DWRF, DEQ
	Green Acres Road Sewer	\$ 580,000	RD & DEQ
<b>Stanton Township</b>	Mucky Bottom Boat Launch	\$ 400,000	DNR
<b>Calumet Arts Center</b>	Winterization/Energy Conservation Study	\$ 50,000	MCACA Fund-raising & MSHDA
<b>Copper Country Community Arts Center</b>	Arts Center Renovation	\$ 1,400,000	Kresge Foundation, Private Donations, CDBG, EDA, RD
<b>Portage Lake Water &amp; Sewage Authority</b>	Wastewater System Improvements	\$ 3,000,000	RD, DEQ, CDBG
<b>Torch Lake Water &amp; Sewage Authority</b>	Wastewater Treatment Expansion at Tamarack/Hubbell Lagoon Site	\$ 3,000,000	RD, FAA, DEQ, EPA, CDBG

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
2011 PROJECT INVENTORY**

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**IRON COUNTY**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
Iron County Economic Development Corporation	Windsor Center Project	\$3,000,000	EDA, CDBG, Local

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
2011 PROJECT INVENTORY**

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**KEWEENAW COUNTY**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Keweenaw County Road Commission</b>	Eagle Harbor Road Paving Project	\$ 320,000	MDOT, KCRC (Matching)
	Brockway Overlook Park	\$ 385,000	MDOT, KCRC (Matching)
<b>Allouez Township</b>	Industrial Park	\$ 1,000,000	EDA & RD
	Water Main & Storage	\$ 1,500,000	RD
	Sewer System Improvements	\$ 4,000,000	RD
	Water Transmission Improvements	\$ 3,500,000	RD, DEQ
	Solid Waste Transfer Station	\$ 2,000,000	RD, DEQ
	Township Hall Department of Public Works & Emergency Services Building	\$ 1,500,000	RD
	Seneca Lake Park	\$ 300,000	DNR
<b>Sherman Township</b>	Township Park Pavilion	\$ 15,000	Local Donations/ Fundraising & DNR

**WESTERN U.P. PLANNING & DEVELOPMENT REGION  
2011 PROJECT INVENTORY**

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**ONTONAGON COUNTY**

<u>Entity</u>	<u>Project</u>	<u>Cost</u>	<u>Funding Sources</u>
<b>Carp Lake Township</b>	Silver City Water Distribution System	\$ 400,000	RD
	White Pine I/I Removal	\$ 800,000	RD

## **Funder Acronyms/Abbreviations**

ACoE	Army Corps of Engineers
CDBG	Community Development Block Grants
CMI	Refers to DEQ Brownfield Redevelopment Grants
CZM	DNR Coastal Zone Management Program
DDA	Downtown Development Authority
DEQ	Michigan Department of Environmental Quality
DIG	Downtown Infrastructure Grant
DNR	Michigan Department of Natural Resources
DoE	U.S. Department of Energy
DoI	U.S. Department of the Interior
DWRF	Drinking Water Revolving Fund
EDA	U.S. Department of Commerce Economic Development Administration
EPA	Environmental Protection Agency
EVIP	Michigan Department of Treasury Economic Vitality Incentive Program
FAA	Federal Aviation Administration
KCRC	Keweenaw County Road Commission
LAWCON	Federal Land and Water Conservation
MCACA	Michigan Council for Arts and Cultural Affairs
MDCH	Michigan Department of Community Health
MDOT	Michigan Department of Transportation
MEDC	Michigan Economic Development Corporation
MML	Michigan Municipal League
MSHDA	Michigan State Housing Development Authority
NPS	National Park Service
TIF	Tax Increment Financing
RD	U.S. Department of Agriculture Office of Rural Development
Rec	Funding sources identified within a local recreation plan
SHPO	State Historic Preservation Office
WUPHD	Western U.P. District Health Department

## Appendix A: WUPPDR COMMISSION ROSTER

EXPLANATION: \*Ex-Officio Members: All cooperative extension agents in the District are Ex-Officio members of the Commission

\*\*Minority Group Representative: American Indian, unless so indicated all other persons are Caucasians.

\*\*\*All members were polled on their areas of interest and expertise with respect to economic development. This is indicated in the column "Relevant Areas of Interest".

<u>Name and Phone</u>	<u>Address</u>	<u>Occupation</u>	<u>Local Public Official</u>	<u>Govern. Rep.</u>	<u>**Relevant Areas of Interest</u>
Michael Koskinen, 2 <sup>nd</sup> VC 353-6442 (h)	P.O. Box 146 Baraga, MI 49908	Business Owner	County Commissioner Chairman	Baraga County	Business, Labor, Unemployment
Bill Rolof 524-6049 (o) 524-4446 (h)	928 Shields Street L'Anse, MI 49946	Business Owner	County Commissioner	Baraga County	Economic Dev., Business, Unemploy.
Robert LaFave 524-6116 (o)	P.O. Box 157 L'Anse, MI 49946-0157	Village Manager	General Public	Baraga County	Economic Dev., Tourism, Unemployment
Gregg Nominelli 353-6623, ext. 4133	16429 Beartown Road Baraga, MI 49908	Grant Writer		Keweenaw Bay Indian Community	Minority Groups Indian Community

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**WUPPDR COMMISSION ROSTER**

<u>Name and Phone</u>	<u>Address</u>	<u>Occupation</u>	<u>Public Official</u>	<u>Govern. Rep.</u>	<u>Areas of Interest</u>
Jim Oliver, <b>CHAIRMAN</b> 932-1215 (o) or 1848 (h) 575-3438, ext. 23	631 E. Ayer Ironwood, MI 49938	CPA	County Commissioner	Gogebic County	Labor, Health, Unemployment
Donald Pezzetti 224-1001 (h)	808 Pierce Street Wakefield, MI 49968	Retired	County Commissioner	Gogebic County	Labor, Business, Economic Development
Keith Johnson 932-4059 or 1-800-562-1200 364-4316 (c)	100 W. Cloverland Drive Ironwood, MI 49938	Director MichiganWorks!	General Public	Gogebic County	Employment, Unempl. Labor & Economic Dev.
Don Bennetts 663-4204 (h)	410 S.Hematite Bessemer, MI 49911	Retired	General Public	Gogebic County	Labor, Health, Unemployment
Lucia Patritto* 663-4045 (o)	500 N. Moore Street Bessemer, MI 49911	County Extension Director	*Ex-Officio	Gogebic County	Labor, Agriculture
Michael Schira* 482-5830 (o)	1500 Birch Street Hancock, MI 49930	Extension Director	*Ex-Officio	Houghton County	Labor, Agriculture, Business
Dennis Barrette, <b>SECRETARY</b> 482-6206 (h)	P.O. Box 357 Dollar Bay, MI 49922	Retired	County Commissioner	Houghton County	Business, Labor, Unemployment
Scott Ala 483-0103 (h)	105 W. Baraga Street. Houghton, MI 49931	Businessman	County Commissioner	Houghton County	Business, Unempl. Labor
Tim Palosaari 370-2960 (c) or 523-4589 (h)	21225 Creamery Road Chassell, MI 49916	Contractor	County Commissioner	Houghton County	Unemployment, Econ.Dev., Business
Steven Karpiak 482-8578 (o) or 8455 (h)	P.O. Box 437 Dollar Bay, MI 49922	Retired	Township Supervisor	Houghton County	Business, Health & Labor
Tom Wright 482-5240, ext. 104 (o)	P.O. Box 336 Houghton, MI 49931	Int.Executive Director Keweenaw Peninsula Chamber of Commerce	General Public	Houghton County	Economic Dev., Tourism, Education, Labor

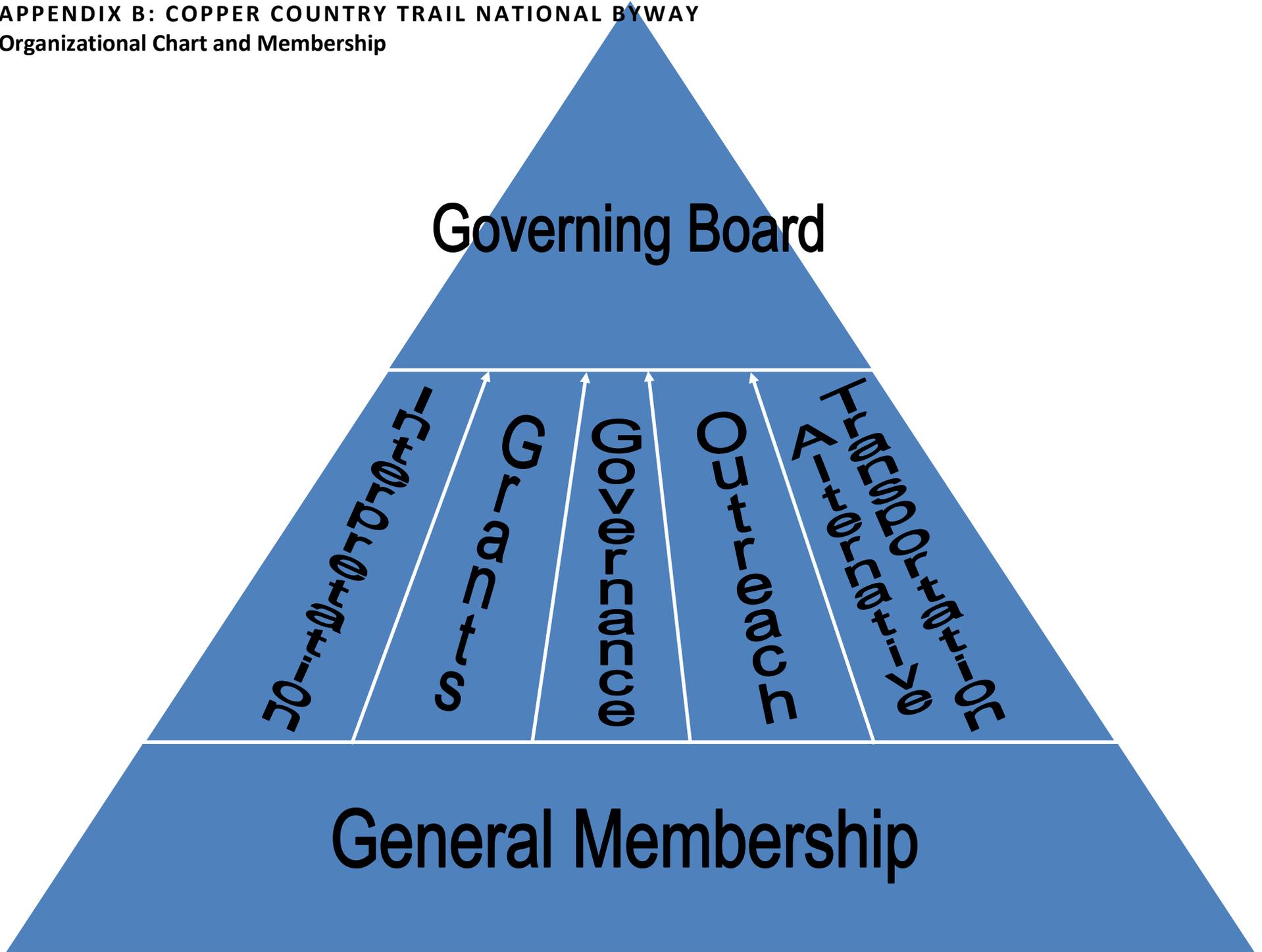
**WUPPDR COMMISSION ROSTER**

<u>Name and Phone</u>	<u>Address</u>	<u>Occupation</u>	<u>Public Official</u>	<u>Govern. Rep.</u>	<u>Areas of Interest</u>
Paul Lehto 337-2410 (o) or 4330 (h)	25880 Red Jacket Road Calumet, MI 49913	Township Supervisor	Township Supervisor	Calumet Township	Unemployed, Business
Jeremie Moore 483-2195 (o)	914 Hill Street Hancock, MI 49930	Grant Writer BHK Child Dev.	City Councilman	City of Hancock	Education, Health
Glenn Anderson 482-1121 (o)	399 Quincy Street Hancock, MI 49930	City Manager	--	City of Hancock	Business, Education, Labor
Bruce Petersen 482-4310 (o)	47240 Green Acres Road Houghton, MI 49931	Township Supervisor	Township Supervisor	Portage Township	Labor, Unemployment
Scott MacInnes 482-1770 (o)	Box 606 Houghton, MI 49931	City Manager	--	City of Houghton	Business, Education
Wayne Wales, 265-5924 (h)	240 Osterlund Road Iron River, MI 49935	Businessman	County Commissioner Chairman	Iron County	Unemployment, Labor, Business
Carl Lind 875-3106 (h)	216 Lincoln Crystal Falls, MI 49920	Retired	County Commissioner	Iron County	Business, Unemploy., Labor
Rosalie King, <b>1<sup>st</sup> VC</b> 265-9462 (h) or 2311 (g) 284-2322 (c)	P.O. Box 110 Caspian, MI 49915	Retired	County Commissioner	Iron County	Business, Labor
Julie Melchori* 875-6642 (o) or 875-0655 (fax) 284-0314 (c)	2 S. 6th Street Crystal Falls, MI 49920	County Extension Director	*Ex-Officio	Iron County	Agriculture, Education

**WUPPDR COMMISSION ROSTER**

<u>Name and Phone</u>	<u>Address</u>	<u>Occupation</u>	<u>Local Public Official</u>	<u>Govern. Rep.</u>	<u>***Relevant Areas of Interest</u>
Ernest Mooney, <b>TREAS.</b> 281-7780 (h)	9303 Goodell Road Mohawk, MI 49950	Retired	County Commissioner	Keweenaw County	Econ. Dev., Labor, Unemployment
Frank Stubenrauch 337-1572 (h)	P.O. Box 288 Ahmeek, MI 49901	Retired	County Commissioner	Keweenaw County	Business, Education
Dale Parent 884-2355 (h)	26138 Broemer Road Ontonagon, MI 49953	Retired	County Commissioner	Ontonagon County	Labor, Econ. Dev., Tourism, Agriculture,
John Pelkola 852-3306 (h)	P.O. Box 60 Trout Creek, MI 49967	Retired	County Commissioner	Ontonagon County	Labor, Business Unemployment
Robert Rotundo, 884-2407	19939 Firesteel Road Ontonagon, MI 49953	Retired	General Public	Ontonagon County	Health, Education
John Marquart 884-2305 (o)	315 Quartz Ontonagon, MI 49953	Int. Village Manager	--	Village of Ontonagon	Unemployment, Labor
William Johnson 884-4980 (o) 884-2834 (h)	805 S. Steel Street Ontonagon, MI 49953	Ont. County Emergency Mngmt. Coordinator	Village President	Village of Ontonagon	Economic Dev., Education,
Frank Wardynski* 884-4386 (o)	725 Greenland Road Ontonagon, Michigan 49953	County Extension Director	--	Ontonagon County	Agriculture, Unemployment

APPENDIX B: COPPER COUNTRY TRAIL NATIONAL BYWAY  
Organizational Chart and Membership



# COPPER COUNTRY TRAIL NATIONAL BYWAY

## Organizational Chart and Membership

### Subcommittees

#### Interpretation

Michigan Township Association  
Keweenaw Land Trust  
Western UP Planning and Development Region  
National Park Service

#### Grants

Michigan Township Association  
Keweenaw Land Trust  
Western UP Planning and Development Region  
National Park Service  
Keweenaw National Historical Park Advisory Commission

#### Governance

Michigan Township Association  
Keweenaw Land Trust  
Western UP Planning and Development Region  
Houghton County

#### Outreach

Western UP Planning and Development Region  
National Park Service  
Keweenaw National Historical Park Advisory Commission

#### Alternative Transportation

Western UP Planning and Development Region  
Keweenaw Land Trust  
Western UP Health Department  
National Park Service

### Governing Board

#### Officers:

Chair – Dallas Bond, Community Member  
Vice Chair – Evan McDonald, Keweenaw Land Trust  
Secretary – Meghan Pachmayer, Western Upper Peninsula Planning & Development Region  
Treasurer – Steven Karpiak, Michigan Township Association

Houghton County  
Keweenaw County  
Keweenaw National Historical Park Advisory Commission  
Keweenaw County Historical Society  
Quincy Mine Hoist Association

#### Technical Advisors:

National Park Service – KNHP  
MDOT – Ishpeming TSC

### General Membership

Keweenaw County Road Commission  
MDNRE – Fort Wilkins State Park  
Calumet Main Street  
Fort Wilkins Natural History Association  
Western Upper Peninsula Health Department  
Houghton County Historical Society

## Appendix C: Friends of the Iron County Heritage Trail



The Friends of the Heritage Trail (Friends Group), a 501C-3, was formed in 1999 with a mission “to enhance, link and preserve those unique aspects of this area’s natural and cultural heritage for the enjoyment of all” and began to implement recommendations of the Linkages Plan. The Friends Group membership is open to representation from:

- Government entities
- Ethnic groups that represent the diversity of the area culture
- Heritage/cultural groups
- Local organizations
- Community at large
- Area high schools
- Ex Officio – Michigan State University Extension Director/Staff

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