

KEWEENAW COUNTY
COMPREHENSIVE DEVELOPMENT PLAN

Prepared By:
O.P. Engineering and Architectural Associates, Inc.
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**NEWTEENAW COUNTY
COMPREHENSIVE DEVELOPMENT PLAN**

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Updated January 2004

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1. INTRODUCTION

KEWEENAW COUNTY COMPREHENSIVE DEVELOPMENT PLAN

I. INTRODUCTION

Keweenaw County is Michigan's northern-most and least populated county. Because of these and other factors, Keweenaw County has retained most of its rural and unspoiled nature. Dramatic Lake Superior coastline, scenic wooded topography, historic harbor and mining communities, and vast areas of roadless wilderness characterize the county.

The loss of jobs associated with the closures of the Calumet Air Force Station at Gratiot Lake and the Louisiana-Pacific sawmill at Mohawk, as well as the desire by the Keweenaw County Planning and Zoning Commission to become more active in the development of the County, resulted in an effort to create a development program that would move the County forward in job creation activities, while maintaining the characteristics that make the Keweenaw so special and unique. The Keweenaw County Board of Commissioners provided the funding to retain professional expertise to assist the Planning and Zoning Commission with the task. This report is the result of the planning effort.

The planning process was carried out by involving the County Planning and Zoning Commission in a series of workshop meetings with the planning consultant. The first sessions were oriented to the identification of problems, issues, assets and opportunities related to development in Keweenaw County. Based upon these initial work sessions, the primary issues and problems facing Keweenaw County are summarized below:

1. The need to retain and create jobs in the County.
2. The need to expand the County tax base, through the enhancement of the existing base and the development of new facilities to expand the tax base.
3. New development should not degrade the environmental quality of Keweenaw County.
4. The unique historic character of the County should be preserved.
5. The development and the improvement of existing communities should be encouraged.
6. The existing zoning ordinance and map should be amended to correct the following problems:
 - a. To provide areas for development of rural residential development on large (10 acre) parcels of land away from the shoreline.

- b. Review areas presently zoned Resort Residential to determine the suitability for development based upon topography, available soil information, and the accessibility of the land.

The initial planning sessions also identified existing and potential assets and opportunities of the County. These opportunities are listed below:

- *Extensive valuable forests that produce a variety of tree species and products.
- *A strong summer tourism industry.
- *A winter tourism base that is in the infancy stage.
- *The Keweenaw Mountain Lodge
- *Mount Bohemia and Lac LaBelle.
- *Extensive Lake Superior shoreline.
- *The historic mining corridor.
- *The historic communities of Eagle River and Eagle Harbor.
- *The potential for commercial growth and development at Copper Harbor.
- *Recreational harbors at Eagle Harbor, Copper Harbor and Lac LaBelle.
- *Numerous inland lakes.

These issues and opportunities provide the overall direction for the Development Plan. The resulting work program focused on creating an organizational framework to enhance and develop County resources, and strengthen the County's ability to assist economic development and recreation projects.

Planning documentation required for funding programs are key elements in the overall plan. In addition, a future land use plan element was prepared to provide direction for County zoning. The elements included in the Comprehensive Development Plan are briefly described below:

ECONOMIC DEVELOPMENT STRATEGY: This section of the Plan addresses economic development opportunities and potentials for Keweenaw County. The strategy suggests both general and specific actions and policies that should be considered by the County.

COMMUNITY DEVELOPMENT AND HOUSING PLAN: This document is a requirement for applications for Michigan Community Development Block Grant funding. The C.D. Plan includes similar information found in the Economic Development Strategy. The C.D. Plan was prepared in conjunction with a CDBG application for the Keweenaw Mountain Lodge feasibility study funding.

RECREATION PLAN: The Recreation Plan element was prepared according to the format required by the Michigan Department of Natural Resources (DNR). The adoption by the County Board of Commissioners and subsequent approval by the Michigan DNR makes Keweenaw County eligible for recreation grant funding through the Land and Water Conservation Fund and the Michigan Natural Resources Trust Fund.

FUTURE LAND USE PLAN: This section of the Comprehensive Development Plan addresses a current deficiency in the County's land use and zoning controls. The Land Use Plan suggests changes in the current zoning that are consistent with the recommended policies and actions of the overall plan.

II. ECONOMIC DEVELOPMENT STRATEGY

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With the closings of the Calumet Air Force Station at Gratiot Lake, and of the Mohawk sawmill, the need to take positive action to create new jobs in Keweenaw County is greater than ever. An analysis of the inventory of County assets and opportunities concludes that the timber and tourism resources offer the greatest hope for economic stabilization.

This element of the Comprehensive Development Plan summarizes economic development opportunities and suggests appropriate action to be taken by Keweenaw County.

Industrial Development:

With almost 129,000 acres of prime forest lands (M-DNR), Keweenaw County has a valuable natural resource that can provide support to the economic base. A number of persons are presently employed in the woods as loggers or truck drivers. There are also several small scale sawmill operations that provide employment.

There are several actions that Keweenaw County can take to encourage development of wood industries. Landowners can be encouraged to manage forest lands, which will result in greater economic yields and higher quality of product. The small businessman should be informed of the small business development centers at the WUPPDR and Michigan Tech, and the resources of the Keweenaw Industrial Council. These organizations are charged with assisting businesses with reaching their potential.

The County should establish industrially-zoned areas in the south part of the County (Allouez Township) in order to allow expansions and/or the creation of woods-related industry. The Land Use element recommends expansion of industrial areas. These areas should be near community facilities, such as water, sewer, and fire protection.

The County may also consider a greater effort to market the former sawmill site at Mohawk. There are financial tools which would allow local government to provide this site to a prospect at reduced costs to the industry, to reduce property taxes, or to provide direct financing assistance.

There are presently several other small industries in the County. These businesses are located in the County because of lifestyle opportunities and not because the location has any particular advantage. These types of industries are often called "footloose", and as the name implies, can leave as quickly as they enter. The County should create a policy of communication with these industries, even if it is an annual letter of appreciation, in order to inform the owners or managers to notify the County if any assistance is needed.

Tourism:

At this time, Keweenaw County is almost totally dependent upon tourism for the tax base and job opportunities for residents. While efforts need to be made to create industrial jobs, the expansion of existing tourism facilities and the creation of new developments offers greater potential for Keweenaw County.

Keweenaw County already does an excellent job of influencing summer tourism.

The Keweenaw Mountain Lodge, the numerous roadside parks, support of the Keweenaw Tourism Council, and the unique road sign system are some of the county's tourism activities. The expansion of recreation facilities is addressed in the Recreation Plan element. Other activities will be briefly addressed in this discussion.

Mount Bohemia: Lake Superior Land Company has undertaken plans to lease property to a developer for a downhill ski and summer resort at Mt. Bohemia/Lac LaBelle. The county should consider supporting the effort through grants available for some of the infrastructure for the proposed project.

Keweenaw Mountain Lodge Winter Development: This project has received considerable public attention. If the facility could be winterized and marketed as a ski touring center, a number of ski experts agree that the Keweenaw Mountain Lodge would be one of the best touring centers in the USA.

The National Historic Park centered around Calumet's mining heritage should be supported. Areas of Keweenaw County share the same historical significance and may be considered as part of the project. The designation, and resulting infusion of investment, could stimulate new economic development opportunities.

Eagle Harbor: One of the more scenic and unique places in Keweenaw County is the community of Eagle Harbor. The lack of a state-approved water source and an inadequate distribution system is constraining the development potential of Eagle Harbor. When these problems are solved, however, the community and the County should take a leadership role to ensure that development does not spoil the historic character of the community. Utilities, zoning and design review provisions may be used to control and shape development proposals.

Copper Harbor: The community of Copper Harbor is moving forward with the infrastructure needed to expand commercial facilities with the completion of a new sewer system to compliment the existing public water supply. Recreation facilities, such as additional docking facilities and trail systems, are also being expanded. Keweenaw County should encourage and cooperate with these efforts.

Calumet Radar Base:

The former Calumet Air Force Station located at Gratiot Lake was deactivated by the United States Air Force in 1988 and the property declared excess to the Department of Defense (DOD) needs. The County Economic Development Coordinator was instrumental in introducing Youth Services International (YSI) to the Economic Development Commission. YSI examined the facility and felt it suited their needs for a rehabilitation center for troubled boys who are referred through the court system. YSI opened the academy in October, 1996. There are currently 130 staff members employed at the facility. The county owns the property and leases it to YSI. The county has applied for numerous grants to improve the infrastructure and continues to improve the structures at the facility. The US Government has not turned all the property over to the county, but they should shortly.

Summary

A small population and geographic isolation limit economic development opportunities in Keweenaw County. However, the Keweenaw's unique character, historical significance, existing tourism base, user-friendly winters, and forest land resources create potentials for economic development.

The suggested Keweenaw County economic development approach consists of a number of actions. Industrial development may be encouraged by providing a reasonable amount of appropriately zoned land, improving the business climate by opening lines of communication with existing industries, and by understanding and promoting the use of development financing incentives.

Tourism offers great potential for economic development. Efforts should include continued support of the Keweenaw Tourism Council, historic preservation activities, the development of the Keweenaw Mountain Lodge as a cross-country ski touring center, and supporting development of a major resort at Mt. Bohemia/Lac LaBelle.

III. COMMUNITY DEVELOPMENT AND HOUSING PLAN

*** This document is required for submission of applications for Community Development Block Grant Program Funding.**

Summary

The suggested land use plan for Keweenaw County provides for the variety of land uses which presently exist and which are likely to be necessary given the development patterns and trends now present and which are likely to continue for the future. The Land Use Plan also provides for proposed development projects such as Mt. Bohemia and the re-use of the Radar Base.

The Land Use Plan provides areas for development in and near existing, developed areas and adjacent to the existing roadway network. This land use policy encourages revitalization of existing communities and the use of existing utility and service systems. Growth outside of these areas could require County or other public expenditures for roads and road improvements, sewer and water systems and other services. This policy also serves to help preserve the unique character of Keweenaw County.

KEWEENAW COUNTY

COMMUNITY DEVELOPMENT AND HOUSING PLAN

Keweenaw County is located in Michigan's western Upper Peninsula and is the northern-most and least populated county in the State. The County was initially developed and populated as a result of the discovery of copper deposits on the Keweenaw Peninsula. The early copper mines were scattered throughout the County, however, the industry later concentrated in the southern part of Keweenaw County in Allouez Township. After the decline of the copper mining industry, lumbering and tourism became the primary source of employment in the County.

Keweenaw County is characterized by rugged and highly scenic forested hills and extensive Lake Superior shoreline. Much of the County is inaccessible by automobile. The surrounding waters of Lake Superior contribute to cool summers, moderate winter temperatures, and dependable snowfall. It is these attributes that provide the attraction for the tourism industry in the Keweenaw.

The population of Keweenaw County has declined from a high of 6,322 persons in 1920, to its present population of 1,963 (1980). Population centers of the County include the Mohawk-Allouez-Ahmeek area in Allouez Township, Gay, the county seat in Eagle River, Eagle Harbor, Lac LaBelle, and Copper Harbor.

COUNTY NEEDS AND PROBLEMS

Economic Development Needs:

The primary problem facing Keweenaw County is the lack of job opportunities, especially for low and moderate income persons. The closing of the Louisiana-Pacific sawmill at Mohawk has created a greater need for job creation efforts aimed at strengthening woods-related and tourism sectors.

Keweenaw County is a well established summer travel destination. In recent years, the County has attracted significant numbers of snowmobilers, as a result of investment in trails, grooming equipment, and promotion. Although the County offers ideal terrain, snowfall, and moderate winter temperatures for cross-country skiing, development of a ski industry has not achieved the growth experienced by snowmobiling because of lack of facilities.

Tourism facilities and communities need investment in the expansion and modernization of existing resorts, motels and service facilities. The improvement of public recreation facilities and the development of community infrastructure is also necessary for the

expansion of tourism in the County. The creation or expansion of public recreation facilities is addressed in the recently adopted Keweenaw County Recreation Plan.

In the resort community of Lac LaBelle, the lack of community sewer and water facilities, and a shortage of winter lodging are the major constraints for the development of winter tourism.

The closing of the Louisiana-Pacific sawmill at Mohawk was a tremendous loss to the economy of Keweenaw County. The mill site offers a good location for another wood-related industry. There are presently several small sawmills and wood products industries in the County and a number of persons employed in the logging industry.

Other Keweenaw County development issues and problems include:

- *The need to expand the County tax base.
- *The desire of residents that environmental quality and the unique character of Keweenaw County should not be compromised by new development.
- *The development and improvement of existing communities should be encouraged.

Housing Needs:

The lack of job opportunities in the area results in a high number of low and moderate income households, and a high percentage of elderly persons. Most of the housing units are over 50 years old and often are in need of rehabilitation because maintenance has been deferred.

Housing rehabilitation assistance is available through the Michigan Community Development Block Grant Housing Program in the form of grants to local government. Keweenaw County has taken advantage of the Housing Grants and also of the Commercial Housing Grants for rehabilitation of rental housing units.

ASSETS AND OPPORTUNITIES

Keweenaw County has identified potential opportunities for economic development. These opportunities are listed below:

- *Extensive valuable forests that produce a variety of species and products.
- *A strong summer tourist industry.
- *A winter tourism base that is in its infancy.
- *The Keweenaw Mountain Lodge, a county-owned summer resort and golf course.
- *The historic mining corridor along U.S. 41, which contains old abandoned mining villages which are a unique attraction and worthy of preservation.
- *The historic waterfront villages of Eagle River and Eagle Harbor.

*Recreational boating harbors of refuge at Eagle Harbor, Copper Harbor, and Lac LaBelle.

*The resort community of Copper Harbor which will have urban-type services necessary for growth.

PROPOSED ACTIVITIES:

Keweenaw County initiated efforts to strengthen economic conditions by retaining professional planning and development assistance for the County Planning and Zoning Commission. The **ECONOMIC DEVELOPMENT STRATEGY** for Keweenaw County has resulted from the work of the Planning Commission.

Although the prospects for attracting manufacturing-type businesses is not good, the County has a number of assets and economic development opportunities, which may be enhanced, assisted or improved for the benefit of the County's economy. Listed below are long and short term activities related to the previously identified opportunities:

Long Term Activities:

Cooperate with the Keweenaw Industrial Council on efforts to retain and strengthen existing woods-related and manufacturing businesses in the County.

Support the efforts of the Keweenaw Tourism Council to promote Keweenaw County as a travel destination.

Implement the Keweenaw County Recreation Plan in order to enhance the tourism industry in the County.

Support efforts to preserve and interpret the County's historic mining heritage.

Short Term Activities:

Apply for an Economic Development Planning Grant through the Michigan Department of Commerce in order to fund a study of the winter development potential of the Keweenaw Mountain Lodge.

Cooperate with and encourage the efforts to develop a downhill ski and summer resort at Mt. Bohemia/Lac LaBelle.

Seek funding from various state and federal agencies for the implementation of economic development and infrastructure projects in the County.

Encourage the efforts of the Copper Harbor Downtown Development Authority as they seek to finance waterfront improvements and private development.

Continue to pursue various available grants to improve the structures and infrastructure at the former Calumet Air Force Base so it will retain it's marketability for current as well as future uses.

Support the expansion of the golf course at the Keweenaw Mountain Lodge and the construction of a conference center for attracting major conventions to the area.