

# Economic Development

## Economic Sectors

The major sectors which make up Alpena County's economy are industrial, retail, service, governmental and agricultural. A brief analysis of each of the sectors is found in the following sections.

**Table 5.1**  
**Alpena County Business Patterns\***

	Paid Employees**	Total Establishments	Annual Payroll
Total for all sectors	9,778	852	\$297,267,000
Forestry, fishing, hunting, and Agriculture Support	0-19	6	a
Mining, quarrying, and oil and gas extraction	0-19	3	\$1,448,000
Utilities	63	4	\$4,351,000
Construction	366	97	\$14,865,000
Manufacturing	1,174	45	\$49,169,000
Wholesale trade	479	36	\$19,859,000
Retail trade	1,802	160	\$40,324,000
Transportation and warehousing	298	35	\$8,854,000
Information	211	19	\$6,462,000
Finance and insurance	387	46	\$13,504,000
Real estate and rental and leasing	114	19	\$2,159,000
Professional, scientific, and technical services	228	48	\$7,883,000
Management of companies and enterprises	20-99	5	a
Administrative and Support and Waste Management and Remediation Services	166	26	\$3,473,000
Educational services	35	8	\$437,000
Health care and social assistance	2,862	90	\$101,933,000
Arts, entertainment, and recreation	90	13	\$1,524,000
Accommodation and food services	910	72	\$9,870,000
Other services (except public administration)	512	114	\$8,329,000
Industries not classified	0-19	6	\$65,000

\* Does not include public sector jobs

\*\* Paid employees as of mid-March 2009

(a) - Information withheld to avoid disclosing information about individual companies

Source: County Business Patterns - U.S. Census Bureau - 2009

**Table 5.2  
Alpena County Business Patterns – Size of Establishments\***

	Number of Establishments by Employee-Size Class							
	1-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999
Total for all sectors	479	162	116	66	19	7	1	2
Forestry, fishing, hunting, and Agriculture Support	5	1	-	-	-	-	-	-
Mining, quarrying, and oil and gas extraction	1	2	-	-	-	-	-	-
Utilities	1	-	2	1	-	-	-	-
Construction	85	1	7	3	1	-	-	-
Manufacturing	17	7	6	9	3	3	-	-
Wholesale trade	18	10	3	3	-	2	-	-
Retail trade	79	37	28	12	2	1	1	-
Transportation and warehousing	18	6	8	2	1	-	-	-
Information	8	4	3	3	1	-	-	-
Finance and insurance	25	8	9	3	1	-	-	-
Real estate and rental and leasing	16	2	-	-	1	-	-	-
Professional, scientific, and technical services	28	14	6	-	-	-	-	-
Management of companies and enterprises	3	-	1	1	-	-	-	-
Administrative and Support and Waste Management and Remediation Services	20	2	2	1	1	-	-	-
Educational services	5	2	1	-	-	-	-	-
Health care and social assistance	30	28	14	9	6	1	-	2
Arts, entertainment, and recreation	7	2	3	1	-	-	-	-
Accommodation and food services	29	15	10	16	2	-	-	-
Other services (except public administration)	79	20	13	2	-	-	-	-
Industries not classified	5	1	-	-	-	-	-	-

\* Does not include public sector jobs

(a) - Information withheld to avoid disclosing information about individual companies

Source: County Business Patterns - U.S. Census Bureau - 2009

**Table 5.3  
Alpena County Principal Employers\***

<b>Principal Employer</b>	<b>Type</b>	<b># of Employees</b>
1. Alpena Regional Medical Center	Health Care	950
2. Alpena Public Schools	Education	461
3. Alpena Community College	Education	441
4. Walmart	Department Store	400
5. Decorative Panels International, Inc	Hardboard Manufacturer	300
6. Lafarge North America	Cement	265
7. DeVere Construction	Global Construction Design	150
8. Tendercare Alpena	Nursing & Convalescent Home	150
9. Northeast Michigan Community Service Agency	Social Service	150
10. Neiman's Family Market	Grocer	145
11. Home Depot	Home Center	125
12. Michigan Air National Guard	Air Base	120
13. Great North Foods	Grocers – Wholesale	120
14. NEMROC, Inc	Vocational Development Services/Manufacturer	115
15. Kmart	Department Store	101
16. Besser	Concrete	97
17. Alpena Montmorency Alcona Educational Service District	Education	75
18. Tendercare Greenview	Nursing & Convalescent Home	72
19. Panel Processing, Inc.	Hardboard Finishing	70
20. JC Penney	Department Store	70
21. Northeast MI Community Mental Health	Mental Health Services	70
22. Service Master Clean	Cleaning Services	70
23. Alpena News	Newspaper	66
24. Holiday Inn	Hotel	65
25. Dial A Ride	Transportation	63
26. Ossineke Industries	Cutting & Machine Tool	60
27. Turning Brook	Retirement Living	59
28. The Omni Group	Custom Handling Equipment	55
29. Alpena Medical Arts	Health Care	55
30. RA Townsend	Heating Equipment & Systems	55
31. Leelin Home Health Care	Health Care Instruction	50
32. First Federal of Northern MI	Bank	50
33. Cliff Anschuetz – Chevrolet	Car Dealership	50
34. Big Boy	Restaurant	50

Source: Reference USA from Infogroup  
\*50+ employees

Overall, business with 1-4 employees far outweigh larger businesses in Alpena County. These small businesses account for 479 of the establishments, while businesses with over 50 employees only account for 26 establishments.

### ***Health Care & Social Assistance***

The Health Care and Social Assistance industry makes up the largest economic sector in Alpena County. Over 2,800 people are employed at 90 establishments making up a payroll of nearly \$102-million. Table 5.2 indicates that there are two establishments which employ over 500 people. One of these is Alpena Regional Medical Center (950 employees) while the other is a combination of “other individual and family services”.

### ***Industrial Development/Construction/Wholesale Trade***

Until the middle 1980’s the Alpena County economy was centered in the manufacturing sector with a few large industries making up a majority of the industrial base. Although the large industrial plants still are a vital component to the regional economy, the recent trend has been towards the development of smaller businesses with fewer employees. There are 17 establishments in Alpena County with only one to four employees and only three or four which employ more than 100 (this number fluctuates). However, manufacturing still plays a vital role in Alpena’s economy in that it employs over 1,100 people in approximately 45 establishments. This has a total annual payroll of approximately \$49-million. Down from second in 2001, industry now has the third highest number of employees and the second largest payroll in Alpena County. Decorative Panels International is the fifth largest employer in Alpena County and the largest industrial employer followed by LaFarge and Devere Construction at sixth and seventh.

Wholesale trade accounts for nearly \$20-million in payroll in Alpena County employing 479 people in approximately 36 establishments. The Construction industry employs 366 people in over 97 establishments for a total payroll over \$14.8-million. Devere Construction is the seventh largest employer in Alpena County.

In 2012, the \$28-million dollar Alpena Biorefinery is slated to open in the City of Alpena. The facility will employ 21 people and could be the beginning of an “Island of Biotech” in the city. The biorefinery will utilize wood sugar rich waste from Decorative Panels International’s (DPI) manufacturing process as the feedstock to produce ethanol. The plant has been awarded grants from the Michigan Economic Development Corporation and from the Department of Energy. It is one of the only cellulosic ethanol facilities in the U.S. and is garnering national and international attention. Other manufacturers are also expanding including Besser, which is considering diversification and F&T Fur Traders which is headquartered in Ossineke and opened a manufacturing facility in Alpena. If these trends continue, Alpena County may see a resurgence in an industrial-centered economy in the near future.

### ***Retail***

Alpena County, especially the Township and City of Alpena, serves as a regional shopping destination for residents of nearby counties. The importance of retail trade on the area's economy is found in **Table 5.1**. As of 2009, that sector had the third highest payroll in the county at \$40-million and employed 1,802 persons in 160 establishments. This is nearly equal to the amount in 2001, indicating that the retail sector has weathered the economic downturn fairly well. Most retail establishments employ between one and four employees (79 establishments), while a fair number (37) employ between five and nine. Walmart, employing 400 people, is the fourth largest employer in Alpena County. Neiman’s Family Market, with

145 employees, is the 10<sup>th</sup> largest employer. Home Depot and Kmart round off the list of retail establishments that employ more than 100 people.

### ***Services***

The services sector is made up of all sectors listed below Transportation and Warehousing in Table 5.1. The service sector makes up the majority of Alpena County's economy. Without factoring in health care services, all other service sectors employ over 2,600 people for a total payroll over \$53-million. This data reflects the trend toward a service-based economy. Accommodation and food services alone employ over 900 people for a payroll of over \$9.8-million. While public educational employees are not factored into the Census statistics listed in Table 5.1, Alpena Public School is the second largest employer in Alpena County at 461 employees.

### ***Government***

The government sector makes up another important part of the economy in the county. Data on **Table 5.1** does not include governmental employment. Information found in **Chapter 2**, however, does reveal the importance of the governmental sector in Alpena County. State government employees garner the third highest weekly wages in Alpena County.

### ***Military***

The Combat Readiness Training Center, located at the Alpena County Regional Airport has an estimated \$90 million impact on the community. The largest airspace training zone east of the Mississippi River, the CRTC has 147,000 acres available for ground maneuvers. The CRTC offers support facilities, instruction, and training facilities for use by DOD, DHS, and civilian emergency responders. 20,000 military and civilian personnel visit the CRTC annually for training.

### ***Tourism***

With over 13,000 acres of lakes, 300 miles of streams and tributaries and 61 miles of Lake Huron shoreline, Alpena County's water resources are a major tourism draw. The tourism sector is a subset of both the retail and service sectors of the county's economy. It is difficult to find exact numbers regarding the impact of tourism on an economy. Fishing and hunting play a vital role in the economy of Alpena County. **Table 5.4** shows the number of licenses issued for each within the county.

**Table 5.4  
2011 Fishing and Hunting Licenses – Alpena County**

<b>FISHING LICENSES</b>		<b>HUNTING LICENSES CONTINUED</b>			
RES Restricted Fish	4,753	Mgt Assist Permit Deer D	17	RES PVT Antlerless Deer	7
SR Restricted Fish	723	Turkey Fall Appl	1	RES OTC PVT Antlerless	4,255
NR Restricted Fish	678	RES Fall Turkey	1	NR OTC PVT Antlerless	25
RES Upgd All Species Fish	149	Turkey Spring Appl	287	RES Mltary Small Game	1
SR Upgd All Species Fish	8	RES Spring Turkey	218	RES Mltary Firearm Deer	7
NR Upgd All Species Fish	7	SR Spring Turkey	70	RES Mltary Archery Deer	2
RES All Species Fish	2,815	Elk Appl Res	499	MLT OTC PVT Antlerless	10
SR All Species Fish	767	Elk License Receipt	2	MLT OTC PUB Antlerless	2
Young Anglr All Spec Fish	6	Bear Application	922	RES Pub Ld 273 Antlerless	4
NR All Species Fish	112	RES Bear	66	APC RES Small Game	5
24 Hour Fish	993	SR Bear	18	APC JR Small Game	14
24 SR Hour Fish	8	RES Bear NO KILL TAG	11	APC Waterfowl Hunting	3
72 Hour Fish	328	SR Bear NO KILL TAG	2	APC RES Fur Harvester	1
72 SR Hour Fish	1	RES Fur Harvester	259	APC JR Fur Harvester	1
Lake Sturgeon Fishing Tag	3	SR Fur Harvester	49	APC RES Hunt234 SpgTurkey	2
RES Mltary All Spec Fish	47	JR Fur Harvester	28	APC Res LO Spring Turkey	3
<b>TOTAL FISHING LICENSES</b>	<b>11,398</b>	RES Fur Trap Only	8	APC RES Firearm Deer	12
		JR Fur Trap Only	4	APC JR Archery Deer	7
<b>HUNTING LICENSES</b>		Bobcat Tag Unit A or B		APC RES OTC PUBAntlerless	
RES Small Game	1,347	Bobcat Tag Unit A C or D	159	APC RES COMBO RegularDeer	6
SR Small Game	353	RES LO Fall Turkey	4	APC JR COMBO Regular Deer	18
JR Small Game	158	Res LO Spring Turkey	198	APC RES COMBO RestrictDeer	6
NR Small Game	20	SR LO Spring Turkey	52	APC JR COMBO RestrictDeer	18
3 Day NR Small Game	12	Lifetime Bear Application	1	APC JR Firearm Deer	33
Waterfowl Hunting	478	SR LO Bear	1	APC RES OTC PVTAntlerless	10
Appl Resrv Waterfowl Hunt	12	Marten/Fisher Kill Tag	25	Crossbow Stamp	472
Daily Area Use Waterfowl	1	Otter KillTag Unit A or B	81	Bear Appl Post Transfer	4
Annual Area Use Waterfowl	8	Otter KillTag Unit A or B	81	<b>TOTAL HUNTING LICENSES</b>	<b>21,058</b>
Gamebird Hunting Preserve	9	Otter KillTag Unit A or C	81	<b>TOTAL LICENSES</b>	<b>32,456</b>
RES Firearm Deer	2,597	Pure Michigan Appl 2011	26		
SR Firearm Deer	767	RES COMBO Regular Deer	1,936		
NR Firearm Deer	127	SR COMBO Regular Deer	452		
JR Firearm Deer	214	JR COMBO Regular Deer	183		
RES Archery Deer	352	NR COMBO Regular Deer	9		
SR Archery Deer	88	MLT COMBO Regular Deer	7		
JR Archery Deer	22	RES Hunt234 Spring Turkey	184		
NR Archery Deer	10	SR Hunt234 Spring Turkey	43		
Appl PUB Antlerless Deer	57	RES COMBO Restricted Deer	1,936		
RES PUB Antlerless Deer	35	SR COMBO Restricted Deer	452		
NR PUB Antlerless Deer	1	JR COMBO Restricted Deer	184		
JR Antlerless Deer	1	NR COMBO Restricted Deer	9		
RES OTC PUB Antlerless	709	MLT COMBO Restricted Deer	7		
NR OTC PUB Antlerless	1	Appl PVT Antlerless Deer	17		

Source: Michigan Department of Natural Resources 2011

In addition to water activities, the Alpena area offers camping at the fairgrounds, pool, nature trails, an island park, waterfowl sanctuary, Northern Lights Arena, Thunder Bay Recreation Center, and many parks

in the city. An 18.5 mile Bi-Path travels through several of Alpena's scenic parks and beaches as it winds through the City along the Thunder Bay River and the Lake Huron shoreline. Alpena County has two state parks (Negwegon State Park and Rockport State Park), two state forest campgrounds (Thunder Bay River State Forest Campground – closed at the time of this printing and Ossineke State Forest Campground), three county campgrounds (Long Lake, Sunken Lake, and Beaver Lake), and four commercial campgrounds with a combined total of over 400 campsites. In addition, a scenic overlook is located at Manning Hill Park.

Spending at tourism related business is at its highest between June and September, peaking in July. Tourism spending declines in the fall then has a significant increase December. Receipts are at their lowest in January and February and then begin to increase in the spring.

Golf courses and tennis courts provide outdoor recreation. The Thunder Bay Recreation Center and Northern Lights Ice Arena provide a combination of indoor recreation. Two live performance theatres and two movie theatres, both with multiple screens provide indoor entertainment. The Besser Museum of Northeast Michigan, the Alpena County George N. Fletcher Library, the Thunder Bay National Marine Sanctuary and Underwater Preserve, and the Great Lakes Maritime Heritage Center offer cultural and historical opportunities. Tourists arriving along the City of Alpena's major corridors will also view historic homes that have been restored and preserved. Many of these homes are typical of the early lumbering era and date back to the 19<sup>th</sup> century.

Organizations in Alpena County sponsor several annual festivals and other activities. These special events help to attract large groups of tourists to the area. Annual festivals held include the Michigan Brown Trout Festival, Art on the Bay, the Great Lakes Lighthouse Festival, the Alpena Blues Festival, the Maritime Festival, and many others. The Alpena County Fair also takes place at the Alpena County Fairgrounds.

### **Maritime Heritage Tourism**

Maritime Heritage Tourism has become a significant economic driver in the Alpena area. Over 75,000 people visited the Maritime Heritage Center in 2011. Alpena Shipwreck Tours launched in 2011. Owned by John Madigan of Picture Rocks, Apostle Island, and Sleeping Bear Dunes Boat Tours, the tours were enthusiastically received. More than 5,000 people were taken out on the glass-bottomed "Lady Michigan" to view shipwrecks in 2011.

### **Trails**

The North Eastern State Trail (NEST) was completed in 2011. Users can walk, bicycle, horseback ride or snowmobile 71 miles from Alpena to Cheboygan. The trail runs from Woodward Avenue in the City of Alpena to the Lincoln Street in City of Cheboygan where it merges with the North Central State Trail which runs south 45 miles to Gaylord or northwest 16 miles to Mackinaw City. The NEST has a 10' wide packed crushed limestone surface with two foot shoulders, new safety signs, access control features and mile marker posts. The trail use, determined by the DNR, is for all non-motorized users year round and snowmobiles from December 1 through March 31. This project was a collaboration between two state departments, local governments and a non-profit organization. The Top of Michigan Trails Council (TOMTC) led the effort to help assemble a 3.1 million dollar funding package which included gaining 5% of the project costs from local governments, individuals and organizations. The Michigan Department of Transportation completed the engineering and project oversight while the Michigan Department of Natural Resources oversaw the project implementation and will continue to manage and maintain the facility. The trail now creates a link across northeast Michigan on the former Detroit to Mackinaw Railroad connecting Alpena, Posen, Hawks, Millersburg, Onaway, Aloha and Cheboygan.

Other notable trail systems within Alpena County include Norway Ridge Pathway, Chippewa Hills Pathway, and a snowmobile trail system throughout the county.

### **Pure Michigan Campaign and Alpena CVB**

The Alpena Convention and Visitors Bureau's Alpena Pure Michigan Partnership and Sunrise Coast Partnership have been successful and have caused the CVB's website position on search engines and generated visits to climb. 2011 showed a 40% increase from the previous summer. Alpena Pure Michigan partnership clicks were up 10% from 2010 to 2011. In 2011, Alpena was the 25<sup>th</sup> most clicked on property on [www.michigan.org](http://www.michigan.org) compared to the 37<sup>th</sup> most clicked on in 2010. Sunrise Coast clicks were up 8% from 2010 to 2011. Alpena was the most clicked on property in the Sunrise Coast campaign. Direct phone and email inquiries were up slightly in 2011 from 2010. In 2011, the CVB raised the room assessment which significantly increased the CVB's ability to market the area.

### **Opportunity Assessment**

In 2011, Destination Development International (DDI) was hired to conduct an Opportunity Assessment product development program to give the community an objective look through the eyes of a visitor. The second phase, Destination BrandCamp, will take place in 2012. This program will create a specific, identifiable brand and marketing plan to allow the CVB and the community to market the Alpena area more effectively.

### **US 23 Heritage Route**

The US 23 Heritage Route extends 200 miles from Standish to Mackinaw City and is a tourism-focused promotional program. Each county along the route has an active Heritage Route Team and participates in an overseeing Management Council. The Alpena County Heritage Route Team consists of volunteers interested in tourism and history. Each year, the county teams and the Management Council work toward implementing projects which are stated in the US 23 Heritage Route Management Plan. A landmark project has been the award-winning website [www.heritage23.com](http://www.heritage23.com) which provides an interactive one-stop shop of things to see and do along the county-wide Heritage Route corridor. In addition, the Heritage Route publishes maps and brochures highlighting recreational amenities. Therefore, the US 23 Heritage Route program assists with promotion of public and private recreational facilities in the county.

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## **Building Activity**

An analysis of the building permits issued in the county can give insight to growth trends in a given area. Recent building permit data from all of the county's local governmental units are found on **Table 5.5**. Overall, the numbers of new residential units being built in the county has remained relatively stagnant over the last five years compared to the late 1990's and early 2000's. By far the majority of new residential units are being built in Alpena Township (similar to the trend from 2000-2006). 82 new homes were built in Alpena Township, while only 10 were built in Long Rapids and Maple Ridge Townships (each), and only nine were built within the city limits. The decrease in the rate at which new homes are being constructed in Alpena County reflects the stagnant economy and the out-migration of population resulting from job losses.

The number of new commercial units being built in the county has also remained fairly stagnant during the last five years and is down significantly from the rate of commercial building in the early part of the decade. Again, Alpena Township has seen the greatest percentage of commercial building in the county with 12 permits being issued. The City of Alpena had eight new commercial building permits during this timeframe. Commercial building remains low in the remaining townships. It is no surprise that the



majority of new commercial establishments are being built in Alpena City and Township, as this is where infrastructure such as municipal water and sewer services are found.

**Table 5.5  
Alpena County Building Permits: 2007-2011**

Permit Type	TOTAL		2007		2008		2009		2010		2011	
	COMM	RES	New Res	New Comm	New Res	New Comm	New Res	New Comm	New Res	New Comm	New Res	New Comm
Alpena City	8	9	3	2	2	2	1	1	0	1	3	2
Alpena Twp	12	82	21	7	21	0	15	2	14	0	11	3
Green Twp	1	8	3	1	1	0	0	0	3	0	1	0
Long Rapids Twp	0	10	4	0	3	0	0	0	3	0	0	0
Maple Ridge Twp	0	10	4	0	5	0	0	0	1	0	0	0
Ossineke Twp	1	7	5	0	0	0	0	1	1	0	1	0
Sanborn Twp	2	6	4	0	2	1	0	1	0	0	0	0
Wellington Twp	0	3	2	0	0	0	0	0	0	0	1	0
Wilson Twp	2	18	9	1	3	1	1	0	1	0	4	0

Source: Township and City Building Officials

## Economic Development Organizations and Renaissance Zones

### Economic Development Organizations

Housed under the umbrella of the Alpena Chamber of Commerce, Target Alpena Development Corporation is the primary economic development organization in the county. The Alpena Area Chamber of Commerce and Michigan State University Extension partner with other organizations in order to promote economic development in the area. Other more specialized economic development entities include Alpena's Downtown Development Authority and the Alpena Convention and Visitor's Bureau.

#### **Target Alpena**

Founded in 1989, Target Alpena Development Corporation is a 501(c)3 non-profit corporation that was established for economic development purposes in Alpena County. It is the primary conduit for economic activity in Northeast Michigan. Target Alpena is supported entirely by voluntary contributions from financial institutions, businesses, individuals, governmental entities, foundations, utilities, and grants.

North Industrial Park was created by the Greater Alpena Industrial Corporation. In the mid 90's the corporation was absorbed by Target Alpena which received the assets of the corporation and assumed the responsibility of recruiting business into the industrial park. Since that time, Target Alpena filled eight of the remaining nine lots. In a cooperative effort with the City, Target also developed the Commerce Industrial Park. Development of the park was financed by lot sales in North Industrial Park, a Rural Development grant, and a CDBG infrastructure grant.

Target Alpena activities focus largely on five areas:

1. Business development and assistance using a regional, collaborative perspective.
2. Job creation through retention and expansion of local businesses, attraction of new compatible businesses, and business start-ups.
3. Providing assistance to governmental entities on issues such as grant programs concerning infrastructure and transportation, revitalization projects and other relevant economic development issues.
4. Ongoing marketing and promotion of Alpena to cultivate growth potential of the Alpena area.
5. Education on current economic trends and policies as they relate to Alpena.
6. Providing financial assistance to area businesses through the Alpena County Revolving Loan Program and the Target Alpena Micro Revolving Loan Program.
7. Linking businesses by facilitating networking.
8. Developing new markets.
9. Liaison to state and federal governments.

Target Alpena's Revolving Loan Fund Program has played a key role in economic growth in the community. Since its inception, it has made 70 loans amounting to \$1,300,000 resulting in \$13,000,000 invested in the community. The loan program can be attributed to creating over 200 jobs and retaining an additional 2000 jobs. Target also administers a Micro Loan program across a 6-county area. The program has made 182 loans for a total value of \$2,076,400.

### ***Renaissance Zones***

In 1998, six Renaissance Zones were designated by the State in Alpena County. Four of the zones are in the City of Alpena and two are in Wilson Township at the Alpena County Regional Airport. The Renaissance Zone designation promotes economic development through tax exemptions from State Income Tax, the Single Business Tax, General Property Tax (not including debt retirement and special assessments), and the Education Tax for eligible businesses. Business property owners and residents located in a Renaissance Zone are exempt from State taxes for a period of up to 15 years. Although that time period begins at the time of the State designation, extensions can be requested. The following zones have been designated.

#### **Commerce Industrial Park Sub Zone 1 (Expires 12-31-14)**

This 21.76 acre light industrial park is owned by Target Alpena Development Corporation and is a Michigan Certified Business Park. The 15 development lots average one acre in size and are intended for small industrial and commercial uses. A limitation that prevents more than two lots being combined was established to promote smaller industrial users; however, this policy can be waived based on the merits of an individual development proposal. Underground utilities and a paved road system are established. The park is currently under development, with one lot under development; additionally 2½ lots have recently been sold with substantial development pending.

#### **Oxbow Park Sub Zone 2 (Expires 12-31-17)**

This 39.7 acre former City landfill was owned by the City of Alpena but sold to a private developer in 2002. The general landfill closed in the 1950's and was most recently used for recreation and as a City dumping site for inert materials. A site plan for a neo-traditional mixed-use development has been approved as a project called Oxbow Village. Planned uses for the development include a combination of residential, office, recreation, and institutional. The City obtained grant funding that was used to perform environmental activities on the site and bring infrastructure to the area in support of the redevelopment of the property. Private development of the site is currently underway.

**National Guard Armory Site Sub Zone 3 (Expires 12-31-17)**

This historic structure was dedicated in the 1920's as Memorial Hall, in honor of the veterans of World War I. In the 1950's, this 0.70 acre site became a state-owned National Guard Armory Building. The State divested itself of the property in 2006 to local private developers following the relocation of the National Guard to the Combat Readiness Training Center in mid 2000. The property is zoned Planned Unit Development (PUD) and final development plans are currently in progress. The City of Alpena has completed a historic district study of the site and has established a single-resource historic district on the property.

**Southwest Residential Site Sub Zone 4**

This is a city-owned 14.85 acre site originally platted in 1893. The property was never developed due to the low nature of the terrain and lack of infrastructure. A wetland delineation prepared by Global Environmental Engineering shows that 9.75 acres of the property is wetland. Consequently, the property is unlikely to be developed. Half of the site is now preserved as wetland to mitigate the development of a ¼ acre parcel of wetland in North Industrial Park.

**Alpena County Regional Airport, West Side Sub Zone 5 (Expires 12-31-14)**

This 87-acre site is located on the main entrance drive the airport. The site is adjacent to M-32 and sewer, water and fiber optics are available.

**Alpena County Regional Airport, East Side Sub Zone 6 (Expires 12-31-14)**

This 120-acre site is located on the east side of the airport property abutting the north side of M-32. Airport related office or light industrial uses are anticipated for the site. Water, sewer, and fiber optics are available.

***Alpena Downtown Development Authority***

The Alpena City Council adopted Ordinance No. 110 on April 21, 1980, creating a Downtown Development Authority (DDA) under Public Act 179 of 1975. The intentions were to strengthen the downtown business district, promote economic growth and revitalization, encourage commercial revitalization, and historic preservation. The DDA provides the community with the necessary legal, monetary, and organizational tools to revitalize economically distressed areas either through public-initiated projects or with private development projects. The initial DDA district covered the core downtown area. Since that time the boundaries have been expanded to include properties along Washington Street, Fifth Street and the old Fletcher Paper Mill site on the Thunder Bay River. In July of 1981, the first Development Plan and Tax Increment Financing Plan were adopted for the DDA. These plans were amended in January of 2005. The DDA's Strategic Plan was finalized in 2003. Traditional brick and mortar projects as well as historic preservation activities have remained key elements of the DDA's initiatives.

The Downtown Development Authority Mission as established by Public Act 197 of 1975 is: *To correct and prevent deterioration in the established DDA district; to encourage historic preservation; to acquire and dispose of interests in real and personal property; to create and implement development plans in the district; and to promote the economic growth of the district.*

The primary goal of the DDA is to implement positive economic, physical, and aesthetic changes in downtown Alpena according to the National Trust for Historic Preservation's "Main Street" 4-points approach. According to the organization:

*The National Trust Main Street Center offers a comprehensive commercial district revitalization strategy that has been widely successful in towns and cities nationwide. Described below are the four points of the Main Street approach which work together to build a sustainable and complete community revitalization effort.*

- **Organization** involves getting everyone working toward the same goal and assembling the appropriate human and financial resources to implement a Main Street revitalization program.
- **Promotion** sells a positive image of the commercial district and encourages consumers and investors to live, work, shop, play and invest in the Main Street district.
- **Design** means getting Main Street into top physical shape. Capitalizing on its best assets — such as historic buildings and pedestrian-oriented streets — is just part of the story. An inviting atmosphere, created through attractive window displays, parking areas, building improvements, street furniture, signs, sidewalks, street lights, and landscaping, conveys a positive visual message about the commercial district and what it has to offer.
- **Economic Restructuring** strengthens a community's existing economic assets while expanding and diversifying its economic base.

The DDA works to promote activities in the business district by selling the image and promise of Downtown to all prospects by marketing the district's unique characteristics to shoppers, investors, new businesses, and visitors. An effective promotion strategy forges a positive image through advertising, retail promotional activity, special events, and marketing campaigns.

The parking committee continues to review the downtown parking plan for all day and two hour parking. The two hour parking zones were established to guarantee a regular turn-over in the most convenient spaces on the streets and in parking lots, so that our visitors can be assured that a convenient parking space will be available when they come to downtown.

In the fall of 2004, the DDA initiated a Façade Grant Program that provides a 50% match up to \$5,000 for exterior renovations of store fronts and backs. Renovations must be made in the historical context of the building. A design committee meets with the landowner to review and approve proposed renovations. The DDA façade grants programs awards grants under the program in any amount requested from a minimum award of \$500.00 up to a maximum award of \$ 5,000.00. Applicants for a grant must provide a matching amount to their grant request based on a dollar for dollar basis. An applicant's proposed improvement project total can exceed \$ 10,000.00; however the DDA's participation will still be limited to a maximum amount of \$5,000.00.

The DDA worked with the City of Alpena to initiate the Neighborhood Enterprise Zone (NEZ) and the downtown rental rehab grant program. In addition, the DDA offers a downtown business support team and provides a retail incentive program. The DDA recently completed a wayfinding program and launched a new website at <http://www.alpenadowntown.com>.

### **Alpena Area Convention and Visitors Bureau**

The Alpena Area Convention and Visitors Bureau (CVB) was created in 1984 under Public Act 59 of 1984. The organization is funded primarily from a five percent assessment on rooms in hotels with 10 or more rooms. The organization markets Alpena County and the eastern coastal areas of Presque Isle County to bring visitors into the region. The CVB works with convention groups to provide a "packaged" event experience. Marketing is accomplished through a visitor's guide, web site, travel writers, participation in the Pure Michigan campaign, and other media. Marketing strategies focus on maritime heritage, parks and trails, and local attractions. The bureau partners with other community organizations such as the

Chamber of Commerce and DDA. As the community has expanded its tourism base, the Convention and Visitors Bureau has taken on an increasingly important role in economic development and function as a “Destination Marketing Organization.”

### ***Alpena Area Chamber of Commerce***

The Alpena Area Chamber of Commerce is an organization that serves and represents its business members. It is a 501(c)6 structured to be a lobbying organization. Founded over 90 years ago and officially incorporated in 1947, the organization has a long history of community involvement and creating a stimulus for community growth. Its mission statement is “*by serving our members, the Alpena Area Chamber of Commerce actively champions economic development and the advancement of the community’s quality of life.*” The chamber partners with local government, Alpena Community College, Target Alpena, DDA, and Alpena Convention and Visitors Bureau to work towards realizing its mission. Services for members include a group health care plan, reduced credit cards processing fees, insurance discounts for cars and homes, and a small business loan program through a local bank. The Chamber works to create a positive business climate in Northeast Michigan, is a member of the Northern Michigan Regional Chamber Alliance, promotes Alpena, and provides networking and affordable educational opportunities to its members.

The 2012 merging of the Chamber and Target Alpena will:

- ◆ present a stronger relationship with a variety of partners
- ◆ be a full service stop for entrepreneurs and existing businesses looking for assistance
- ◆ have a more streamlined approach to assisting business start-ups and expansions
- ◆ have a combine financial audit
- ◆ build a stronger effort for economic development in the region
- ◆ have a more efficient system internally

### **City of Alpena Economic Development Activities**

There are a number of economic development activities administered by the City. Staff responsible for these efforts includes the City Manager, City Planner and City Engineer. Programs include brownfield redevelopment, renaissance zones, infrastructure improvements, and CDBG grants.

#### **Brownfield Redevelopment**

The Alpena City Council established a Brownfield Redevelopment Authority with the adoption of Resolution 1997-7 on March 17, 1997, pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381. The Council designated its incorporated boundaries as the boundaries of the brownfield zone. The City is considered a “core community” by the State and is able to offer financial assistance for cleanup and revitalization activities on three categories of eligible property. These categories include: blighted property, contaminated property and functionally obsolete property. Costs associated with cleanup and redevelopment of an eligible property are funded through Tax Increment Financing. Qualified taxpayers that own or lease the brownfield site may be eligible for State Single Business Tax Credits.

Alpena developed a Brownfield Redevelopment Plan in 2001. The plan identified eight perspective eligible properties. Projects have been developed for the former Fletcher Paper Mill property at 318 W. Fletcher Street (site of the Great Lakes Maritime Heritage Center project and Fletcher Street Brewing Company project), Lafarge Midwest, Inc, Alpena Site at 1435 Ford Avenue, and Dean Arbor Ford on US 23 North. Brownfield Redevelopment activities have yielded tangible successes and supported economic growth in the core of the City, particularly along the waterfront.

## Residential Programs

Alpena has initiated several residential rehabilitation and development programs. MSHDA grants through the Community Development Block Grant (CDBG) program support the Downtown Rental Development Area and Lincoln School Neighborhood Target Area projects. The purpose of the Downtown Rental Development program is to increase the downtown's residential population by creating rental housing units for moderate and market rate income households in vacant or underutilized areas of the upper floors of existing commercial buildings (retail, office or institutional use) within a designated portion of the City's downtown. Increasing residential populations in business districts tends to increase business activity and growth, while creating a healthy, more vibrant downtown.

The City has also established Neighborhood Enterprise Zones under P.A. 147 of 1992. Neighborhood Enterprise Zones promote neighborhood revitalization and encourages owner-occupied housing and new investment in core communities. The revitalization and new construction programs focus on the central business district to encourage a mixed use development pattern.

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## Economic Summary

### Summary Statistics from the Edward Lowe Foundation

The website [www.youreconomy.org](http://www.youreconomy.org), a product of the Edward Lowe Foundation, has provided summary statistics for the Alpena County economy from 2000-2010. According to YourEconomy.org, from 2000-2010, jobs in Alpena County decreased by 4.2 percent and sales fell 13.9 percent. Primarily, the job loss was caused by establishments that went out of business during this time. The number of job losses would have been greater if the expansions of existing companies had not added jobs during the same period. About 1.3 percent of job losses came from companies moving. As job losses were felt in the Stage 2 and Stage 3 companies, the number of self-employed rose by over 86 percent. Nonresident companies (those headquartered out of state) actually experienced job gain and an increase in sales.

**Table 5.6**  
**Establishments Summary**  
**2000-2010**

	2000	2010	Change	%
<b>TOTAL</b>	<b>2,097</b>	<b>2,763</b>	<b>666</b>	<b>31.8%</b>
Noncommercial	186	183	-3	-1.6%
Nonresident	77	70	-7	-9.1%
Resident	1,834	2,510	676	36.9%
Self-Employed (1)	546	1,016	470	86.1%
Stage 1 (2-9)	1,008	1,259	251	24.9%
Stage 2 (10-99)	260	223	-37	-14.2%
Stage 3 (100-499)	17	9	-8	-47.1%
Stage 4 (500+)	3	3	0	0.0%

Source: Edward Lowe Foundation [www.youreconomy.org](http://www.youreconomy.org)

**Table 5.7  
Jobs Summary  
2000-2010**

	2000	2010	Change	%
<b>TOTAL</b>	<b>18,461</b>	<b>17,680</b>	<b>-781</b>	<b>-4.2%</b>
Noncommercial	2,166	1,551	-615	-28.4%
Nonresident	1,564	1,787	223	14.3%
Resident	14,731	14,342	-389	-2.6%
Self-Employed (1)	546	1,016	470	86.1%
Stage 1 (2-9)	3,653	3,913	260	7.1%
Stage 2 (10-99)	5,922	5,333	-589	-9.9%
Stage 3 (100-499)	2,588	1,850	-738	-28.5%
Stage 4 (500+)	2,022	2,230	208	10.3%

Source: Edward Lowe Foundation [www.youreconomy.org](http://www.youreconomy.org)

**Table 5.8  
Sales Summary  
2000-2010**

	2000 (dollars)	2010 (dollars)	Change (dollars)	%
<b>TOTAL</b>	<b>1,747,354,594</b>	<b>1,504,271,440</b>	<b>-243,083,154</b>	<b>-13.9%</b>
Noncommercial	73,297,915	28,570,790	-44,727,125	-61.0%
Nonresident	202,007,600	238,662,800	36,655,200	18.1%
Resident	1,472,049,079	1,237,037,850	-235,011,229	-16.0%
Self-Employed (1)	58,435,829	64,454,887	6,019,058	10.3%
Stage 1 (2-9)	351,652,880	315,833,580	-35,819,300	-10.2%
Stage 2 (10-99)	547,052,428	539,372,983	-7,679,445	-1.4%
Stage 3 (100-499)	302,412,742	111,507,300	-190,905,442	-63.1%
Stage 4 (500+)	212,495,200	205,869,100	-6,626,100	-3.1%

Source: Edward Lowe Foundation [www.youreconomy.org](http://www.youreconomy.org)