

Sault Tribe of Chippewa Indians

# FEASIBILITY STUDY

Regarding Opportunity Fund Development

For the St. Ignace, Michigan  
Opportunity Zone

Funded by:

Native American Business Development Institute  
of the Bureau of Indian Affairs,  
Department of the Interior

Feasibility Study Conducted by:

Sault Tribe of Chippewa Indians

In Contract with the

Mackinac Economic Alliance

Prepared by:

Viability Lab

December 2021



## CONTENTS

<b>Background.....</b>	<b>4-7</b>
• Project Details	
• Research Methodology	
<b>Business Practices Related to Opportunity Fund Projects.....</b>	<b>7-9</b>
• Details regarding establishment of Opportunity Fund (Appendix A)	
<b>General Market Health, Existing Conditions.....</b>	<b>10-13</b>
• Primary Trade Area, Details	
<b>Demographics.....</b>	<b>13-20</b>
• Population	
• Educational Attainment	
• Income	
• Unemployment	
• Employment by Industry	
• Housing	
<b>Market Growth Opportunities.....</b>	<b>20-26</b>
• Economic Impact on Surrounding Areas	
• Target Market	
• Market Impact and Penetration	
• Opportunity Potential for Sault Tribe of Chippewa Indians membership	
<b>Products and Services.....</b>	<b>27-29</b>
<b>Workforce Requirements and Opportunities.....</b>	<b>29-35</b>
• Coordination Opportunities with Area Educational Institutions	
• Community Partnership Opportunities for Job Creation	
• Creation and Preservation of Affordable Housing	



<b>St. Ignace Opportunity Zone Case Study: Mackinac Marine Services Development Site.....</b>	<b>35-50</b>
• Background	
• Economic Feasibility	
• Land Acquisition and Real Estate Data	
○ Land Details/Surveys	
○ Permitting Requirements	
○ Zoning Requirements	
• Environmental Impact	
<b>Capital, Financing and Incentives Opportunities.....</b>	<b>50-56</b>
<b>Appendix A: Opportunity Fund Details.....</b>	<b>57-62</b>
<b>Appendix B: St. Ignace, Michigan Principal Employers.....</b>	<b>63</b>
<b>Appendix C: St. Ignace, Michigan Potential Redevelopment Parcel Map....</b>	<b>64</b>
<b>Appendix D: Mackinac Marine Services Parcel Reports.....</b>	<b>65-95</b>
<b>Appendix E: St. Ignace, Michigan Zoning Maps.....</b>	<b>96-97</b>
<b>Appendix F: State and Federal Environmental Review Checklists .....</b>	<b>98-103</b>
<b>Appendix G: Mackinac County Economic Development Strategy 2021-2024.....</b>	<b>104-122</b>



## BACKGROUND

At first glance, on a summer's day, Michigan's Mackinac County and Straits area displays an idyllic panorama. The "Mighty Mac" bridge majestically spans the Straits, while ferries crisscross Lake Huron bringing fudge-hungry tourists to and from Mackinac Island. Motor vehicles there have been banned since 1898, which only lends a more authentic air to the stately Victorian architecture dotting its cliffs and town. On the Lake Michigan side of the bridge, pleasure boats motor and sail about the straits, while massive freighters barrel along, likely delivering untold tons of iron ore from the Upper Peninsula to the ports and steel mills that await to the south. Look north to find the city of St. Ignace, also a hub for island ferry services, and, beyond that, Michigan's Upper Peninsula where a steady stream of cars, trucks, and RVs venture north to camp, hunt, fish, kayak, and hike its pristine wilderness.

It's a perfectly pleasant (and, frankly, lucrative) scene. However, it's actually a quaint veneer over both the area's year-round economic challenges and, more hopefully, its true potential and promise. Because the Straits of Mackinac area is not only the point where two Great Lakes meet, it's a rare geographical confluence of commercial, cultural, and national security needs and opportunities, ripe for development and, nationally, unparalleled in its possibilities.

The details and data which follow tell a tale of two economies: the county's robust summer tourism cash juggernaut, contrasted by its off-season spikes in unemployment and childhood homelessness. However, you will also learn of the many innovative, groundbreaking projects poised for launch (with necessary funding). They're designed to transform this unique spot on the globe...and the lives of those who call it home.

Projects such as a ferry boat electrification initiative aimed at swapping those ships' dirty diesels for clean electric drive systems. It would be the state's first water-based e-project and provide year-round jobs for area residents. Many of the ports that dot the north shore of the Straits would also be slated for industry-facilitating, job-creating upgrades, while a potential shipbuilding business, headed by the local Sault Tribe, would elevate the employment situations of many of its members and bring a new, enlivened spirit to the town of St. Ignace. In fact, many of the proposed building projects will aesthetically blend the look and forms of past indigenous structures with modern techniques and design, making the now-ignorable St. Ignace waterfront a breathtaking showcase of architecture that inspires on many levels.

One of those inspiring structures would offer a combination of both high-end condos as well as market rate housing; another would house a giant boat lift, boosting the capabilities and capacity to service larger vessels. It's a project that would mean more meaningful employment for area workers, while the condo complex would, in turn, provide affordable homes for their families.



The singular opportunities made possible by the area’s geography would also be explored, such as a substantial investment in the nascent mass timber industry. Mass timber is a new approach to large-scale construction, using ultra-strong, manufactured wooden beams that rival the capabilities of steel. Mass timber is renewable, more architecturally versatile, and [often spectacularly] brings the warmth of wood to massive structures that, in the past, would be limited to metal and glass. Not surprisingly, mass timber stars in many of the building projects proposed here, but it will drive area industry as well. Michigan’s Upper Peninsula teems with timber so, naturally, the plans that follow include strategies to capitalize on its harvesting, processing, and shipping: increasing year-round jobs while bringing once-astronomical seasonal unemployment back down to earth.

With one of the country’s largest suspension bridges and a hive of shipping traffic passing through the Straits for much of the year, the area also poses a unique national security challenge. The U.S. Coast Guard has identified an airstrip in Mackinac County as an ideal, strategic command location for its security operations in Michigan, again, with the promise to boost employment and, more importantly, the people employed.

With that, we invite you to explore this thorough and exhaustive study. We trust you will conclude that, with requisite funding and investment, Mackinac County could not only overcome its drawbacks, but emerge as a model American story of renewal and sky’s-the-limit possibilities. Indeed, reimagining a Mackinac County that builds upon its current successes while striving toward a more wholistic, year-round economy is not only feasible—but essential.

## Project Details

On January 14, 2021, Indian Affairs Assistant Secretary Tara Katuk Sweeney announced that more than \$750,000 in Native American Business Development Institute grants had been awarded to 14 federally recognized American Indian and Alaska Native tribal entities, to perform feasibility studies of proposed economic development projects, businesses, and technologies located in designated Opportunity Zones.

The funding was focused on enabling grantees to obtain guidance on the practicality of potential projects and how they can attract investments from Opportunity Funds. “Since their inception in 2007, Native American Business Development Institute feasibility studies have created blueprints for business projects in Indian Country and Alaska,” Sweeney said.<sup>1</sup>

---

<sup>1</sup> U.S. Department of the Interior, Bureau of Indian Affairs, <https://www.bia.gov/news/indian-affairs-invests-over-760000-help-tribes-start-new-businesses-and-commercial-projects>



The Sault Tribe of Chippewa Indians was one of the 14 Tribes awarded funding, receiving \$70,000 to complete a feasibility study for potential economic development projects, focusing their efforts on the approximately 2,300 members<sup>2</sup> in Mackinac County, Michigan, with St. Ignace being the primary city with an existing Opportunity Zone in the County.

Many of the Sault Tribe of Chippewa Indians' members in the St. Ignace area reside in or near the established St. Ignace Opportunity Zone boundaries. Opportunity zones, by definition, are located within economically distressed areas, and therefore many of the Tribe's members will benefit by the potential for increased investment, job creation, and economic growth resulting from this feasibility study.

The Sault Tribe of Chippewa Indians engaged with the St. Ignace-based Mackinac Economic Alliance, a not-for-profit economic development corporation focused on economic Development in Mackinac County, to conduct this feasibility study.

Chris Byrnes, Executive Director for The Mackinac Economic Alliance began preparing this Feasibility Study, gathering data, conducting interviews, and hiring subcontractors in spring 2021, with the deadline of February 2022 serving as the completion date.

The following information is outlined and detailed as required in the grant agreement authorized by the Native American Business Development Institute and the Sault Tribe of Chippewa Indians, with Mackinac Economic Alliance staff, contractors, and subcontractors serving as the primary conductors of the St. Ignace Opportunity Fund Feasibility Study.

The overall goal of this feasibility study is to provide guidance for the Sault Tribe of Chippewa Indians as they consider investment, partnerships, or other economic development strategies for the St. Ignace area, specifically targeting potential development sites within the existing St. Ignace Opportunity Zone.

In 2017, Congress passed the Tax Cuts and Jobs Act, creating Opportunity Zones in thousands of low-income communities in all 50 states. Opportunity Zones are an economic development tool that allows people to invest in distressed areas. Their purpose is to spur economic growth and job creation in low-income communities while providing tax benefits to investors.<sup>3</sup>

The St. Ignace Opportunity Zone is a census tract (Tract 9505)<sup>4</sup> designated for investment that offers accredited investors who wish to re-invest their unrealized capital gains into associated Opportunity Zone Funds.

---

<sup>2</sup> Sault Tribe of Chippewa Indians Planning & Development Division, 2021 population data

<sup>3</sup> Internal Revenue Service, Opportunity Zones Details <https://www.irs.gov/credits-deductions/businesses/opportunity-zones>

<sup>4</sup> US Census Bureau Tract Maps [https://www2.census.gov/geo/maps/DC2020/PL20/st26\\_mi/censustract\\_maps/c26097\\_mackinac/](https://www2.census.gov/geo/maps/DC2020/PL20/st26_mi/censustract_maps/c26097_mackinac/)



It is the goal of the Sault Tribe of Chippewa Indians, as demonstrated by their application and award of \$70,000 in Native American Business Development Institute funds, to “obtain guidance on the practicality of potential projects and how they can attract investment from Opportunity Funds.”<sup>5</sup>

This Feasibility Study will provide details and guidance to the Sault Tribe of Chippewa Indians, as well as future St. Ignace Opportunity Fund investors, local and regional governmental agencies, and other stakeholders, specific to the St. Ignace Opportunity Zone, providing why investors should utilize a future opportunity fund for major economic development projects.

The following information in this document provides the necessary research and data to make investment decisions, based on best business practices, recent demographics, market research, land acquisition details and environmental reviews, as well as Opportunity Fund establishment details, workforce development opportunities, housing needs, and other supporting information.

This report will offer a case study to serve as template for exploring the feasibility of development sites throughout the St. Ignace Opportunity Zone. The selected case study will focus on the Mackinac Marine Services site within the St. Ignace Opportunity Zone will also be provided, offering site details, templates to determine project feasibility, environmentals, and other pertinent information.

## Research Methodology

This feasibility study utilizes methodology that relies upon recent statistics and findings, drawn from official sources including federal government agencies, the area regional planning office, the Sault Tribe of Chippewa Indians, local and regional businesses and organizations, various published reports and studies, as well as qualitative data from interviews and communications. The Mackinac Marine Services case study will serve as a “real life” application of the research included in this report.

## BUSINESS PRACTICES RELATED TO OPPORTUNITY FUND PROJECTS

For investors, developers, businesses, and Opportunity Fund managers come together to make a project happen in a rural community such as St. Ignace, and more specifically a project to benefit the area members of the Sault Tribe of Chippewa Indians, there are both general and specific business practices that must be considered.

---

<sup>5</sup> U.S. Department of the Interior, Bureau of Indian Affairs, <https://www.bia.gov/news/indian-affairs-invests-over-760000-help-tribes-start-new-businesses-and-commercial-projects>



As a preamble, details provided in the 2020 publication “The Guide to Making Opportunity Zones Work,” sets the stage by explaining challenges facing Opportunity Zones, and how rural Opportunity Zones can attract attention:

*Many Opportunity Zone investments require substantial risk by virtue of the fact that they are largely supporting new businesses, ground-up real estate developments, and essential infrastructure projects – in communities that have often faced decades of economic strain – which then must be developed, stabilized, and grown over the course of a decade. In short, success not only is challenging, but also requires doing a lot of different things well simultaneously.*

*The Opportunity Zone market is made up of largely newly structured funds, many of which don't have a track record to point to. Funds will need to invest significant time and money to build their infrastructure and momentum, all while helping investors get comfortable with their target market, explaining the details of a new tax program, and developing a pipeline of “shovel-ready” deals.*

*Opportunity Zone projects also require investors to take on new kinds of risk. For example, the long timeline required to optimize the Opportunity Zone benefit represents a fundamentally different business model for real estate investors. Investing for a decade or more requires them to accept the risk of development or substantial rehabilitation, the risk of finding new commercial or residential tenants, and the market risk that comes with holding an asset during a long period of potentially rapidly changing economic conditions.*

*The incentive requires investors in operating businesses to make a leap, as well. Venture capitalists and other investors in high-growth businesses often put their money where they perceive the talent is located, as evidenced by the high proportion of venture capital in a handful of cities like Boston, Los Angeles, New York, and San Francisco. Venture capital carries disproportionate weight as an investment class because it funds high-growth, high-risk businesses – in particular, the innovation sectors that are at the heart of most of our nation's growth.*

*Opportunity Zones provide venture capitalists a reason to take another look at communities that are outside of Silicon Valley and other established innovation hubs. By straying off the beaten path, investors are betting that the assets they invest in (which are significantly cheaper than those in the established innovation hubs) are going to see more appreciation over a 10-year-plus horizon than would a similar asset in one of the coastal hubs.<sup>6</sup>*

As mentioned above, much of the Opportunity Zone market is made of up newly structured funds without track records. In St. Ignace's case, Opportunity Fund infrastructure is just beginning to be developed. The Sault Tribe of Chippewa Indians may utilize this study to establish themselves as the lead organization in the creation of a St. Ignace Opportunity Fund, and/or in partnership with various local agencies including the Mackinac Economic Alliance, which serves as St. Ignace's local economic development organization. Furthermore, the Sault Tribe of Chippewa Indians can invest in a Qualified

<sup>6</sup> The Guide to Making Opportunity Zones Work, Ira Weinstein and Steve Glickman, 2020  
<https://www.cohnreznick.com/-/media/resources/the-guide-to-making-opportunity-zones-work.pdf>





## GENERAL MARKET HEALTH, EXISTING CONDITIONS

The St. Ignace Opportunity Zone is in a unique position, geographically, economically, and demographically. The St. Ignace Opportunity Zone is located at the gateway to the Upper Peninsula from all points south across the Mackinac Bridge to the Lower Peninsula of Michigan and beyond. It lies nearly 50 miles away from the closest Upper Peninsula opportunity zones, in Sault Ste. Marie to the north, and in Luce County to the west. The St. Ignace Opportunity Zone is geographically focused on the east side of the City of St. Ignace, bordering Interstate Highway 75.

The general market conditions of St. Ignace have varied over the years, but the City benefits from the following advantages:

- Highway Linkages – Mackinac County is the gateway into the Upper Peninsula from the Lower Michigan. From the mainland, Interstate 75 links north across the famous Mackinac Bridge to Saint Ignace. It continues north to the City of Sault Saint Marie (Chippewa County) and a bridge with international access into Canada. I-75 has a peak daily traffic count of about 10,000 vehicles.
- The Mackinac County Airport is located in the City of Saint Ignace and within the Opportunity Zone, and supports general aviation uses.
- Passenger ferries shuttle traffic between the City of Saint Ignace and Mackinac Island, which prohibits the use of motor vehicles.
- Arts, entertainment, recreation, hospitality, and retail trade account for over 30% of all jobs in Mackinac County, which is exceptionally high relative to other counties in the region. This is followed by education, health care, and social assistance, which collectively represent 21% of total employment. In addition, manufacturing and government administration represent about 3% (which is exceptionally low) and 9% of employment, respectively.
- Employers – Most of the county's largest employers and anchor institutions are located in the City of Saint Ignace and listed in [Appendix B](#).
- The City of Saint Ignace benefits from proximity to Interstate 75, which links the Upper Peninsula with Michigan's Lower Peninsula and continues north to Canada (through the City of Sault Ste. Marie in Chippewa County). Saint Ignace is also located on Lake Huron and serves as an important gateway for ferry traffic to and from Mackinac Island.
- Economic Profile – Saint Ignace's economy has changed dramatically throughout history, which is partly attributed to its role as a maritime junction. Tourism is now the largest growing industry in the city, with nearly 38% of all jobs are in the arts, entertainment, recreation, hospitality, and retail trade industries, which is among the highest across the Upper Peninsula. Education, health care, and social services comprise 18% of total employment, trailed by less than 2% in manufacturing.



- Government administration represents a relatively high 11% of total employment for the City of Saint Ignace. It is the county seat for Mackinac County and government operations provide good paying jobs while providing some support for potential businesses in finance, insurance, real estate (mortgage, title, and property surveying), legal (attorneys and lawyers), and related industries.<sup>9</sup>

Existing conditions related to St. Ignace's overall market health and economy are unique for a few reasons. St. Ignace, as the largest community in rural Mackinac County, drives much of the area's employment. Over one-fifth of all jobs in the County are located in the City of St. Ignace. St. Ignace has a relatively high rate of residents in the labor force, with 62 percent of those over 16 participating in the labor force. This rate is higher than both the rate of the eastern Upper Peninsula and also the State of Michigan.

Tourism serves as the primary industry, driven in large part by proximity to Mackinac Island and the Mackinac Bridge. These attractions create extreme seasonality for the local economy. Historical unemployment averages, as well as most recent unemployment numbers for the state and nation are nearly equivalent. The Mackinac County/St. Ignace numbers, however, stand in stark contrast to the state and national numbers.

Unemployment in the County historically rises in November and does not begin to decrease until April. Between January and March, unemployment in the county can peak over 20 percent; between June and September, unemployment in the county can fall below 5 percent. This shows severe, cyclical fluctuation caused by the seasonal tourism impact.<sup>10</sup>

### Primary Trade Area, Details

St. Ignace's primary trade area is defined by a St. Ignace Market Study published in 2017 [consumer goods focused] as approximately 950 square miles. The study estimates that the St. Ignace primary trade area is limited by US-28 to the north, Three Mile Road to the east, Hiawatha Trail Road to the west and both lakes Michigan and Huron to the south. Consumers inside the primary trade area account for up to 60 to 70 percent of the total sales captured by retailers in the study area.

<sup>9</sup> Target Market Analysis, Mackinac County, Michigan, 2016 prepared by Land Use|USA <http://www.eup-planning.org/wp-content/uploads/1c-UP-TMA-MACKINAC.pdf>

<sup>10</sup> City of St. Ignace Master Plan 2019-2039  
[https://www.cityofstignace.com/index.php?page=Planning\\_Commission#](https://www.cityofstignace.com/index.php?page=Planning_Commission#)



See Figure 2 below for a map sourced from the 2017 St. Ignace Market Study showing the study area, a 20 mile radius, and the Primary Trade Area boundary.



Figure 2, sourced from 2017 St. Ignace Retail Market Study

The primary trade area includes 14,300 people, which is expected to decrease at an annual rate of -0.44 percent to 14,000 by 2022. The current 2017 households number is 4,100, decreasing to 4,000 by 2022 at an annual rate of -0.60 percent. The 2017 average household income is \$55,200 and is estimated to increase to \$61,800 by 2022. Median household income in the trade area is \$43,700 and estimated to increase to \$47,100 by 2022. Moreover, 24.2 percent of the households earn above \$75,000 per year. The average household size of 2.46 persons in 2017 is expected to stay the same by 2022; the 2017 median age is 39.7 years old.<sup>11</sup>

The study found that the St Ignace trade area can presently statistically support an additional 36,100 square feet of retail and restaurant development by maximizing tourism

<sup>11</sup> 2017 St. Ignace, Michigan Retail Market Study, Gibbs Planning Group, Inc. November 2017 <http://www.eup-planning.org/wp-content/uploads/St-Ignace-Retail-Market-Study-for-Client-11-20-17-1.pdf>



spending and appealing to year-round residents. This additional square footage could generate up to \$8.3 million in new sales before saturation.

While there have not been studies specifically conducted regarding recent industrial growth opportunities, there is substantial public support for new or expanded industry. City of St. Ignace public input survey results show overwhelming majorities of public respondents favor an increased industrial base. Most respondents hoped to see higher density development in general, as well as an increased industrial activity, with a large percentage of respondents specifying light industrial uses.<sup>12</sup>

## DEMOGRAPHICS

### Population

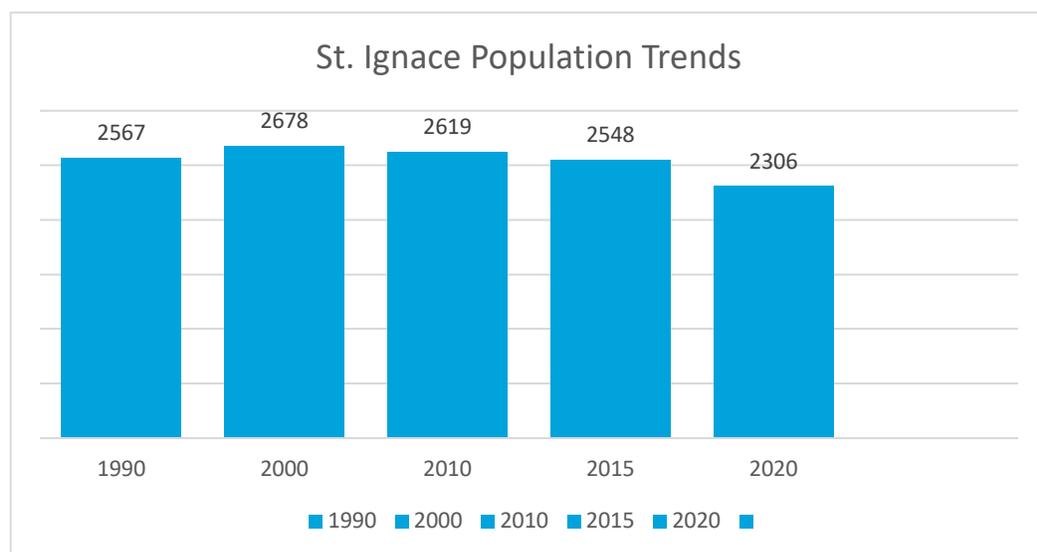


Figure 3

See Figure 3 above. St. Ignace's population has remained fairly flat over the past 20 years, fluctuating by only 19 people between 1990 and 2015, peaking in 2000. However, over the past five years, the population has reduced by 242 people. Some of this reduction may be attributed to the COVID-19 pandemic having a major negative effect on travel and tourism for the past two years; many of St. Ignace's residents may not have been able to find work during the end of 2019 and into 2020.

<sup>12</sup> City of St. Ignace Master Plan 2019-2039  
[https://www.cityofstignace.com/index.php?page=Planning\\_Commission#](https://www.cityofstignace.com/index.php?page=Planning_Commission#)



## Educational Attainment

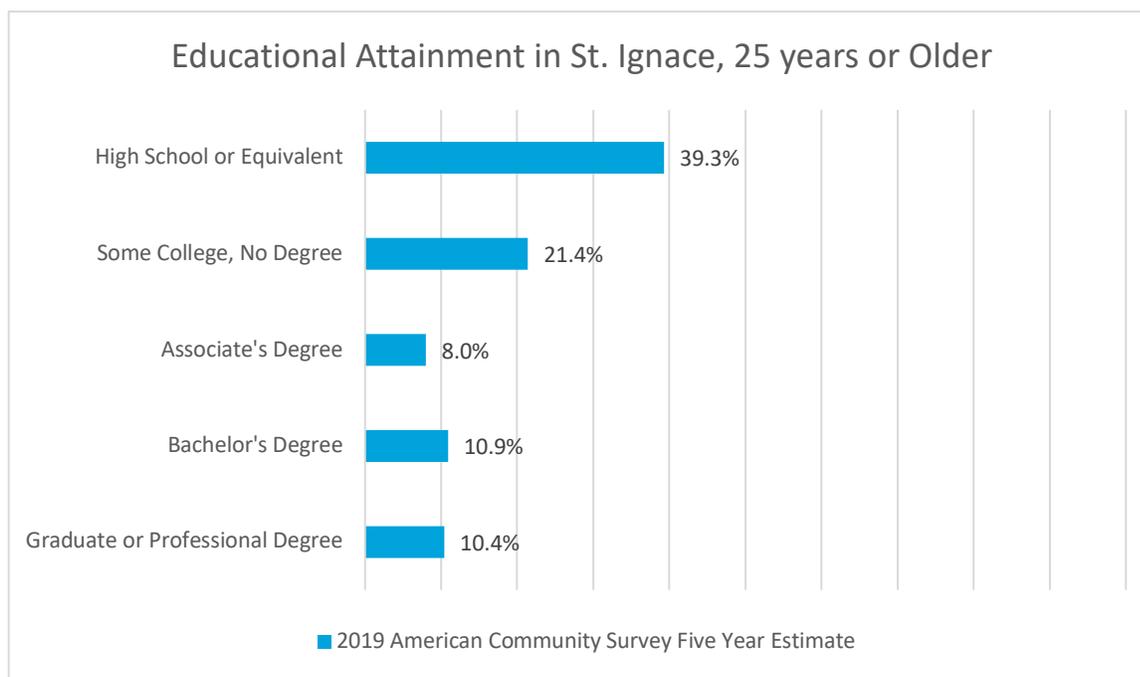


Figure 4

See Figure 4 above. Educational attainment in St. Ignace is near par with State of Michigan averages when comparing high school or equivalent graduation rates. State high school rates are only a few percentage points higher. Those with Bachelor’s degrees or higher, however, lag significantly behind state levels, by as much as 15 percent based on 2015 numbers published in the City of St. Ignace Master Plan.<sup>13</sup>

<sup>13</sup> City of St. Ignace Master Plan 2019-2039 <http://www.eup-planning.org/city-of-st-ignace>



## Income

See Figure 5 below. St. Ignace’s median household income is estimated at \$40,337, plus/minus \$6,469 as compared with the Michigan median household income estimated at \$59,584, plus/minus \$572. This equates to a gap of \$19,247.

However, the primary differential is due to an extremely low non-family household income level of just over \$23,000. Families and married-couple family households average to just \$693.50 lower than the State median income level. See Figure 4 below. The cost of living assists in offsetting the lower median income; the median gross rent in St. Ignace is just \$605, compared with the State of Michigan median gross rent at \$888.<sup>14</sup>

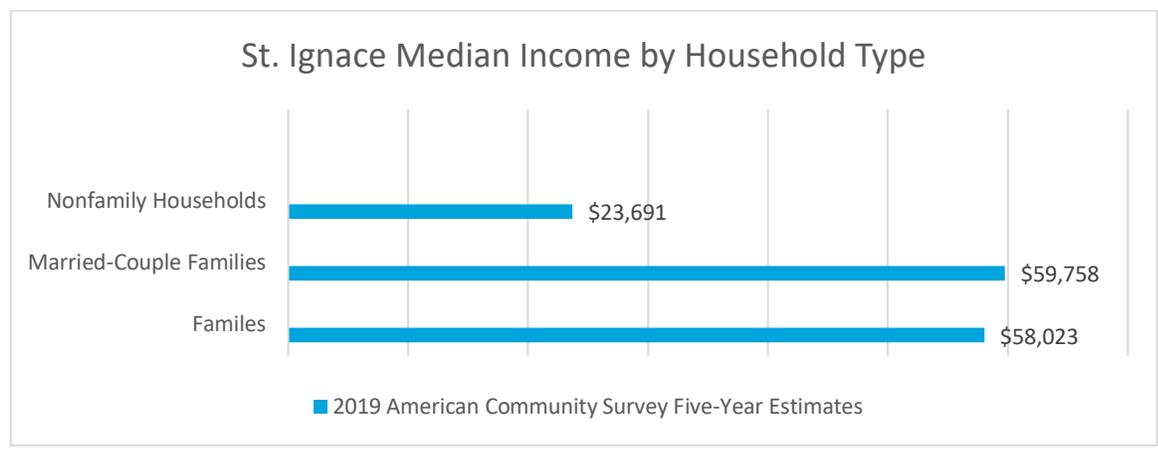


Figure 5

<sup>14</sup> United States Census Bureau, St. Ignace Geography Profile  
<https://data.census.gov/cedsci/profile?q=1600000US2670840>



## Unemployment

See Figure 6 below. Unemployment data is not specifically available for the St. Ignace City/Opportunity Zone proper; however, St. Ignace generally reflects the unemployment trends felt county-wide in Mackinac County. The City of St. Ignace Master Plan states:

*As the small, urban center of a sparsely-populated county, St. Ignace drives much of the employment in Mackinac County—it has over a fifth of the county’s total employment...in both 2010 and 2015, St. Ignace had a significant impact on labor in Mackinac County. In 2015, over 22% of the county’s population aged 16-and-over resided in St. Ignace. The labor force participation rate in St. Ignace was 62% in 2015, which was more than the county and Eastern Upper Peninsula region by 7% and 10%, respectively. However, the labor force participation rate of St. Ignace decreased by 6% from 2010 to 2015, which was more than the county and region. The civilian labor force: people employed or unemployed in the labor force but not in the armed forces—this is how the unemployment rate is typically derived.*

*In terms of labor force participation, St. Ignace had a higher rate than all other geographies except the national figure in 2015—with 62% of 16-and-over population categorized as participating in the labor force. Of the study areas, St. Ignace also had the largest proportional share of its labor force in the Armed Forces. However, at 14%, St. Ignace had the highest unemployment rate in 2015, which was 4% higher than the state figure and 6% higher than the national.<sup>15</sup>*

Figure 6 below demonstrates:

*One of the most unique economic phenomena that occurs in the Eastern Upper Peninsula is Mackinac County’s unemployment rate fluctuation throughout the year. Tourism and seasonal work make up a substantial portion of the employment opportunities in Mackinac County.<sup>16</sup>*

Figure 6 reflects a six-year trendline of annual average unemployment rates in Mackinac County, and thereby St. Ignace, as compared to State of Michigan annual averages.<sup>17</sup> Mackinac County’s unemployment rates hover around 9-10 percent annually, spiking as high as 20 percent in the winter months, historically rising in November and not beginning to decrease until April. Between June and September, unemployment in Mackinac County generally falls below five percent. This shows the severe, cyclical fluctuation due to the seasonal work primarily available in St. Ignace and the County.<sup>18</sup> See Figure 7 below which demonstrates the extreme cyclical monthly unemployment in Mackinac County over the past ten years.

Figure 6 also reflects the COVID-19 impact felt in St. Ignace, as well as throughout Michigan and across the Nation. In 2020, Mackinac County’s unemployment rate spiked to 13.4 percent, a 4.4 percent increase over 2019, while the State of Michigan’s unemployment rate jumped by 5.8 percent. However, both Mackinac County and the State

<sup>15</sup> City of St. Ignace Master Plan 2019-2039 <http://www.eup-planning.org/city-of-st-ignace>

<sup>16</sup> City of St. Ignace Master Plan 2019-2039 <http://www.eup-planning.org/city-of-st-ignace>

<sup>17</sup> Michigan Department of Technology, Management and Budget <https://milmi.org/DataSearch/LAUS>

<sup>18</sup> City of St. Ignace Master Plan 2019-2039 <http://www.eup-planning.org/city-of-st-ignace>



of Michigan’s unemployment annual averages appear to be returning to normal, as of data available through September 2021.<sup>19</sup>

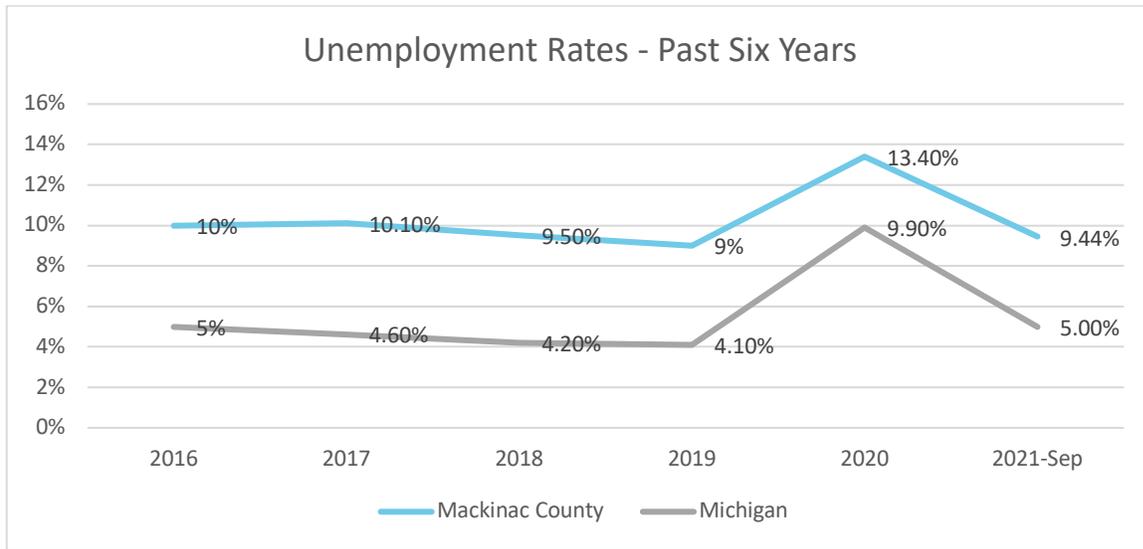


Figure 6

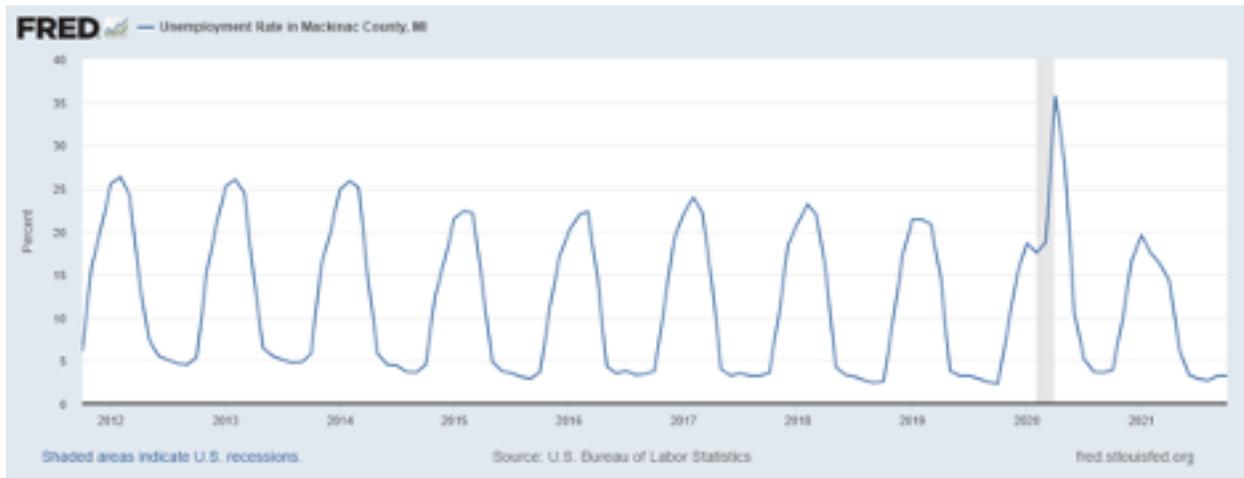


Figure 7

<sup>19</sup> Federal Reserve Economic Data (FRED) <https://fred.stlouisfed.org/series/MIUR>



## Employment By Industry

St. Ignace is heavily dependent on tourism and tourism-related industries, as demonstrated by the chart shown below in Figure 8. More than 40 percent of those employed work in the following categories:

- Arts, Entertainment, Recreation, Accommodations, Food Service
- Transport, Warehousing, Utilities
- Retail Trade

Of the above, accommodations, food service, retail, and supporting transportation and warehousing are where business concentrations lie. Much of the strength of this industrial cluster is based on St. Ignace's proximity to Mackinac Island. Millions of tourists make their way to Mackinac Island, and St. Ignace serves as one of the two primary hubs for those tourists to embark and disembark. Mackinac Island freight operations are primarily concentrated in St. Ignace as well.

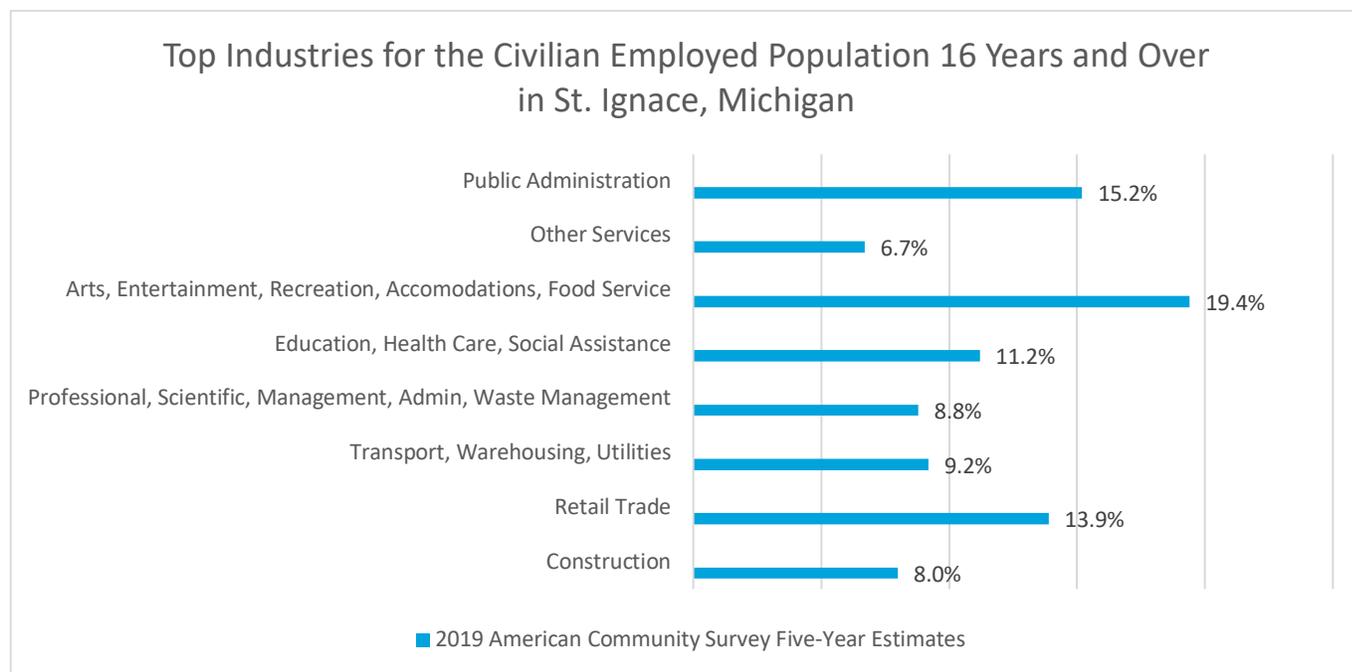


Figure 8

St. Ignace also enjoys a strong public sector presence, with more than 15 percent of its workforce concentrated in the "public administration" category, as shown above. This is due to major employers including the County seat, City government, a U.S. coast guard base, Michigan Department of Transportation operations, a Michigan State Police post, Mackinac Bridge operations, and other related public agencies.



For both tourism related industries and public administration related industries, St. Ignace is unique; percentages of those employed in these industries in St. Ignace are double the State's as well as the Nation's averages.<sup>20</sup>

## HOUSING

St. Ignace, Michigan offers affordable housing options when compared to State levels. Figure 9 below shows median gross rent at \$605 based on the 2019 American Community Survey five-year estimate, compared to the State of Michigan's median gross rent at \$888.<sup>21</sup>

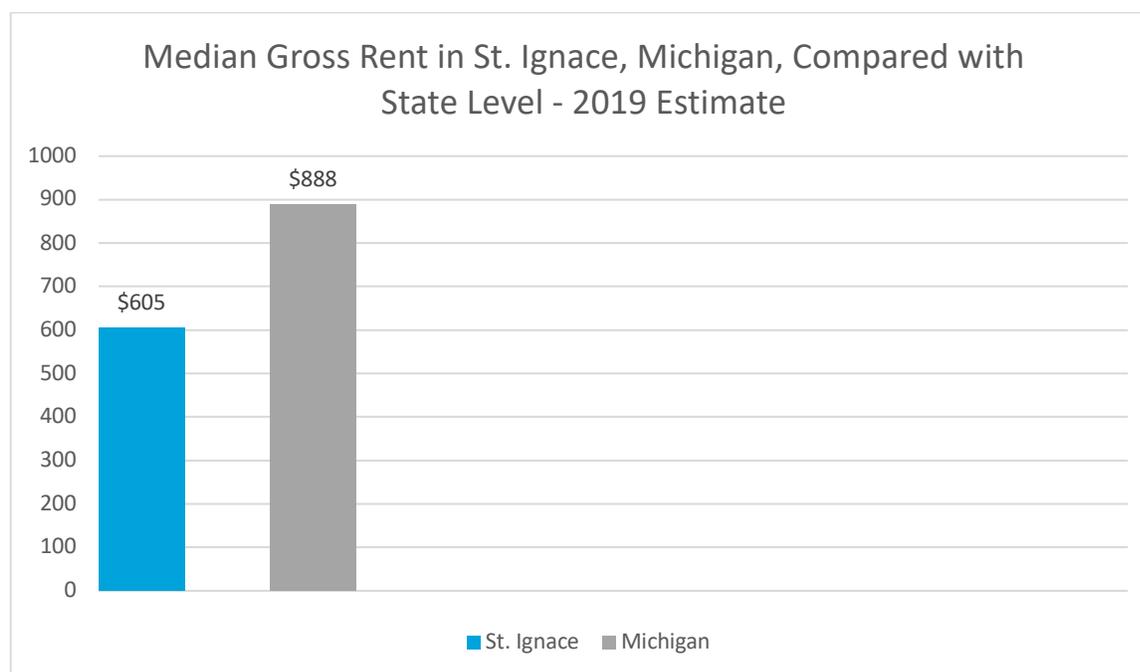


Figure 9

In terms of housing stock, the overwhelming majority of housing dates to before 1990, and much of it is in the form of single unit detached homes. A 2000 report for the Mackinac County Planning Commission and Economic Development Corporation showed that there were just over 9,400 housing units in the County, with nearly 50 percent being constructed before 1960.<sup>22</sup>

<sup>20</sup> City of St. Ignace Master Plan 2019-2039 <http://www.eup-planning.org/city-of-st-ignace>

<sup>21</sup> United States Census Bureau, St. Ignace Geography Profile <https://data.census.gov/cedsci/profile?q=16000000US2670840>

<sup>22</sup> Mackinac County Factbook, prepared by UP Engineers & Architects <https://www.mackinacounty.net/wp-content/media/mackinac-county-fact-book.pdf>





Even more exciting for St. Ignace is the potential construction of a new shipbuilding and repair hub on a 15-acre parcel in downtown St. Ignace with 3,000 feet of frontage on Lake Huron. Jerry Fetty, owner of Mackinac Marine Services, acquired the land in 2016, and has big plans for its reuse.

*“Over the years, the property had become a veritable junkyard, with long disabled boats, boat parts, engines, engine parts and other detritus scattered about. For as long as anyone could remember, the property was called the Mill Slip. Decades earlier, a saw mill had sat on the site, milled wood being loaded on ships for transport to various markets. It also served as a fuel port for the Kincheloe Air Force Base in nearby Kinross Township before it closed in 1977. The size of the parcel and the length of the frontage far outweighed any concerns over getting the property cleaned up, said Fetty.”*

Mackinac Marine Services has already begun utilizing the land, converting it into an active shipyard. Clients include individuals and businesses renting space for boat storage; companies like Durocher Marine Division of Kokosing Industrial, Inc. (with a fleet of six tugs that build large break walls, do major dredging, and install underwater cable), who have already brought in tugs for repair; and Fetty’s own ferry boats, needing hull repairs, repainting, or other upgrades. A new ship hoist has already been installed, allowing for additional clients to receive service to their vessels.

Mackinac Marine Services is also planning to build new ferry boats on the site, working with an Alabama-based boat company which is designing an all-electric ferry for the company.<sup>27</sup> The Mackinac Marine Services case study included in this report specifically details this site.

Just northeast of St. Ignace, the Great Lakes Boat Building School is also undergoing expansion. The school teaches students wooden boat building and restoration, and recently partnered with Mercury Marine to launch a marine service technology program.

*“There is just a huge need now for marine technicians,” Matt Edmondson, [the senior instructor] said. “We are seeing so many marine businesses understaffed with good people so we really just tried to design the program around how we hit those good employee and customer service skills as well.”<sup>28</sup>*

Chris Byrnes, Mackinac Economic Alliance Executive Director, sees Arnold Freight, Mackinac Marine Services and the Great Lakes Boat Building School as terrific examples of St. Ignace’s potential to be a hub for additional ship building operations, and has engaged in conversations with Mackinac Marine Services about partnering with, leasing, or selling space at their ship building site for new marine-oriented businesses to move into the area. Byrnes classifies St. Ignace’s port and shipyard capabilities as being capable of

<sup>27</sup> Crain’s Detroit Business, September 12, 2021 issue <https://www.craigslist.com/craigslist-michigan-business/jt-entrepreneur-takes-helm-steers-mackinac-island-ferry-co-toward-all>

<sup>28</sup> 9 and 10 News, September 1, 2020 <https://www.9and10news.com/2020/09/01/great-lakes-boat-building-school-celebrates-15th-anniversary-begins-new-program/>



constructing or repairing boats and ships in the 50 to 200 ton class. Additionally, Byrnes discussed demand for repairs to the existing Great Lakes fleet. In conversations with a member of the U.S. Coast Guard, more than 120 vessels in the 50 to 200 ton class, currently operating on the Lakes, may consider St. Ignace for repair needs if shipbuilding infrastructure was further developed.<sup>29</sup>

The St. Ignace Opportunity Zone offers a terrific tool to ship building and repair businesses interested in locating or expanding operations to serve the Great Lakes area and beyond, focusing on specialty boats, small ships and ferries.

### Ship/Ferry Electrification

One of the most intriguing possibilities for St. Ignace is to become a center for research and construction of new ferries and ships in the 50 to 200 class, and/or repairs to said ships and ferries, in the realm of electrification. Many of the ferries running to and from St. Ignace, as well as to and from the many other island locations that dot the great lakes, utilize diesel powered engines.

Jerry Fetty with Mackinac Marine Services in St. Ignace is already leading the charge to convert his ferry fleet to diesel/electric engines and has engaged with an Alabama ship builder as mentioned above, to design and build a new electric ferry capable of hauling more than 200 passengers. "It's future-proofing the business," Fetty said.<sup>30</sup>

By focusing on ship and ferry electrification as an industry cluster, St. Ignace could become a leader in alternative energy ship and ferry engine overhauls. The St. Ignace Opportunity Zone offers a terrific opportunity for businesses to launch operations in the marine electrification sector.

### Marine Energy

In conjunction with the vessel electrification opportunities mentioned in the previous section, marine energy generation offers a unique market growth opportunity. Viability Energy, a St. Ignace-based firm, is leading the charge to investigate harnessing the potential energy generated deep within the Straits of Mackinac. Viability Energy has a history in providing clients with innovative renewable energy solutions both domestically, as well as in Africa and Latin America.

The Mackinac County 2021-24 Economic Development Strategy, published by the Mackinac Economic Alliance, offers details on a Viability Energy-led marine energy development project.

<sup>29</sup> Interview with Chris Byrnes, Mackinac Economic Alliance Executive Director, November 1, 2021

<sup>30</sup> Crain's Detroit Business, September 12, 2021 issue <https://www.crainsdetroit.com/crains-michigan-business/it-entrepreneur-takes-helm-steers-mackinac-island-ferry-co-toward-all>



“Viability Energy has designed, financed and implemented innovative renewable energy solutions around the world, integrating cutting edge technologies in unique situations with creative funding and partnerships.

Proposed to Initially Include:

- 6 Full Time Jobs
- Launch at [proposed] Straits Innovation Center
- Renewable Energy Research / Development
- Commercial Ship Integration Design / Development
- \$25.8M Investment”

Marine energy generation within the Straits of Mackinac could be a lucrative investment opportunity not only to provide energy for ferry electrification, but to also sell energy to the power grid, giving St. Ignace access to its own electricity source. Investors or developers interested in funding research and development for companies like Viability Energy, would be on the “cutting edge” of the innovative renewable energy industry.” Further Details are available in [Appendix G](#).

### Housing Development Opportunities

St. Ignace is in dire need of new housing development. Details regarding the demand for housing stock in St. Ignace will be discussed in depth in the section of this report entitled “Creation and Preservation of Affordable Housing.”

The St. Ignace market is plagued by old housing stock, primarily in the form of detached houses, the majority of which are 50 years or older. New housing development, offering market rate and affordable living options will fill the gap created by current and future development plans in the area.

St. Ignace is home to numerous public sector employers, including the City of St. Ignace, the Mackinac County seat, the Mackinac Bridge Authority, The Michigan Department of Transportation, the U.S. Coast Guard, and various other public agencies that offer well-paying positions. Many of these employers struggle to find quality housing for their workforce.

Additionally, well paying jobs are available through nearby corporations like Enbridge Energy, and Graymont Limestone. Furthermore, the annual tourist influx of more than one million visitors requires seasonal employers to hire numerous employees who need housing during the summer months. Identifying housing opportunities for these seasonal employees is extremely difficult.



Developers interested in investing in the housing market via the St. Ignace Opportunity Zone will find a tremendous amount of potential.

A proposed housing development at Graham Point along the south shore of the St. Ignace Opportunity Zone offers a great example for the type and scale of housing development that could be supported by developers utilizing a Qualified Opportunity Fund, among other incentives. The Mackinac County Economic Development Strategy proposes the relocation of City and Michigan Department of Transportation garages and the construction of multi-story housing, including market rate and high end condominiums on upper floors, with apartments on the lower floors. The potential investment for the first phase of such a project is estimated at \$28.5 million. Details related to the potential Graham Point housing development project are available in [Appendix G](#).

### General and Consumer Goods

St. Ignace is currently home to only a handful of light industry operations. However, more than one million tourists make their way to and from Mackinac Island by way of St. Ignace each year, and the overwhelming majority of those tourists have a healthy appetite for general and consumer goods. Examples of such goods include the various tourist “staples” – locally processed food products, such as confections (fudge) and other packaged foods, gifts, clothing and accessories, jewelry, and other goods.

Locally manufactured and/or sourced goods have tremendous potential to be sold wholesale to the multitude of retailers on Mackinac Island, in St. Ignace and Mackinaw City, and in surrounding communities.

One such example of a successful local operation is Northern Confections of St. Ignace. Northern Confections makes and distributes fudge, taffy, and other confections to wholesalers around the United States, having grown from a local provider of fudge to area gift shops, to a national supplier. Northern Confections is working on expansion plans in St. Ignace to allow for greater manufacturing and distribution capabilities.

The Opportunity Zone offers opportunities in the industrially zoned areas near the airport, as well as along ports of the western edge of the Zone near the Interstate, to rehabilitate or build new buildings to house light industrial uses.<sup>31</sup>

### Additional Market Growth Opportunities

Refer to [Appendix G](#) for a complete list of potential projects within the St. Ignace Opportunity Zone as well as throughout Mackinac County.

---

<sup>31</sup> Interview with Northern Confections, November 1, 2021



## MARKET PENETRATION

St. Ignace has been the subject of a retail-specific market study, published in late 2017, conducted by Gibbs Planning Group, Inc. This study specifically denotes a primary trade area that forms a rudimentary inverse triangle, extending 50 miles to the northwest and the northeast. The primary trade area for St. Ignace denoted in this study is considered to have 14,300 people. Most of the population that is considered to support St. Ignace businesses in this trade area are from small, rural communities such as Rudyard, Moran, Kincheloe, Hessel, Trout Lake, and Brevort.<sup>32</sup>

The population to the south is not considered in the trade area due to the cost and the inefficiency of crossing the Mackinac Bridge. This segment of the population would primarily do business in Mackinaw City, Cheboygan, Gaylord, and Petoskey.

Further north, much of the population does business in Sault Ste. Marie, and the St. Ignace population may even bleed into the northern and southern trade areas for much of their major purchases.

There have not been any market studies outside of the retail sector, but it can be assumed that the sectors referenced above under "Market Growth Opportunities" would be reliant on the same geographic trade sector unless penetrating a larger market area.

Market penetration is defined as "a strategy of specific details or action steps needed to increase the number of potential customers. Some strategies employ advertising, social media campaigns, and direct sales outreach efforts to prospects of untapped market segments. Lowering prices and bundling product offerings can also help gain traction in previously untapped portions of the market."<sup>33</sup>

In the existing St. Ignace market, with such a small population, penetration cannot simply be focused on area advertising or outreach. A much larger geography must be the focus, with sales taking place throughout northern Michigan and/or across the State, and then nationally.

Northern Confections is again a great example of a St. Ignace-based company that has penetrated the confections market across a large geography. Beginning with just a few local accounts, the company has grown into a national distributor with wholesale and retail accounts throughout the Midwest and beyond.

Their success may be tied to both the cultural enchantment with all things Mackinac Island, as well as their ability to utilize St. Ignace's terrific transportation opportunities. The

<sup>32</sup> 2017 St. Ignace, Michigan Retail Market Study, Gibbs Planning Group, Inc. November 2017  
<http://www.eup-planning.org/wp-content/uploads/St-Ignace-Retail-Market-Study-for-Client-11-20-17-1.pdf>

<sup>33</sup> Investopedia Article by Will Kenton, June 4, 2021 <https://www.investopedia.com/terms/m/market-penetration.asp>



I-75 corridor allows for easy trucking options north and south, and Highway 2 offers a well-maintained east-west opportunity for product movement. Beyond that, St. Ignace's local airport, as well as its potential for Great Lakes-based shipping, offers Opportunity Zone investors some comfort in understanding that market penetration is possible on the large scale.

### Opportunity Potential for Sault Tribe of Chippewa Indians' membership

The Sault Tribe of Chippewa Indians supports a membership of just over 2,300 individuals residing in Mackinac County. The Opportunity Zone presents a unique opportunity for the Sault Tribe of Chippewa Indians to strengthen new business opportunities, employment opportunities, and investment opportunities for their membership base in and around St. Ignace, as well as on Bois Blanc Island.

As mentioned by the US Bureau of Indian Affairs Assistant Secretary Sweeney, “[Opportunity Zone studies allow Tribes] to obtain guidance on the practicality of potential projects and how they can attract investments from Opportunity Funds. “Since their inception in 2007, Native American Business Development Institute feasibility studies have created blueprints for business projects in Indian Country and Alaska.”

The Sault Tribe of Chippewa Indians is actively engaging with local economic development corporations like the Mackinac Economic Alliance to attract investments from Opportunity Funds to St. Ignace and Mackinac County. Conversations have taken place throughout the past year regarding the establishment of a local opportunity fund, as well as the attraction of major investment in the St. Ignace Opportunity Zone, specifically in the realm of ship building and repair, in conjunction with the potential expansion taking place at the Mackinac Marine Services site.<sup>34</sup>

In order to directly benefit Tribal members in Mackinac County, Opportunity Zone projects should be mindful of the skillsets and experience available from the local Tribal workforce. Projects should work to engage with the Sault Tribe of Chippewa Indians to encourage Tribal members to apply as employees for future developments. Tribal members in Mackinac County should also be made aware of the Opportunity Zone and the ability to engage as investors through an Opportunity Fund when one is created.

---

<sup>34</sup> Interview with Joel Schultz, Sault Tribe, Inc. CEO, November 22, 2021



## PRODUCTS AND SERVICES

Investors in the St. Ignace Opportunity Fund may concentrate their efforts on businesses and industries that are best aligned for the region. Products and services as mentioned above under the “Market Growth Opportunities” segment, may find the most success focusing on the following sectors:

- Ship Building and Repair
- Ship/Ferry Electrification
- Fisheries and Fish Processing
- General and Consumer Goods

### Ship Building and Repair

The ship repair sector in St. Ignace is already taking place successfully, with companies like Mackinac Marine Services gaining statewide recognition recently in the September issue of Crain’s Detroit Business.<sup>35</sup>

Current ship repair opportunities in St. Ignace are limited to outdoor shipyards, specifically on the Mackinac Marine Services site under private ownership. Business opportunities could focus on ship repair in the 50 to 200 ton class, primarily ferries serving Mackinac Island and the various other ferry routes along the great lakes and inland waterways, as well as tugs, barges, and other working-class ships that handle dredging, underwater cable laying, or other various tasks in the Great Lakes region.

In terms of new ship building, opportunities include the construction of new, specialty ferries, barges, dredging boats, tugs, and other vessels that the marine industry demands. An example of demand for new vessels in the 50 to 200 ton class comes from the Marinette, Wisconsin shipyard. Fincantieri Marinette Marine has been building Naval combat ships, and is working to expand their operations in order to secure additional major Naval contracts. [Even one frigate contract] is work for the shipyard throughout the entire decade of the 2020s and given the Navy’s stated need for how many frigates they actually ultimately need, we expect to be building frigates here for at least the next two decades,” CEO Mark Vandroff said.<sup>36</sup>

This Naval contract opportunity for Fincantieri Marinette Marine may prevent them from taking on a variety of other private contracts, opening the door for shipyard sector growth in St. Ignace. Local, regional, or even national customers looking for shipyards to build new

<sup>35</sup> Crain’s Detroit Business, September 12, 2021 issue <https://www.crainsdetroit.com/craains-michigan-business/it-entrepreneur-takes-helm-steers-mackinac-island-ferry-co-toward-all>

<sup>36</sup> Inside Defense, Navy’s second frigate yard competition could shore up industrial base, increase production September 30, 2021 <https://insidedefense.com/share/212819>



vessels would potentially be turned away due to a lack of capacity at other shipyards like Marinette's. The demand for growing the industrial shipyard base is strong.

Representative Rob Wittman (R-VA), the ranking member on the House Armed Services seapower and projection forces subcommittee, said having a variety of shipyards is critical to the success of the industrial base. "Having that diversity in the industrial base is critically important to sustainability, and having capacity there," he said.<sup>37</sup>

### Ship/Ferry Electrification

Emerging interest in electrification of ferries and/or commercial shipping vessels in the Straits of Mackinac is beginning to form, led by Executive Director Chris Byrnes of the Mackinac Economic Alliance and Jerry Fetty of Mackinac Marine Services. Recently Byrnes, in partnership with Michigan Technological University, applied for a \$100,000 Michigan Mobility Platform grant through the Michigan Economic Development Corporation,

The grant was awarded to Michigan Technological University in September 2021, to study the "Clean electrification of ferries and/or commercial shipping vessels in the Straits of Mackinac." The project will analyze hydrological energy flow direction and generating capabilities in the historic river depths in the Straits of Mackinac. The project will also examine the feasibility of current electrification technologies and the readiness of existing electric vehicle technology for application to the fleet(s).<sup>38</sup>

This project opens a new frontier for St. Ignace; multiple ferry companies service Mackinac Island from St. Ignace ports, servicing more than a million tourists annually. Electrification of the existing ferry fleets, as well as providing electrification retrofits to other clients throughout the Great Lakes region, as well as nationally, could result in new jobs in the St. Ignace Opportunity Zone.

Electric Vehicle Technology businesses could locate temporarily or permanently in St. Ignace, as well as electrical engineering firms, ship building firms focused on new electric ferry production, and other related support industries.

Opportunity Fund investors wishing to support clean energy in the marine industry will find this emerging electrification industry appealing to support as it launches from the "ground floor."

### Fisheries/Fish Processing

Mackinac County is home to seven fisheries related businesses. Companies like Massey Fish Company (<https://masseyfish.com>), have been fishing the Straits of Mackinac for six

<sup>37</sup> Inside Defense, Navy's second frigate yard competition could shore up industrial base, increase production September 30, 2021 <https://insidedefense.com/share/212819>

<sup>38</sup> Michigan Technological University Agreement for Sponsored Research, funded by the Michigan Mobility Funding Platform, September 15, 2021



generations, and shipping to major markets like Chicago, Detroit and New York, while offering certain products direct to consumer as well.

Investors may look to diversify into unique products that carry the “stamp” of St. Ignace’s unique cultural and regional brand, processing fish products into finished goods, such as pâtés, frozen fish products, or other unique food products containing fish. St. Ignace offers an experienced workforce, as well as transportation infrastructure and water assets that could support additional, though limited fisheries processing business(es).

### General and Consumer Goods

Consumer goods that directly link to the local tourism industry are sought after in local and regional markets. Products “Made in Michigan,” unique gifts, and food products offer niche opportunities for small “maker” businesses that wish to penetrate the Mackinac Island market, as well as St. Ignace and Mackinaw City.

More opportunity is available for businesses wishing to offer experience-based tourism opportunities. Businesses focused on providing products/services that offer outdoor experiences, as well as businesses offering “experience packages,” that could include everything from lodging to dining to a fishing charter, for example, have a lot of upside.<sup>39</sup>

## WORKFORCE REQUIREMENTS AND OPPORTUNITIES

Investing in or starting a business in the St. Ignace Opportunity Zone offers tremendous potential, as has been discussed to this point. One of the challenges faced, however, is the lack of a sizeable working population, as well as the lack of a skilled workforce in some of the specific, higher tech industries that have been discussed – for example – ferry electrification.

The labor force estimated in the City of St. Ignace is at 1,132 persons, many of which experience the major seasonal unemployment fluctuations ranging as low as two percent in the summers to as high as 15 percent or more in the winters. While many of those in the labor force working in seasonal positions may jump at the chance for a full-time, higher paying job offered by new industries taking advantage of the Opportunity Zone, there is still a numerical lack in the labor force. This may only be solved by companies recruiting employees to move to the area from elsewhere.

Also challenging are the educational attainment levels of the City’s population, with only 20 percent holding a bachelor’s degree or higher. Certain industry sectors relying on a highly educated workforce may find it challenging to identify qualified employees.

---

<sup>39</sup> Michigan Retailers Association, Travel Trends Put Michiganders in the Drivers Seat as Tourism Ramps Up, June 4, 2021 <https://www.retailers.com/news/2021/06/travel-trends-put-michiganders-in-the-drivers-seat-as-tourism-ramps-up/>



Both of these issues may be mitigated to an extent by adopting best practices and utilizing existing workforce programming available in St. Ignace.

### Coordination Opportunities with Area Educational Institutions

Schools within the City of St. Ignace, as well as Mackinac County as a whole, must develop programming to connect area high school graduates and college graduates with emerging labor force needs. The following educational institutions are within a one-hour radius and could be engaged:

#### St. Ignace Area Schools

W429 Portage Street  
 Saint Ignace, MI 49781  
 Kari Visnaw, Superintendent  
 [906]643-8145  
[kvisnaw@eupschools.org](mailto:kvisnaw@eupschools.org)

The St. Ignace Area School District serves over 3,000 students, with a poverty rate of over 13 percent, and a median family income of \$44,336. The District offers detailed demographics on their student population here:

<https://nces.ed.gov/Programs/Edge/ACSDashboard/2600012#>. Career connections should be fostered with high school students as they near graduation, by hosting job fairs and/or presentations.

#### Consolidated Community School Services

412 N. State Street  
 St. Ignace, MI 49781  
 Michelle VanSloten  
 [906] 495-7305  
[ccss@eupschools.org](mailto:ccss@eupschools.org)  
<https://ccss.eup.k12.mi.us>

Consolidated Community School Services in St. Ignace provides GED and adult education classes in St. Ignace area. The potential should be explored for working with Consolidated Community School Services to coordinate job placement opportunities. Many of their non-traditional students will most likely be remaining in the area considering they may have established roots.



### **Great Lakes Boat Building School**

485 S. Meridian Street  
Cedarville, MI 49719  
Nikki Storey, President  
[906] 440-6829  
[Nikki.storey@glbbs.edu](mailto:Nikki.storey@glbbs.edu)

The Great Lakes Boat Building School is one of the strongest educational assets available in the St. Ignace area. The School has traditionally been focused on teaching students wooden boat building and restoration. However, they have recently expanded into marine service technology, as mentioned under the Market Opportunities section of this report. The Great Lakes Boat Building School may consider expanding their educational offerings to include larger vessel construction, and perhaps even engine electrification. The Great Lakes Boat Building School is a tremendous asset for the St. Ignace Opportunity Zone, especially for those industries reliant on staff trained in small ship/ferry construction and repair.

Existing and new businesses wishing to engage in these industries should partner with the Great Lakes Boat Building School early in the process in order to guide educational offerings into alignment with labor force needs.

### **Bay Mills Community College**

12214 W. Lakeshore Dr. Brimley MI 49715  
Trinity Bowen, Student Success Center  
[906] 248-8456  
[a\\_student\\_success\\_center@bmcc.edu](mailto:a_student_success_center@bmcc.edu)

Bay Mills Community College is focused on serving Anishinaabek tribal members from their campus on the Bay Mills Indian Reservation. 60 percent of their student body are Native Americans. They serve over 500 students nationwide. Bay Mills Community College offers support to graduating students and alumni searching for careers through their Student Success Center. Future businesses located in the St. Ignace Opportunity Zone may find Bay Mills Community College a great partner in career placement efforts.

### **Lake Superior State University**

650 W. Easterday Avenue  
Sault Ste. Marie, MI 49783  
Geraldyn Narkiewicz, Career Services  
[906] 635-2228  
[gnarkiewicz@lssu.edu](mailto:gnarkiewicz@lssu.edu)

Lake Superior State University's enrollment is approximately 1,900 students, based in Sault Ste. Marie, Michigan, just 45 minutes north of St. Ignace on Interstate 75. Lake



Superior State University's career center is focused on linking students with potential employers and ensuring they are prepared for their careers. Lake Superior State University is well-known for its engineering department, which offers future technology-related industries locating within the St. Ignace Opportunity Zone a solid resource for qualified, new employees.

### **North Central Michigan College**

1515 Howard Street  
 Petoskey, MI 49770  
 Doug Tippett, Career Development  
 [231]439-6265  
[dtippett@ncmich.edu](mailto:dtippett@ncmich.edu)

North Central Michigan College is located in Petoskey, Michigan, with learning centers in Gaylord and Cheboygan. Enrollment is currently at approximately 1,600 students. North Central Michigan College connects students with employers through an agency called College Central Network, and teams up with area businesses to provide career connections. North Central Michigan College reaches three major communities in the southern proximity to the St. Ignace Opportunity Zone, offering emerging industries in St. Ignace a great employee recruitment resource to the south.

### **Michigan Technological University**

220 Administration Building, Second Floor, 1400 Townsend Drive  
 Houghton, MI 49931  
 Cody Kangas  
 Interim Director of Career Service  
 cody@mtu.edu  
 906-487-2313

Michigan Tech Career Services connects students, employers, alumni, faculty, and staff. Our collaborative programming and coaching launches and supports career journeys. Additionally, Michigan Technological University is currently working with Chris Byrnes of the Mackinac Economic Alliance and Viability Energy to study energy flow and vessel electrification, utilizing the ancient river bed under the Straits of Mackinac.

## **Community Partnership Opportunities for Job Creation**

Job creation, recruitment and training opportunities may primarily rely upon strong partnerships between new and existing businesses and area educational institutions. There are a few agencies within St. Ignace that also offer programming and support for job creation, recruitment and training.



**Upper Peninsula Michigan Works!** has a local office in Downtown St. Ignace, located at 6 Spring Street. The Director, Mari Shupp, is based in Sault Ste. Marie and covers Chippewa, Luce, Schoolcraft and Mackinac Counties. Mari's responsibilities include managing the daily operations in our American Job Centers, building partnerships with local businesses and training institutions and the administration of State and Federal workforce development programs.<sup>40</sup>

**The St. Ignace Chamber of Commerce** offers support to area businesses, specifically Chamber members, and may be a good resource for businesses exploring locating within the Opportunity Zone. The Chamber of Commerce offers connections, resources, and information including opportunities for job seekers. Nikki St. Andrew currently serves as the Executive Director.<sup>41</sup>

**The Mackinac Economic Alliance** also offers support for businesses throughout the City of St. Ignace, as well as county-wide. The Mackinac Economic Alliance's primary "objective is to design and implement strategies to create new business and employment opportunities, and to provide entrepreneurial encouragement throughout Mackinac County."<sup>42</sup> The Mackinac Economic Alliance is headed by Chris Byrnes, who currently serves as Executive Director.

## Creation and Preservation of Affordable Housing

One of the major challenges facing St. Ignace - and for the matter the Upper Peninsula as a whole - is the lack of quality and affordable housing. A number of existing employers in St. Ignace are being forced to provide housing for their own employee base. For example, Jerry Fetty with Mackinac Marine Services purchased a derelict 16-unit motel recently and has transformed it into employee housing for his ferry company.<sup>43</sup> Other local industries have expressed the same concerns with the lack of housing for staff and employees, as they attempt to expand and grow their employment.<sup>44</sup>

These examples demonstrate that the limited housing opportunities in the St. Ignace area will hamper the growth of new industries establishing themselves and growing their operations within the St. Ignace Opportunity Zone. Therefore, housing needs must be seriously considered, and housing opportunities identified and/or secured, by Opportunity Zone investors in the early stages of their due diligence processes.

<sup>40</sup> Upper Peninsula Michigan Works! <https://upmichiganworks.org/about/>

<sup>41</sup> St. Ignace Chamber of Commerce <https://www.saintignace.org/about/>

<sup>42</sup> Mackinac Economic Alliance <https://www.mackinaceconomicalliance.org/about/>

<sup>43</sup> Crain's Detroit Business, September 12, 2021 issue <https://www.crainsdetroit.com/crains-michigan-business/it-entrepreneur-takes-helm-steers-mackinac-island-ferry-co-toward-all>

<sup>44</sup> Interview with Northern Confections, Inc., November 1, 2021



The most comprehensive housing data currently available comes from the Mackinac County Target Market Analysis prepared in 2016. The analysis was funded through a State of Michigan Place-based Planning Program, and focused research on the County as a whole, as well as focused research on both the City of St. Ignace and the City of Mackinac Island.

The Mackinac County Target Market Analysis analyzed trends based on existing population movement and did not factor in any major new employers locating in the area. Even without considering population growth due to new employment opportunities, as would be the case if a large employer located within the St. Ignace Opportunity Zone, there is still significant demand for new housing, and especially new housing types.

The Analysis found that the maximum market potential for new housing annually totals 388 units, with the majority captured by the Cities of St. Ignace and Mackinac Island.

*Based on the Target Market Analysis results for an aggressive scenario, there is a maximum annual market potential for up to 127 attached units throughout Mackinac County, plus 261 detached houses (for a total of 388 units). Among the 127 attached units, the majority of the market potential will be captured by the Cities of Saint Ignace and Mackinac Island (65 and 18 attached units each year, respectively). There will also be 44 migrating households in Mackinac County each year seeking attached units in locations other than the Cities of Saint Ignace and Mackinac Island. A few will choose small communities like Naubinway and Cedarville, which offer easy access to the Great Lakes with diverse bays, inlets, and straits. Others may choose locations proximate to inland lakes like South Manistique Lake and other choices in the outlying rural areas. Most are willing to commute to Saint Ignace, Manistique, Mackinaw City, and/or Sault Ste. Marie for shopping choices and jobs (if they are in the workforce).<sup>45</sup>*

The Target Market Analysis found that St. Ignace specifically, under an aggressive scenario, has an annual market potential of:

- 90 detached houses
- 11 Duplex/Triplex units
- 54 other formats (primarily small midrise apartments)

In terms of rental pricing, the overwhelming majority of units in demand would fall within the \$0-\$800/monthly range. 71 units are demanded County-wide in the \$0-600 range, and 99 are demanded in the \$600-\$800 range. Only 42 units are demanded in the \$800-\$1,000 range, and just eight units at price points higher, up to \$2,000 or more in monthly rent.

These numbers reflect the affordability requirements that St. Ignace residents currently desire. Income levels, especially for single individuals or unmarried family units are much lower than the State average. The creation and preservation of affordable housing in St.

---

<sup>45</sup> Target Market Analysis, Mackinac County, Michigan, 2016 prepared by Land Use|USA <http://www.eup-planning.org/wp-content/uploads/1c-UP-TMA-MACKINAC.pdf>



Ignace is critical to consider as developers explore opportunities within the Opportunity Zone.

In terms of new industry that would generate a large number of jobs in a short period of time, the existing housing market would be very challenging to rely upon. There is technically a surplus of detached houses, with a total of 969 existing units compared to just 630 migrating houses over a seven year period, according to the Target Market Analysis. Relying on older detached houses that may be in various stages of disrepair, however, does not tend to satisfy the housing needs of potential new residents relocating to St. Ignace for work, let alone for the existing migrating County resident population.

These challenges have resulted in existing employers turning to old motels, as mentioned earlier, or new construction projects to satisfy their employee's housing needs. The Mackinac Economic Alliance has prepared marketing materials to attract developers to construct a large housing complex, initially conceived to be built at Graham Point at the southern end of the Opportunity Zone<sup>46</sup> and has engaged in conversations with various realtors and developers in the area. Outside of the Mackinac Economic Alliance's efforts, there are no known plans for new housing development in the short term, even though the demand is real.

## ST. IGNACE OPPORTUNITY ZONE CASE STUDY: MACKINAC MARINE SERVICES DEVELOPMENT SITE

The information provided thus far in this study offers insight into the general economy and regarding the development of the St. Ignace Opportunity Zone as a whole. This following segment serves as a case study on Mackinac Marine Services as a specific site within the Opportunity Zone, to be used as an example for processes and due diligence necessary to development any site within the St. Ignace Opportunity Zone.

### Background

"The Mackinac Marine Services site in St. Ignace, Michigan is a 15 acre waterfront redevelopment site within the St. Ignace Opportunity Zone [see figure 10 below]. The underused site is currently the boatyard for Mackinac Marine Services, a Great Lakes commercial ship restoration firm, which is owned by the Star Line Mackinac Island Ferry Company. The Mackinac Economic Alliance (MEA) is the local economic development agency assisting Mackinac Marine Services to plan and finance site development to

<sup>46</sup> Mackinac Economic Alliance "Charting a New Course" Brochure  
<https://www.mackinaceconomicalliance.org/opportunity-zone/>



accommodate the growth of Mackinac Marine Services, as well as locate new marine service businesses onsite.



Figure 10 - Mackinac Marine Services Development Site

The Sault Tribe of Chippewa Indians engaged in conversations with the Mackinac Economic Alliance and Mackinac Marine Services in 2020 and applied for a grant through the Native American Business Development Institute to explore the feasibility of creating an Opportunity Fund within the St. Ignace Opportunity Zone, with the end goal of attracting additional investors and marine businesses to the site.

The site could grow into a proposed “Mackinac Marine Commerce Park,” which would include the construction of a new building to expanded Mackinac Marine Services operations, as well as other tenants. Mackinac Marine Services has already been awarded a \$750,000 grant from the United States Department of Transportation Small Shipyard Grant Program for a 200 ton boat lift which will accommodate the large commercial ships to be served at the proposed Mackinac Marine Commerce Park.

“This important grant will not only help us grow the shipyard capacity but will also take steps to provide additional year round jobs in our area,” said Jerry Fetty, CEO of Star Line Mackinac Island Ferry and Mackinac Marine Services. “Up to this point, ships and boats larger than 80-tons had to go elsewhere to be lifted out of the water for maintenance, repair and inspection.”

The Mackinac Marine Commerce Park project would create well-paying, full-time, year-round jobs and stimulate economic activity for St. Ignace and within the area’s member community of the Sault Tribe of Chippewa Indians, by virtue of relocation of ship-building jobs and expansion of marine service jobs within the St. Ignace Michigan Opportunity Zone. The new investment and jobs will address the economic malaise and address

seasonal unemployment which annually spikes as high as 15-20 percent in St. Ignace and Mackinac County.<sup>47</sup>

## Economic Feasibility

The growth of the existing Mackinac Marine Services redevelopment site from its current use into the proposed Mackinac Marine Commerce Park, complete with major building infrastructure, site improvements and capacity increases, requires detailed investigation by all parties involved.

This study will provide the tools to conduct a feasibility study regarding the expansion of the Mackinac Marine Services site. Developers will need to gather financials and identify specific goals and objectives in order to make appropriate decisions.

The economic feasibility of an expansion of this magnitude hinges on several variables, including historic and current site usage, expansion goals including facility growth and service provision, economic benefit evaluation, and site layout options for optimal production flow.

## Feasibility Process

This case study will utilize the feasibility process outlined in a report published for the 2<sup>nd</sup> International Seminar on Science and Technology, presented on August 2<sup>nd</sup>, 2016 by the Postgraduate Program of the Institut Teknologi Sepuluh Nopember, Surabaya, Indonesia.

This study focused on the privatization of Dalla Shipyard in Myanmar, a formerly state-owned shipyard, that functioned to provide emergency docking for repair, major overhaul for engines, and re-engineering. It performed to support full utilization of the client fleet, providing annual docking for repair and new construction for private and governmental customers. Most constructed ships were barges, tugs, self-propulsion barges and shallow draft vessels.

The Dalla Shipyard is comparable to the Mackinac Marine Services site in the St. Ignace Opportunity Zone, which is focused on similarly sized vessels, but currently only able to service ships and boats under 80 tons.

The Dalla Shipyard study was published with the intent to be utilized for reuse and expansion studies globally. The Dalla Shipyard "strategy formulation tool summarizes and evaluates the major strengths or weaknesses and opportunities or threats in the functional areas of a business. The environment's characteristics of the middle-sized shipyards are the same; the proposed models may be considered as generic models not only for the Indonesian middle-sized shipyards but also for similar shipyards in other countries."<sup>48</sup>

<sup>47</sup> SF-424 Grant Application Form-Sault Tribe/Mackinac County Opportunity Fund Project Narrative, September 8, 2020

<sup>48</sup> An Interesting Study of Capacity Improvement of a Shipyard in Myanmar, August 2<sup>nd</sup>, 2016  
<https://media.neliti.com/media/publications/169740-EN-an-interesting-study-of-capacity-improve.pdf>



Proposed study tools to be utilized in exploring the feasibility of a Mackinac Marine Services site redevelopment are as follows:

1. Collect data on current usage
2. Identify expansion goals
3. Evaluate economic benefit
4. Consider layout options for optimal production

### **Current Usage: Time Series Analysis**

The first step in conducting a feasibility study for the Mackinac Marine Services site should be to conduct a Time Series Analysis. The Dalla Shipyard study defines the Time Series Analysis tool as follows:

#### *Time Series Analysis*

"A time series is a collection of data recorded over a period of time - weekly, monthly, quarterly, or annually. There are four components to a time series: the trend, the cyclical variation, the seasonal variation, and the irregular variation."

$$Y=a+bx$$

Where, Y = Demand [Unit]

x = the year of demand

a = the permanent component and demand annually

b = the quantity of demand in the current year

Table 1 below serves as a template for real numbers to be utilized to calculate demand over five years. Column "a" assumes five vessels being repaired/constructed/upgraded as a baseline for permanent demand annually. Column "b" assumes an increase of one additional vessel being repaired/constructed/upgraded per year, to a maximum of four additional in the fifth year. Column "Y" reflects the demand [unit] calculation each year.

Variables to factor in to determine "a," the permanent component of demand annually, include the four time components mentioned above – trend, cyclical variation, seasonal variation, and irregular variations. The developer must consider historic trends, known cyclical variations over the past years that Mackinac Marine Services has operated on site, seasonal variations that include weather-related concerns, such as harbor ice, and finally irregular variations such as state or federal contract opportunities that may arise.



Table 1 - Time Series Analysis

Shipyards Time Series Analysis	x	a	b	Y
2022	Year 0	5	5	5
2023	Year 1	5	1	6
2024	Year 2	5	2	9
2025	Year 3	5	3	14
2026	Year 4	5	4	21
<b>Total</b>				55

### Identification of Expansion Goals: SWOT Analysis

Mackinac Marine Services, the Mackinac Economic Alliance, and the Sault Tribe of Chippewa Indians have held discussions over the past two years regarding long-term goals to further develop the site.

Concepts include a 100,000 square foot, two-bay shipyard facility, with 80 foot overhead doors to accommodate vessel construction and repair. Current services are focused on repairs to the local ferry fleet servicing Mackinac Island. Future services could include retrofits or new construction of specialized ferries or other similarly sized for national or global customers, as well as electrification of the existing fleet.

A SWOT Analysis (Strengths, Opportunities, Weaknesses, Threats) offers developers a tool to further refine expansion goals in light of analysis findings. The SWOT Analysis should include an Internal and External Factor Evaluation, explained in this quote:

*All organizations have strengths and weaknesses in the functional areas of business. The SWOT analysis is a business analysis technique that your organization can perform for each of its products, services, and market when deciding on the best way to achieve future growth. The process involves identifying the strength and weakness of the organization, and opportunities and threats present in the market that [in which] it operates. An Internal Factor Evaluation (IFE) Matrix summarizes and evaluates the major strengths and weaknesses in the functional areas of a business, and it also provides a basis for identifying and evaluating relationships among those areas. Intuitive judgments are required in developing an IFE Matrix. An external factor evaluation (EFE) matrix allows strategists to summarize and evaluate economic, social, cultural, demographic, environmental, political, governmental, legal, technological, and competitive information.<sup>49</sup>*

<sup>49</sup> An Interesting Study of Capacity Improvement of a Shipyard in Myanmar, August 2<sup>nd</sup>, 2016  
<https://media.neliti.com/media/publications/169740-EN-an-interesting-study-of-capacity-improve.pdf>



Table 2 below offers a template for developers to utilize to conduct a SWOT Analysis, utilizing an IFE and EFE Matrix.

Table 2 - SWOT Matrix (IFE/EFE Matrix)

IFE Factor	Strengths	Weaknesses
EFE Factor	<ol style="list-style-type: none"> <li>1. Land Acquisition</li> <li>2. Quality of Product</li> <li>3. Accessibility</li> <li>4. Labor Affordability</li> </ol>	<ol style="list-style-type: none"> <li>1. Location</li> <li>2. Delivery Time</li> <li>3. Workforce Experience</li> <li>4. Facilities/Infrastructure</li> </ol>
Opportunities	<b>SO Strategies</b>	<b>WO Strategies</b>
<ol style="list-style-type: none"> <li>1. Domestic Market</li> <li>2. Materials Access</li> <li>3. Financial Support</li> <li>4. Electrification</li> </ol>	Example: Land is already acquired, add facilities to capture domestic market [S1, O1]	Example: Location is in rural area, may result in delivery time lag; develop strong materials access partnerships to ensure on-time delivery [W1,2, O2]
Threats	<b>ST Strategies</b>	<b>WT Strategies</b>
<ol style="list-style-type: none"> <li>1. Competition</li> <li>2. Materials Costs</li> <li>3. Govn't Regulations</li> <li>4. Seasonality</li> </ol>	Example: Investigate regional competition, offer higher quality product, ensure affordability [T1, S2,4]	Example: Develop facilities that allow for all-seasons work, target late-season projects to ensure over-winter work [W4, T4]

The above matrix offers four examples each of strengths and weaknesses, as well as four examples each of opportunities and threats. The matrix allows for specific strategies to be developed, aligning IFE and EFE factors to ensure a comprehensive SWOT analysis is completed for each identified internal and external factor.



## Economic Benefit Evaluation

The third study tool is to evaluate the economic benefit of expansion or further redevelopment of the Mackinac Marine Services site, based on findings from the Time Series Analysis and the SWOT Analysis.

A tool to utilize in examining economic benefit is the Net Present Value (NPV) calculation. "Net Present Value is a central tool in discounted cash flow analysis and is a standard method for using the time value of money to appraise long-term projects. Used for capital budgeting, and widely throughout economics, finance, and accounting, it measures the excess or shortfall of cash flows, in present value terms once financing charges are met."<sup>50</sup>

The NPV is calculated using the following formula:

$$P(i) = \sum_{t=0}^N \frac{A_t}{(1+i)^t}$$

Where, P[i] = the present value of all cash flows at an interest rate i%

*N* = the number of period (year)

t = the time of the cash flow

*A<sub>t</sub>* = cash flow at the end of the period (year)

*i* = interest rate (Minimum Attractive Rate of Return, MARR) or discount rate

By applying the Net Present Value calculation, Mackinac Marine Services may assess the viability, cost, and benefits associated with the redevelopment project before financial resources are allocated. Table 3 below, offers a basic template with placeholder numbers of \$6 million in private investment totaling 50 percent of the cost of shipyard construction, and matched with \$6 million in loaned funds, totaling \$12 million.

Year one revenue and expense estimates can be inserted into the table, and projected over five years, calculating Net Present Value to calculate the long-term payback period over time.

<sup>50</sup> An Interesting Study of Capacity Improvement of a Shipyard in Myanmar, August 2<sup>nd</sup>, 2016  
<https://media.neliti.com/media/publications/169740-EN-an-interesting-study-of-capacity-improve.pdf>



Table 3 - Cash Flow and Net Present Value

Description	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Investment	6,000,000					
Revenues						
-Revenue 1 (loan)	6,000,000					
-Revenue 2 (primary)						
-Revenue 3 (other)						
Expenses						
-Expense 1 (debt)						
-Expense 2 (operating)						
-Expense 3 (labor)						
Net Revenue						
Tax (25%)						
Cash Flow after Tax						
Discount Rate (13%)						
Discounted Cash Flow						
Total	12,000,000					
Net Present Value						
Internal Rate of Return						

## Optimal Production Layout

The final tool offered in this feasibility case study is to investigate and propose changes to the site layout to optimize production. The current Mackinac Marine Services site is vacant; existing work is completed with ships in “dry dock,” hoisted out of the water and stabilized on land. Welding or other repairs are completed outside, with plastic sheathing providing a windbreak and environmental contaminant controls.

Since there are no existing structures, site build-out may be evaluated and planned to optimize production without restraints that would otherwise result from the temptation to reuse structures already in place.

New structure layout must take into consideration machinery needs, equipment placement, and other necessities, but also must take into consideration the flow of materials. Problems with material flow due to layout are common to every type of enterprise – from the mall retailer to the largest manufacturing industries. The aim of each company is to obtain maximum benefit from their facilities. The adequacy of the layout as it relates to material flow directly affects the efficiency of the operation.<sup>51</sup>

<sup>51</sup> An Interesting Study of Capacity Improvement of a Shipyard in Myanmar, August 2<sup>nd</sup>, 2016  
<https://media.neliti.com/media/publications/169740-EN-an-interesting-study-of-capacity-improve.pdf>



Capacity improvements must also be planned for over the long term. As the operation grows, the developer should have pre-planned the site layout to allow for capacity improvements. New structures, alterations to material flow, storage, and new equipment or technology must integrate into the layout as seamlessly as possible.

An analysis of existing layout materials flow and production time may be compared to two or three alternate layout plans, and analyzed based on physical distance between production areas, equipment availability and employee experience.

The following table demonstrates a simple comparison matrix:

Table 4 - Layout Comparisons

Layout	Distance to Production Area(s)	Time Requirement
Existing Layout	Example - 950 feet	45 minutes
Alternate Layout 1	Example - 1,100 feet	52 minutes
Alternate Layout 2	Example - 800 feet	38 minutes

### Economic Feasibility: Discussion

Developers interested in entering into development agreements with Mackinac Marine Services to bring additional shipyard services to the St. Ignace site should utilize the above tools to gain a comprehensive understanding of the current site usage, prepare a SWOT analysis to identify expansion goals, and evaluate the economic benefit of such an undertaking by calculating their payback period. The Net Present Value calculation/Discounted Cash Flow analysis, or similar cash flow calculation tools may assist in accurately projecting economic benefit. Finally, layout considerations must be seriously planned for and considered before development proceeds.

### Land Acquisition and Real Estate Data

Real estate data and land acquisition information throughout the Opportunity Zone will be generally investigated through the lens of private property ownership; the overwhelming majority of developable land in the St. Ignace Opportunity Zone is currently privately owned. A handful of select parcels near the St. Ignace Airport and along the western edge of the Zone near Interstate 75 is owned by government units, including the City of St. Ignace, Mackinac County, and the Sault Tribe of Chippewa Indians. These parcels are available to examine in [Appendix C](#).

This section of the report will focus on the example case study at the Mackinac Marine Services site and offer tools and data that can be applied throughout the Opportunity Zone.

The Mackinac Marine Services site is currently owned under the legal name "STAR LINE MI PASS SERV INC," registered at 587 N. State Street, St. Ignace. The property is



composed of three separate parcels, with detailed legal descriptions/reports available for review in [Appendix D](#).

The property is approximately 15 acres, with 3,000 feet of frontage on Lake Huron. The property is bordered by land owned by the City of St. Ignace to the west, which serves as a public boat launch for smaller watercraft. The property is bordered to the north by five private parcels, four of which are currently utilized for private residences and one for hotel use.

The aerial image below shows the existing parcel layout.



Figure 11 - Mackinac Marine Services Parcel Info

Land valuation for the three Mackinac Marine Services parcels are as follows:<sup>52</sup>

**Parcel 052-180-082-00**

Current Assessed Value: \$118,000

Current Taxable Value: \$118,000

**Parcel 052-180-081-00**

Current Assessed Value: \$267,500

Current Taxable Value: \$267,500

**Parcel 052-180-077-00**

Current Assessed Value: \$120,600

Current Taxable Value: \$120,600

**Combined Assessed/Taxable Value: \$506,100**

Based purely on the assessed/taxable values of the parcels combined, Mackinac Marine Services land value is minimally worth \$506,100. In general, the market demands substantially more for waterfront properties of similar value. However, few commercial real estate listings for vacant industrial waterfront development sites are currently available in the Great Lakes region for comparison.

One heavy industrial-zoned, built-out industrial waterfront site in Michigan is included in this case study as a comparable, listed as of December 2021. However, this site offers existing buildings, resulting in higher price points than would be supported for vacant property similar to the Mackinac Marine Services site.

The following link offers full real estate data for this listing.

<https://www.nationalmarinasales.com/listings/beardslee/>

The comparable location is summarized as follows:

W.C. Beardslee Inc. is located on Harsens Island along the St. Clair River, north of Detroit. The location is classified as heavy industrial, opening the door for additional uses and opportunities that are available for those who may have alternative needs [other than recreational] for ingress and egress to Harsens island."<sup>53</sup>

---

<sup>52</sup> Mackinac County Geographic Information Systems

<https://www.mackinacounty.net/departments/gis/>

<sup>53</sup> JDS Real Estate Services Inc. Offering Memorandum, W.C. Beardslee, Inc., Harsens Island, Michigan



The site offers 3.4 acres, just over one-fifth the size of the Mackinac Marine Services site. Existing buildings combined total nearly 40,000 square feet. The total price for the property has recently been reduced from \$3,000,000 to \$2,500,000, or \$89.40 per square foot. In contrast, the vacant Mackinac Marine Services site has an assessed value of just \$1.29 per square foot.

The W.C. Beardslee Inc. site is not sufficient to service vessels in the 80 ton to 200 ton class that could be targeted by developers interested in the Mackinac Marine Services site; however, it's zoning classification would allow for redevelopment to accommodate larger vessels.

Additional comparables should be identified by developers interested in redeveloping/expanding the Mackinac Marine Services site to ensure land acquisition costs align with future property value.

### **Land Details/Surveys**

Land details and surveys especially related to environmental concerns, contaminants, brownfield qualifications, and other related concerns are critical for developers to understand before launching into a project. Many times, developers find themselves facing unpleasant surprises in the development process if land details are not fully researched before the project begins.

The Mackinac Marine Services site is a perfect case study in regard to environmental concerns, due to its historic uses. It was originally called the "Mill Slip" site, housing a saw mill that loaded milled wood on ships for transport to various markets. Following the sawmill, the site served the Kincheloe Airforce Base, as a fuel port, until the Base was closed in 1977.<sup>54</sup>

Due to previous uses, the site automatically qualifies as a Brownfield redevelopment site. A handful of environmental studies have already been completed for the site, including the following on record with the State of Michigan Department of Environment, Great Lakes, and Energy (EGLE):

- The site is listed as a Part 201 "Site of Environmental Contamination" with an ELGE site ID of 49000075, and labeled "Former Mill Slip Fuel Depot and Pipeline."
- The site is also listed to have two "Baseline Environmental Assessments" completed, the first under the facility name of "Former Mill Slip Fuel Depot and Pipeline," with a BEA ID of B201600639UP. The second Baseline Environmental Assessment is listed under the facility name of "Mill Slip Point," with a BEA ID of B201700639UP.

<sup>54</sup> Crain's Detroit Business, September 12, 2021 issue <https://www.crainsdetroit.com/crains-michigan-business/it-entrepreneur-takes-helm-steers-mackinac-island-ferry-co-toward-all>



Environmental details already on record are easily identified for any of the developable properties within the St. Ignace Opportunity Zone by utilizing the Department of Environment, Great Lakes, and Energy's "Environmental Mapper" tool.<sup>55</sup>

## Permitting Requirements

Permitting must be considered early on in any development process within the St. Ignace Opportunity Zone. Continuing with our case study of the Mackinac Marine Services site, permitting will include local, state, and federal requirements.

1. First and foremost, for properties along the water, as is the case with the Mackinac Marine Services site, the Michigan Department of Environment, Great Lakes and Energy (EGLE) offers a joint permitting process with the United States Army Corps of Engineers (USACE).

"The EGLE/USACE Joint Permit Application (JPA) covers permit requirements derived from state and federal rules and regulations for construction activities where the land meets the water. This JPA prevents duplication of state and federal permitting and provides simultaneous review for activities on or for: Wetlands, Floodplains, Dams, Inland Lakes and Streams, Great Lakes Bottomlands, Critical Dunes, Environmental Areas, and High Risk Erosion Areas."<sup>56</sup>

Details and instructions on the EGLE/USACE JPA can be found here:

[https://www.michigan.gov/documents/deq/deq-wrd-jpa-instructions\\_353995\\_7.pdf](https://www.michigan.gov/documents/deq/deq-wrd-jpa-instructions_353995_7.pdf)

2. Secondly, local and state level construction permits must be considered.

The City of St. Ignace offers building permits through the City Building Department, covering structural requirements and other general construction requirements.<sup>57</sup>

Applications for City of St. Ignace building permits can be found here:

[https://www.cityofstignace.com/sites/g/files/vyhlif6821/f/uploads/building\\_permit\\_application.pdf](https://www.cityofstignace.com/sites/g/files/vyhlif6821/f/uploads/building_permit_application.pdf)

The State of Michigan offers permitting in the City of St. Ignace for the remaining trades: plumbing, mechanical, and electrical. Construction projects are required to be permitted for each of these trades as the project plans dictate:

<sup>55</sup> EGLE Environmental Mapper <https://www.mcqi.state.mi.us/environmentalmapper/#>

<sup>56</sup> Michigan Department of Environment, Great Lakes and Energy [https://www.michigan.gov/egle/0,9429,7-135-3313\\_71520\\_24403---,00.html](https://www.michigan.gov/egle/0,9429,7-135-3313_71520_24403---,00.html)

<sup>57</sup> City of St. Ignace website <https://www.cityofstignace.com/files/>



Electrical permitting information can be found on the State of Michigan Licensing and Regulatory Affairs website here:

[https://www.michigan.gov/lara/0,4601,7-154-89334\\_10575\\_17394\\_81069-428644--,00.html](https://www.michigan.gov/lara/0,4601,7-154-89334_10575_17394_81069-428644--,00.html)

Plumbing permitting information can be found on the State of Michigan Licensing and Regulatory Affairs website here:

[https://www.michigan.gov/lara/0,4601,7-154-89334\\_10575\\_17394\\_81069-428649--,00.html](https://www.michigan.gov/lara/0,4601,7-154-89334_10575_17394_81069-428649--,00.html)

Mechanical permitting information can be found on the State of Michigan Licensing and Regulatory Affairs website here:

[https://www.michigan.gov/lara/0,4601,7-154-89334\\_10575\\_17394\\_81069-428647--,00.html](https://www.michigan.gov/lara/0,4601,7-154-89334_10575_17394_81069-428647--,00.html)

## Zoning Requirements

The City of St. Ignace requires compliance with City zoning ordinances. The City of St. Ignace has published zoning maps listed on their website. These zoning maps are available in [Appendix E](#).

Development projects in the St. Ignace Opportunity Zone must comply with the definitions and requirements of the zoning district in which a target development site is located. Variances may be granted depending on individual project requirements, by applying for a zoning variance through the City of St. Ignace.

The following zoning districts are listed on the St. Ignace zoning maps:

Residential I	General Business
Residential II	Tourist Business
Residential III	Public Recreation
Residential IV	Waterfront Industrial
Central Business	Industrial

St. Ignace's zoning requirements certainly affect the Mackinac Marine Services case study. The Mackinac Marine Services development site is classified as "Waterfront Industrial." This classification poses some challenges for future site development due to the following City of St. Ignace zoning regulations:

*Description of Waterfront Light Industrial District:*

*The waterfront light industrial district (WLID) is designed to accommodate mainly water related light industrial development. The waterfront light industrial district regulations are designed to*



*promote and capitalize the potential of water transportation and bulk oil storage facility without creating any nuisance in the form of noise or air as well as taking from the aesthetic value of the environment.*

*Permitted Uses:*

*In the waterfront light industrial district (WLID), no building, structure or part thereof shall be erected, altered, or moved upon any parcel of land in said district, and no parcel of land shall be used for any purpose than one or more of the following:*

- *Warehousing and wholesale establishments, and trucking facilities.*
- *Lumber and building materials storage yards, and contractors plant and storage facilities.*
- *Bulk oil and fuel supply depots, established under approval of the state fire marshal and the state department of environmental quality.*
- *Manufacturing of goods and merchandise, such as millwork, planing mills, furniture manufacturing, machine shops, dairies, bakeries, electronics manufacturers, and craft or trade shops.*
- *Other uses which are similar to the above uses.*
- *Accessory structures which are customarily incidental to the above uses.*
- *Wholesale or retail sales operations incidental to the above permitted uses.*

*Restrictions:*

- *Height. No structure shall exceed the height of 35 feet.*
- *Hazardous wastes. No materials may be stored within the district which appear on the current critical materials register or the hazardous wastes register as compiled by the state department of environmental quality.<sup>58</sup>*

## **Zoning Requirements Discussion**

The Mackinac Marine Services site is composed of three parcels, all within the Waterfront Light Industrial District. Craft and trade shops or “other uses similar to the above uses” may allow for new construction on the site, but the height restriction of 35 feet could be cause for concern.

Most likely, future Mackinac Marine Services site developers will be required to apply for a variance, or to request that the site be rezoned as “Industrial.” There may be some hurdles that arise from requesting a variance or rezoning the property as “Industrial.” For example, neighbors and other property owners along the entire St. Ignace waterfront may be concerned about future development “taking from the aesthetic value of the environment,” as mentioned in the Code [i.e., blocking their view of the water].

<sup>58</sup> St. Ignace Code, Chapter 38: Zoning

[https://www.cityofstignace.com/sites/g/files/vyhlf6821f/uploads/chapter\\_38\\_zoning\\_ordinance\\_updated\\_through\\_supp\\_10\\_0.pdf](https://www.cityofstignace.com/sites/g/files/vyhlf6821f/uploads/chapter_38_zoning_ordinance_updated_through_supp_10_0.pdf)



## Environmental Impact

Development sites within the St. Ignace Opportunity Zone should undergo rigorous environmental review processes, especially if developers wish to apply for certain state and federal incentives that require such reviews.

The Mackinac Marine Services site is especially “under the microscope” when it comes to environmental impact due to its direct proximity to Lake Huron and its very public location within the City of St. Ignace.

The Michigan Economic Development Corporation (MEDC) offers a comprehensive checklist to ensure compliance with all federal environmental regulations. The Department of Environment, Great Lakes, and Energy (EGLE) offers a checklist to ensure compliance with all state environmental regulations. Both checklists can be viewed under [Appendix F](#). Environmental impact concerns that would most likely affect the Mackinac Marine Services site include the following:

- Floodplain Management
- Coastal Zone Management
- Water Quality
- Air Quality
- Noise Control
- Contamination/Toxic Sites
- Fish and Wildlife
- Stormwater
- Soil Erosion

Each of the listed environmental concerns listed above are included in [Appendix F](#), complete with resources and information. Interested developer(s) should ensure compliance in all areas to qualify for state and federal incentives most efficiently.

## Capital, Financing, and Incentives Opportunities

Developers interested in projects within the St. Ignace Opportunity Zone qualify for a number of incentives to supplement their own private capital or traditional financing capabilities. The following list of benefit resources would apply both to the Mackinac Marine Services development site, as well as to other development sites within the St. Ignace Opportunity Zone.

## BENEFIT RESOURCES:

### Federal Benefit Resources

The first benefit resource is the Opportunity Zone itself. A qualified opportunity fund (QOF) would need to be created to allow investment in the St. Ignace Opportunity Zone; this



feasibility study includes documentation required to establish a QOF in Appendix A, as mentioned on page seven of this study.

Opportunity Zone:

<https://opportunitydb.com/zones/26097950500/>

A qualified opportunity fund (QOF) investment offers three potential tax benefits and two investment strategy benefits.

1. A deferral of the tax on the original capital gain until the earlier of the date the investor sells or exchanges their investment in a QOF or December 31<sup>st</sup>, 2026
2. A reduction of the tax on the original gain (10 percent if the QOF investment is held for five years by December 31<sup>st</sup>, 2026)
3. No taxable gains on the QOF investment if held for 10 or more years
4. An attractive incentive to diversify concentrated asset positions with unrealized capital gains
5. An effective estate planning strategy

The second benefit resource is the Hubzone program offered by the United States Small Business Administration. Hubzone membership for businesses allow for unique government contract opportunities. The government limits competition for certain contracts to businesses in historically underutilized business zones. It also gives preferential consideration to those businesses in full and open competition.

HubZone:

<https://www.sba.gov/federal-contracting/contracting-assistance-programs/hubzone-program#section-header-2>

Joining the HUBZone program makes your business eligible to compete for the program's set-aside contracts. HUBZone-certified businesses also get a 10% price evaluation preference in full and open contract competitions.

SBA 8(a) Program:

<https://www.sba.gov/federal-contracting/contracting-assistance-programs/8a-business-development-program>

Another benefit resource is the U.S. Small Business Administration 8(a) program. The 8(a) program can be a valuable tool for experienced socially and economically disadvantaged small business owners (small business defined as 500 employees or less), who have already been in business for at least two years or more and are interested in expanding



their footprint in the federal marketplace. The 8(a) program offers unique and valuable business assistance. The 8(a) certification does not guarantee contract awards, but it is a dynamic tool to pursue and capture new opportunities from the government. Certified firms in the 8(a) program can:

- Efficiently compete and receive set-aside and sole-source contracts
- Receive one-on-one business development assistance for their nine-year term from dedicated Business Opportunity Specialists focused on helping firms grow and accomplish their business objectives
- Pursue opportunity for mentorship from experienced and technically capable firms through the SBA Mentor-Protégé program
- Connect with procurement and compliance experts who understand regulations in the context of business growth, finance, and government contracting
- Pursue joint ventures with established businesses to increase capacity
- Qualify to receive federal surplus property on a priority basis
- Receive free training from SBA's 7(j) Management and Technical Assistance program

The 8(a) certification qualifies your business as eligible to compete for the program's sole-source and competitive set-aside contracts. The government authorizes sole-source contracts to 8(a) participants for up to \$7.5 million for acquisitions assigned manufacturing North American Industry Classification System (NAICS) codes<sup>59</sup> and \$4.5 million for all other acquisitions. Entity-owned 8(a) program participants are eligible for sole-source contracts above these thresholds, but the Department of Defense requires approval of a formal justification if the 8(a) sole-source contract exceeds \$100 million; all other federal agencies require approval for sole-source 8(a) contract actions that exceed \$25 million.

8(a) program participants are eligible to compete for contract awards under other socio-economic programs or small business set-asides for which they qualify.

## State of Michigan Benefit Resources

The following benefit resources are available through the State of Michigan's Economic Development Corporation:

### Why Michigan

<https://www.michiganbusiness.org/why-michigan/>

The MEDC's "Why Michigan website offers a "one-stop shop" for a variety of tools and resources, including comprehensive incentives listings; industry-specific resources;

---

<sup>59</sup> United States Census Bureau North American Industry Classification System:  
<https://www.census.gov/naics/>



services and resources to start or expand a business; a statewide site selection tool; and reports and data.

The MEDC's site selection tool offers a detailed community profile for the City of St. Ignace, found here:

<https://siteselection.michiganbusiness.org/community-profile.html?primarycolor=002576&secondarycolor=48bee2&icTool=community-profile&geold=2670840&geoEntId=9676f078-dbf8-4c2b-88c6-9b11b4fd9037>

---

Michigan Strategic Fund Business Development Program:

<https://www.michiganbusiness.org/4aac33/globalassets/documents/reports/factsheets/michiganbusinessdevelopmentprogram.pdf>

The Michigan Business Development Program (MBDP) is an incentive program available from the Michigan Strategic Fund (MSF) in cooperation with the Michigan Economic Development Corporation (MEDC). The program is designed to provide grants, loans and other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment and results in a net-positive return to Michigan.

---

MEDC Jobs Ready Michigan Program

<https://www.michiganbusiness.org/4a817d/globalassets/documents/reports/factsheets/jobs-ready-mi-program.pdf>

The Jobs Ready Michigan program (the "program") was created by the Michigan Strategic Fund ("MSF") to meet the talent needs of companies that are expanding or relocating to Michigan. The program is designed to be flexible and responsive to the specific talent needs of companies and to address the costs associated with recruiting and training individuals for occupations that are high-wage, high-skill, or high-demand. Program awards may be used for a variety of activities related to talent recruitment and job training including, but not limited to, employee recruitment expenses, development of customized training development plans, instructor and training materials costs, purchase of equipment related to training, construction of training facilities, and on-the job training costs. The Michigan Economic Development Corporation ("MEDC") provides administrative services for the MSF for the program.

MEDC State Essential Services Assessment Exemption and Alternative State Essential Services Incentive Programs

<https://www.michiganbusiness.org/4aaab7/globalassets/documents/reports/factsheets/sesa-factsheet.pdf>



The State Essential Services Assessment (the "Assessment") is required for manufacturers that do not pay personal property tax on eligible manufacturing personal property. The MSF, in certain circumstances, may choose to exempt or reduce the Assessment for projects that create jobs and/or private investment in Michigan through the State Essential Services Assessment (SESA) Exemption or the Alternative State Essential Services Assessment Incentive.

Eligibility requirements are as follows: State Essential Services Assessment (SESA) Exemption Projects located in eligible distressed areas (EDAs) that result in \$25 million or more of qualifying investments in eligible manufacturing personal property may be considered for a State Essential Services Assessment ("SESA") exemption. St. Ignace is qualified as an eligible distressed area.<sup>60</sup>

---

#### MEDC Speculative Building Program

[https://www.michiganbusiness.org/4a8178/globalassets/documents/reports/fact-sheets/speculative\\_building\\_development\\_program.pdf](https://www.michiganbusiness.org/4a8178/globalassets/documents/reports/fact-sheets/speculative_building_development_program.pdf)

The Michigan Economic Development Corporation (MEDC), in partnership with local communities, offers several incentive and financing programs to encourage the development of new speculative building projects in Michigan. The program is aimed at increasing the availability of high-quality, single-tenant and multi-tenant building space that will help Michigan and its local communities attract businesses considering new or expanded corporate office, research and development, technical centers, manufacturing or logistics operations.

The following incentives may be offered for speculative building development projects:

- **Public Act 198 Speculative Building Tax Abatement**  
A speculative building may qualify for an industrial facilities tax abatement. The local unit of government must approve a resolution declaring it is a speculative building prior to identifying occupants. Initial construction and finishing costs would be eligible for a reduction in property taxes of approximately 50 percent. In addition, the MEDC may offer a 50 percent or 100 percent abatement of the 6-mill State Education Tax for certain qualifying projects.
- **Brownfield Tax Increment Financing**  
Under the Brownfield Redevelopment Finance Act, PA 381 of 1996, as amended, a municipality may create a Brownfield Redevelopment Authority (BRA) to develop

---

<sup>60</sup> State of Michigan Eligible Distressed Areas, June 14, 2021: [MSHDA-EDA-List\\_727782\\_7.pdf](#) [[michigan.gov](http://michigan.gov)]



and implement brownfield projects. A BRA is a resource that may use tax increment financing (TIF) as a tool for property redevelopment.

- Capital Access Program  
MEDC's Capital Access Program may participate in financing for certain eligible projects. Financing may include loan participation or collateral enhancement in partnership with a qualified lending institution. For programs requiring approvals by the MEDC and the Michigan Strategic Fund, projects need to meet the following guidelines:
  - o The speculative building project will primarily be targeted to corporate office, research and development, technical centers, manufacturing or logistics uses.
  - o The project has substantial local participation or partnership.
  - o The site is served by existing public infrastructure.
  - o The project would not otherwise occur without state incentives or financial assistance.

#### Brownfield Tax Increment Financing

<https://www.miplace.org/programs/brownfield-tax-increment-financing/>

Through the Brownfield Redevelopment Financing Act, Brownfield tax increment financing allows applicable taxing jurisdictions to receive property taxes on the property at the current level and capture the incremental increase in tax revenue resulting from a redevelopment project. Under a MSF approved Work Plan or Combined Plan, projects can seek reimbursement from state and local property taxes for eligible non-environmental activities. Projects can also seek reimbursement from state and local property taxes for eligible environmental activities through submission of a Work Plan or Combined Plan to the Michigan Department of Environment, Great Lakes and Energy.

#### Tax Abatements:

Two tax abatements are available for qualifying projects in the State of Michigan.

- Public Act 328  
<https://www.michiganbusiness.org/4a8168/globalassets/documents/reports/fact-sheets/personalproptax328.pdf>

Locally negotiated abatements, including 100% new personal property exemptions available in specified communities for qualified commercial businesses.



- Public Act 198  
<https://www.michiganbusiness.org/4a8161/globalassets/documents/reports/fact-sheets/industrialproptaxabatepa198.pdf>

50% abatements for up to 12 years on real property for industrial processors and "high tech" companies and abatements up to 100% for rehabilitation projects.

The State of Michigan offers helpful property tax tools on the Michigan Taxes Website: <http://www.michigan.gov/taxes>, as well as the Michigan Department of Treasury's Tax Estimator tool, found here:

- Michigan Department of Treasury Tax Estimator  
[http://www.michigan.gov/taxes/0,1607,7-238-43535\\_43540---,00.html](http://www.michigan.gov/taxes/0,1607,7-238-43535_43540---,00.html)

Unemployment Insurance  
<http://www.michigan.gov/uia/>

To protect workers who lose their jobs through no fault of their own, Michigan businesses pay unemployment insurance on the first \$9,500 of wages paid to each worker in a calendar year. Established employers may pay as little as 0.06%.

The unemployment insurance rate is based on the experience rating of the business, which varies depending on how many employees draw unemployment insurance benefits. The new employer rate is 2.7% and once a business is established in Michigan, they experience rates varying between 0.06% and 10.3%.

## CONCLUSION

The St. Ignace Opportunity Zone offers tremendous investment potential for the right developer, interested in unique business opportunities "off the beaten path." St. Ignace boasts quality and diverse transportation infrastructure, overall affordability, an emerging workforce trained at the Great Lakes Boat Building School or one of the many other area educational institutions, as well as straightforward and easy-to-navigate local regulations and zoning ordinances.

The St. Ignace Opportunity Zone and supporting tools and incentives outlined in this document create an attractive investment area for developers and start-up businesses.

The remainder of this document includes Appendices A-G, outlining various details mentioned throughout the study.



## Appendix A

---

### Opportunity Fund Details

In order for investors to do business in the St. Ignace Opportunity Zone, a Qualified Opportunity Fund must be established. Opportunity Funds are investment vehicles that aim to invest at least 90 percent of their capital into Opportunity Zones. By investing in Opportunity Zones through a Qualified Opportunity Fund, investors may be able to defer paying capital gains tax on an appreciated asset sale until 2027. They may also be able to reduce their original capital gains tax liability by up to 15 percent, and possibly avoid paying any tax on gains from their Opportunity Fund investment.

Opportunity Funds may only invest in real estate assets if the original use of the property commences with the Opportunity Fund, or the asset is substantially improved. In practical terms, this generally limits investments to new construction or redevelopment projects. This strategy can be useful for long-term investors focused on maximizing appreciation potential, but it also requires significant experience and operational expertise on the part of the Opportunity Fund manager.

Opportunity Funds can be structured as pooled funds. By pooling funds from multiple investors, investors can acquire a diversified portfolio of real estate (and possibly other) assets, rather than a single building. This is key because diversification inherently reduces the risk of an investment portfolio.

Opportunity Funds not only offer investors the ability to defer and reduce their initial capital gains tax bill, they also offer a way to eliminate any capital gains taxes earned from their Opportunity Fund investments under certain conditions.

Additionally, with an Opportunity Fund investment, the work of acquiring and managing assets doesn't fall on the shoulders of the investor, but on the fund manager. Opportunity Funds offer a way for more passive investors to potentially benefit from significant tax incentives.<sup>61</sup>

---

<sup>61</sup> Stakeholder Exchange – Asset Based Community Development [http://stakeholder.exchange/wp-content/uploads/2019/03/StakeHolder\\_Opportunity\\_Fund\\_-\\_Investing\\_Guide\\_2.4.pdf](http://stakeholder.exchange/wp-content/uploads/2019/03/StakeHolder_Opportunity_Fund_-_Investing_Guide_2.4.pdf)



The following table lists notes regarding a number of common subjects regarding how investments may be made in an Opportunity Fund.

Table 5 - Opportunity Fund Investment Notes

	<b>Opportunity Fund Investment Notes</b>
<b>Rollover</b>	An investor must reinvest capital gains only within 180 days of sale to qualify for capital gains tax advantages. An investor is not required to roll over the entire gain, but only the rolled over portion is eligible for tax advantages. An investor may place Opportunity Fund investments directly, and no intermediary is required.
<b>Qualified Assets</b>	Capital gains from sale of real estate or another investment can qualify for an Opportunity Fund.
<b>Investment Structure</b>	This can support a pooled fund that invests in multiple assets.
<b>Capital Gains Tax Deferral</b>	Tax payment on capital gains of the initial investment may be deferred until April 2027.
<b>Capital Gains Tax Reduction</b>	Capital gains tax on the initial investment is reduced by 10% after 5 years and by another 5% after 7 years through step up in basis. In total, a 15% reduction is possible [as long as an investor invests by December 31, 2019].
<b>Capital Gains Tax on Final Sale</b>	If the investment is held for at least 10 years, the investor can expect to owe no capital gains tax on any appreciation of the initial opportunity fund investment upon sale of such investment.

Figures 12 and 13 below graphically simplify the Opportunity Fund process, demonstrating the flow of investment dollars into an Opportunity Fund.

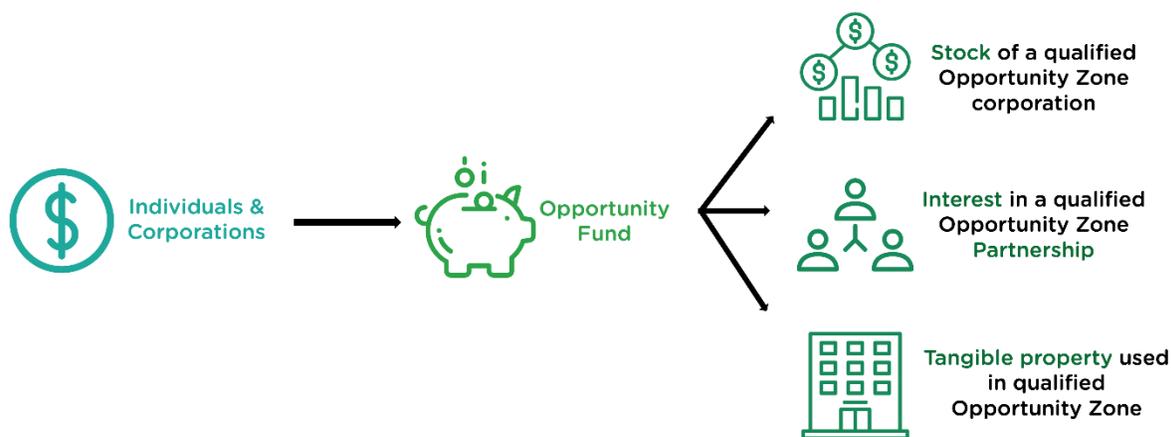


Figure 12 - Source: Wisconsin Housing and Economic Development Authority



Qualified Opportunity Funds can be invested in a variety of investment types, including:<sup>62</sup>



Figure 13 - Source: Wisconsin Housing and Economic Development Authority

Specific steps must be taken to establish a Qualified Opportunity Fund. The following example outline details the steps required.

### **Establishment of Qualified Opportunity Fund**

#### **1. Incorporate Qualified Opportunity Fund**

Qualified Opportunity Fund must be an investment vehicle organized as a partnership, LLC (with two or more members), S Corporation, or C Corporation for tax purposes.

Interested parties should form one of the above organizations to launch a Qualified Opportunity Fund – resources are available at Michigan Licensing and Regulator Affairs website. [https://www.michigan.gov/lara/0,4601,7-154-89334\\_61343\\_35413---,00.html](https://www.michigan.gov/lara/0,4601,7-154-89334_61343_35413---,00.html)

#### **2. Draft Articles of Organization**

Qualified Opportunity Fund organizing documents (Operating Agreement/ Partnership Agreement/Articles of Incorporation) must state that the purpose of the entity is to “invest in Qualified Opportunity Zone Property.”

Qualified Opportunity Fund organizing documents must include a “description of the Qualified Opportunity Zone Business that the Qualified Opportunity Fund expects to engage in either directly or through a first-tier operating entity.”<sup>63</sup>

<sup>62</sup> Wisconsin Housing and Economic Development Authority <https://www.wheda.com/opportunity-zones/>

<sup>63</sup> OZ INVESTED, 2021 <https://ozinvested.com/investment-structure-1>



### 3. Establish Operating Agreement

An operating agreement establishes the “rules” for the organization and its partners. A helpful example of such an operating agreement has been prepared by North Capital of Salt Lake City, Utah,<sup>64</sup> and is found here:

<https://www.northcapital.com/wp-content/uploads/2019/10/REITlessOperating-Agreement.pdf>

#### d. Enter into Development Agreement

The Qualified Opportunity Fund will establish a development agreement with the target Opportunity Zone Developer, which may outline Opportunity Zone site operations, designate an Opportunity Zone site operating budget, and establish an Opportunity Zone site investment plan.

#### e. IRS Certification

The Qualified Opportunity Fund must file 8996 forms annually with the Internal Revenue Service. Details are available here:

<https://www.irs.gov/forms-pubs/about-form-8996>

#### f. Local Launch Partner[s]

Various local and regional agencies that may partner to support the launch of the Qualified Opportunity Fund should be identified, and roles designated. Examples specific to the St. Ignace Opportunity Zone include the Sault Tribe of Chippewa Indians and the Mackinac Economic Alliance, with technical support from the Michigan Economic Development Corporation. The City of St. Ignace may also be engaged, as well as Mackinac County for the portion of the St. Ignace Opportunity Zone that falls outside city limits.

#### g. Investor Commitment

Investor commitment to the project should be established utilizing a Financial Industry Regulatory Authority (FINRA) licensee. The Financial Industry Regulatory Authority (FINRA) is an independent, nongovernmental organization that writes and enforces the rules governing registered brokers and broker-dealer firms in the United States.<sup>65</sup>

#### h. Private Placement Memorandum

If stocks or other securities are invested into the Qualified Opportunity Fund, a Private Placement Memorandum should be drafted. A private placement memorandum (PPM) is a legal document provided to prospective investors when selling stock or another security in a business. The PPM describes the company selling the securities, the terms of the offering, and the risks of the

<sup>64</sup> North Capital, 2021 <https://www.northcapital.com/about-nc/>

<sup>65</sup> Financial Industry Regulatory Authority <https://www.finra.org/about>



investment, amongst other things. A sample Private Placement Memorandum can be found here:

<https://www.sec.gov/Archives/edgar/data/1456857/000135028410000016/exhibit101ppmfinal.htm>

**i. Subscription Agreement**

To establish shares within the Qualified Opportunity Fund, a Subscription Agreement may be drafted. A subscription agreement is a formal agreement between a company and an investor to buy shares of a company at an agreed-upon price. It contains all the details of such an agreement, including Outstanding Shares, Shares Ownership, and Payouts. A sample subscription agreement can be found here:

[https://www.sec.gov/Archives/edgar/data/1673239/000155335016002127/mayflower\\_ex4.htm](https://www.sec.gov/Archives/edgar/data/1673239/000155335016002127/mayflower_ex4.htm)

## Local and Regional Systems Support for St. Ignace Opportunity Zone

Various systems improvements can be made to support the utilization and growth of the St. Ignace Opportunity Zone. The following information should be considered by local and regional units of government, economic development organizations, and other area organizational support agencies.

### Systems Level Connections

Opportunity Zones are not top-of-mind for area and regional developers, even after a number of years since their creation. Local and regional government agencies and economic development corporations should form communications connections to share best practices and cooperate to connect developers with information to support investment in the St. Ignace Opportunity Zone.

Studies such as this study, planning documents, development site information, and other related documents should be collected and housed at a central location and referred to by all supporting parties when development opportunities arise.

### Ecosystem for Partnership

Existing partnerships should be strengthened between the City of St. Ignace, Mackinac County and the Mackinac Economic Alliance to support the growth of the St. Ignace Opportunity Zone. Further engagement with the Sault Tribe of Chippewa Indians will assist in creating a healthy ecosystem for the Opportunity Zone to become successful.



Gaps in the existing ecosystem are many times caused by staffing changes within the organizations listed above, as well as a lack of education regarding the Opportunity Zone and how it can be utilized as a key tool to develop the St. Ignace area.

New partners may also be engaged to fill gaps; the following organizations may serve as great resources:

- EUP Regional Planning and Development Commission  
<http://www.eup-planning.org/>
- Invest UP  
<https://www.investupmi.com/>

### **Internal Capacity**

Local governmental capacity and their supporting agencies, such as the Mackinac Economic Alliance, struggle especially with capacity here in the eastern Upper Peninsula. The City of St. Ignace is minimally staffed, as is the Mackinac Economic Alliance. Many economic development corporations in the area are operating with just one or two staff people.

This capacity and staffing issue can cause slow response times, as well as general challenges in delivering critical information and decision-making for developments to proceed. Furthermore, technical capacity gaps may exist, especially related to legal and financial support services required to establish a Qualified Opportunity Fund. Area support agencies must be willing to invest in additional staffing or contract specialized companies to best assist developers as they explore investment in the St. Ignace Opportunity Zone. Ongoing staff training is also necessary to ensure technical capacity is available.

### **Local Authority, Resources, and Processes**

The City of St. Ignace, or other municipalities with Opportunity Zones under their jurisdiction may exert numerous controls that are either perceived as friendly or unfriendly to development.

Local zoning and permitting processes play a large part in how friendly a local government is perceived by developers. The City of St. Ignace must work to be prepared for appropriate Opportunity Zone projects; zoning rules should be reviewed and updated in order to streamline processes.

Processes to approve local incentives, including grants or tax abatements as discussed in the Capital, Financing, and Incentives Opportunities segment of this document, should be enacted and publicized.



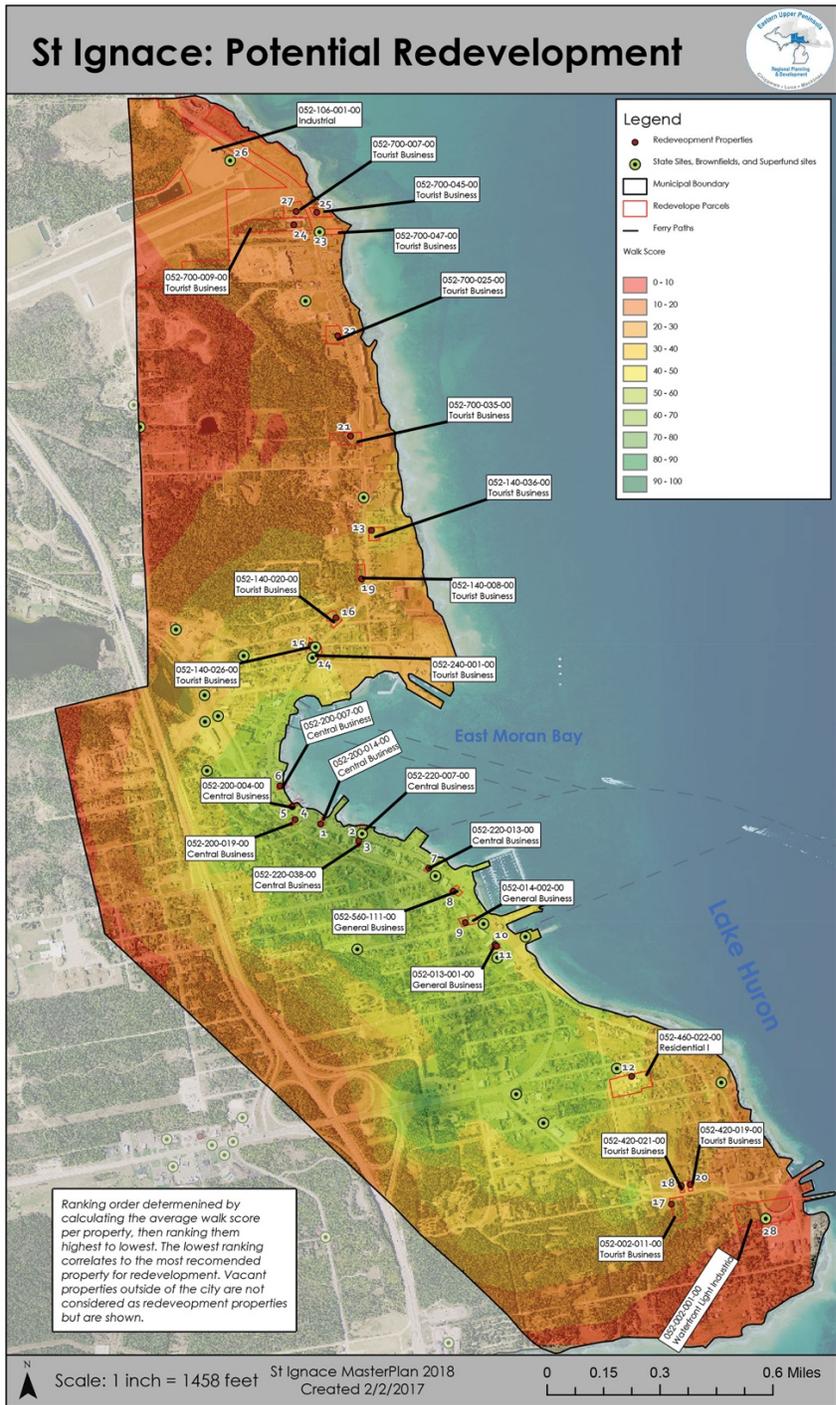
## Appendix B

<b>St. Ignace, Michigan Principal Employers 2020 Survey<sup>66</sup></b>			
<b>Company Name</b>	<b>Location</b>	<b>Description</b>	<b># of Employees</b>
Mackinac Straits Hospital	St. Ignace	Health-Hospital	341
Mackinac County Seat	St. Ignace	Government	89
Mackinac Bridge Authority	St. Ignace	Bridge Authority	85
Mackinac County Road Commission	St. Ignace	Road Maintenance	24
Belonga Plumbing and Heating Inc.	St. Ignace	HVAC Sales & Services	17
Gold Mine Jewelry	St. Ignace	Retail	8
Java Joe's Café	St. Ignace	Restaurant	7
Cedars of Mackinac Landscaping	St. Ignace	Landscaping	6
Disclaimer: May not include all major employers in the county, but only those that responded to the survey.			

<sup>66</sup> EUP Regional Planning & Development Commission 2020 Employers Survey [http://www.eup-planning.org/PDF/DOCUMENTS/EUP/2020\\_MACKINAC\\_COUNTY\\_EMPLOYERS\\_List.pdf](http://www.eup-planning.org/PDF/DOCUMENTS/EUP/2020_MACKINAC_COUNTY_EMPLOYERS_List.pdf)



# Appendix C



67

67 EUP Regional Planning and Development Commission, prepared for City of St. Ignace Master Plan 2019-2039

[https://www.cityofstignace.com/index.php?page=Planning\\_Commission#](https://www.cityofstignace.com/index.php?page=Planning_Commission#)



## Appendix D



### Eastern UP GIS

Parcel Report: 052-180-077-00

12/9/2021  
6:40:32 AM

<b>Property Address</b>	
225 STOCKBRIDGE ST	
ST IGNACE, MI, 49781	
<b>Owner Address</b>	
STAR LINE MI PASS SERV INC	
-	
587 N STATE ST	
ST IGNACE, MI 49781	
<b>Unit:</b>	052
<b>Unit Name:</b>	CITY OF ST IGNACE
<b>General Information for 2021 Tax Year</b>	
<b>Parcel Number:</b>	052-180-077-00



## Appendix D

Property Class:	201
Class Name:	Commercial 201
School Dist Code:	49010
School Dist Name:	District 49010

PRE 2020:	0%
PRE 2021:	0%

Assessed Value:	\$120,600
Taxable Value:	\$120,600
State Equalized Value:	\$120,600

### Prev Year Info

Prev Year Info	MBOR Assessed	Final SEV	Final Taxable
2020	\$120,700	\$120,700	\$120,700
2019	\$120,500	\$120,500	\$120,500

### Land Information

Acreage:	0
Zoning:	

### Legal Description



## Appendix D

ASSESSOR'S PLAT NO. 3 BEG AT THE SW COR OF LOT 1 BLOCK 4 OF ARNOLD'S REPLAT OF LOTS 31 & 33 OF ASSESSOR'S PLAT NO. 3 TH S 00 DEG 03'30" W 332.15 FT ALG THE E'LY LINE OF HAZELTON ST TH N 75 DEG 13'30"E 123.67 FT TH S 55 DEG 32'E 354.67 FT TH S 53 DEG 36'36"E 564.37 FT TH N 46 DEG 12'E 72.00 FT TH N 50 DEG 28'15"W 569.65 FT TH N 33 DEG 27'15"E 87.5 FT TH S 57 DEG 29' 50"E 586.67 FT TH N 31 DEG 47'15"E 138.00 FT TH N 60 DEG 38'W 941.93 FT TH N 00 DEG 13'15"E 80.2 FT TH N 87 DEG 31'15"W 269.94 FT TO THE POB EXC BEG AT SW COR OF LOT 1, BLOCK 4, ARNOLD'S REPLAT TH S 04 DEG 08'47"E 331.91 FT M/L ALG E LINE OF HAZELTON ST TO SHORE OF LAKE HURON TH N 70 DEG 41'50"E 123.73 FT ALONG SHORE TH S 59 DEG 04'34"E 300.40 FT ALG SHORE TH N 04 DEG 08'47"W 271.82 FT TH N 55 DEG 03'22"W 142.55 FT TH N 04 DEG 08'47"W 102.06 FT TH S 87 DEG 47'50"W 255 FT M/L TO POB. PART OF LOT 32. AND BOTTOMLANDS DESC AS COMM AT SW COR LOT 1 BLOCK 4 SAID ARNOLD'S REPLAT TH S 04 DEG 08'47"E 332.15 FT ALG E R/W HAZELTON ST TH N 70 DEG 41'50"E 123.73 FT TH S 59 DEG 04'34"E 354.71 FT TH S 58 DEG 09'10"E 564.44 FT TH N 41 DEG 40'00"E 72.01 FT TO POB TH N 55 DEG 00'22"W 569.59 FT TH N 28 DEG 55'17"E 87.50 FT TH S 62 DEG 02'36"E 586.90 FT TH S 36 DEG 18'12"W 158.95 FT TO POB

### Sales Information

Sale Date: 06-26-2017

Sale Price: 0

Instrument: OTH

Grantor: MI DEQ

Grantee: STAR LINE MI PASS SERV INC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 837/418

Sale Date: 11-10-2016

Sale Price: 0

Instrument: OTH

Grantor: MACKINAC ISLAND FERRY CAPITAL LLC

Grantee: STAR LINE MI PASS SERV INC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 823/515

Sale Date: 11-10-2016

Sale Price: 0

Instrument: WD

Grantor: MACKINAC ISLAND FERRY CAPITAL LLC

Grantee: STAR LINE MI PASS SERV INC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 823/437

Sale Date: 10-27-2016

Sale Price: 0

Instrument: OTH

Grantor: UNION TERMINAL PIERS INC

Grantee: MACKINAC ISLAND FERRY CAPITAL LLC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 823/230

Sale Date: 09-13-2016



## Appendix D

---

**Sale Price:** 0  
**Instrument:** OTH  
**Grantor:** DEQ  
**Grantee:** MACKINAC ISLAND FERRY CAPITAL LLC  
**Terms of Sale:** 33-TO BE DETERMINED  
**Liber/Page:** 820/622

**Sale Date:** 05-20-2015

**Sale Price:** 0  
**Instrument:** OTH  
**Grantor:** UTPI, STRAITS TRANSIT, MCGREGOR OIL  
**Grantee:** MACKINAC ISLAND FERRY CAPITAL LLC  
**Terms of Sale:** 33-TO BE DETERMINED  
**Liber/Page:** 795/586

**Sale Date:** 05-01-2015

**Sale Price:** 0  
**Instrument:** OTH  
**Grantor:** UNION TERMINAL PIERS INC  
**Grantee:** MACKINAC ISLAND FERRY CAPITAL LLC  
**Terms of Sale:** 33-TO BE DETERMINED  
**Liber/Page:** 795/630

**Sale Date:** 07-27-2010

**Sale Price:** 0  
**Instrument:** OTH  
**Grantor:** UNION TERMINAL PIERS INC  
**Grantee:**  
**Terms of Sale:** 33-TO BE DETERMINED  
**Liber/Page:**

### Tax History \*Total Due as of settlement date

---

#### Tax Details 2019 Winter

---



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	March 2, 2020
Base Tax:	\$1,729.17
Admin Fees:	\$17.29
Interest Fees:	\$0.00
Total Tax & Fees:	\$1,746.46
Assessed Value:	\$120,500
Taxable Value:	\$120,500
State Equalized Value:	\$120,500
Exemption Percent:	0%
Base Paid:	\$1,729.17
Admin Fees Paid:	\$17.29
Interest Fees Paid:	\$0
Total Paid:	\$1,746.46

### Tax Items 2019 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
EUPISD ALLOC	0.2	24.10	\$24.10
EUPISD VTD	1	120.50	\$120.50
EUPISD VTD VOCAT	1	120.50	\$120.50
SCHOOL OPER	9	1,084.50	\$1,084.50
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.1	132.55	\$132.55
HEALTH SVCS	1.2	144.60	\$144.60
SEN SVCS	0.25	30.12	\$30.12
VET SVCS	0.1	12.05	\$12.05
SAFA	0.5	60.25	\$60.25

### Tax Details 2019 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	August 30, 2019
Base Tax:	\$4,845.08
Admin Fees:	\$48.45
Interest Fees:	\$0.00
Total Tax & Fees:	\$4,893.53
Assessed Value:	\$120,500
Taxable Value:	\$120,500
State Equalized Value:	\$120,500
Exemption Percent:	0%
Base Paid:	\$4,845.08
Admin Fees Paid:	\$48.45
Interest Fees Paid:	\$0
Total Paid:	\$4,893.53

### Tax Items 2019 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	723.00	\$723.00
COUNTY ALLOCATED	4.5	542.25	\$542.25
SCHOOL OPER	9	1,084.50	\$1,084.50
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.1	132.55	\$132.55
CITY TAX	16.1082	1,941.03	\$1,941.03
CITY REC	1	120.50	\$120.50
CITY VOTED ROADS	1.5	180.75	\$180.75
LIBRARY VOTED	1	120.50	\$120.50

### Tax Details 2018 Winter



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	February 28, 2019
Base Tax:	\$1,786.76
Admin Fees:	\$17.14
Interest Fees:	\$0.00
Total Tax & Fees:	\$1,803.90
Assessed Value:	\$120,020
Taxable Value:	\$120,020
State Equalized Value:	\$120,020
Exemption Percent:	0%
Base Paid:	\$1,779.25
Admin Fees Paid:	\$17.14
Interest Fees Paid:	\$0
Total Paid:	\$1,796.39

### Tax Items 2018 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
EUPISD ALLOC	0.2	24.00	\$23.90
EUPISD VTD	1	120.02	\$119.52
EUPISD VTD VOCAT	1	120.02	\$119.52
SCH VTD SINKING	0.4874	58.49	\$58.24
SCHOOL OPER	9	1,080.18	\$1,075.64
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	138.02	\$137.44
HEALTH SERVICES	1.2	144.02	\$143.41
SEN SVCS	0.25	30.00	\$29.87
VET SVCS	0.1	12.00	\$11.95
SAFA	0.5	60.01	\$59.76

### Tax Details 2018 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	August 31, 2018
Base Tax:	\$4,890.26
Admin Fees:	\$48.90
Interest Fees:	\$1.24
Total Tax & Fees:	\$4,940.40
Assessed Value:	\$120,020
Taxable Value:	\$120,020
State Equalized Value:	\$120,020
Exemption Percent:	0%
Base Paid:	\$4,869.89
Admin Fees Paid:	\$48.69
Interest Fees Paid:	\$0
Total Paid:	\$4,918.58

### Tax Items 2018 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	720.12	\$717.12
COUNTY ALLOCATED	4.5	540.09	\$537.84
SCHOOL OPER	9	1,080.18	\$1,075.68
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	138.02	\$137.44
SCH VTD SINKING	0.4873	58.48	\$58.24
CITY TAX	16.1082	1,933.30	\$1,925.25
CITY REC	1	120.02	\$119.52
CITY VOTED ROADS	1.5	180.03	\$179.28
LIBRARY VOTED	1	120.02	\$119.52

### Tax Details 2017 Winter



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	February 26, 2018
Base Tax:	\$1,684.88
Admin Fees:	\$15.66
Interest Fees:	\$0.00
Total Tax & Fees:	\$1,700.54
Assessed Value:	\$117,930
Taxable Value:	\$117,930
State Equalized Value:	\$117,930
Exemption Percent:	0%
Base Paid:	\$1,684.88
Admin Fees Paid:	\$15.66
Interest Fees Paid:	\$0
Total Paid:	\$1,700.54

### Tax Items 2017 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
EUPISD ALLOC	0.2	23.58	\$23.58
EUPISD VTD	1	117.93	\$117.93
EUPISD VTD VOCAT	1	117.93	\$117.93
SCH VTD SINKING	0.4874	57.47	\$57.47
SCHOOL OPER	9	1,061.37	\$1,061.37
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	135.61	\$135.61
HEALTH SERVICES	1.2	141.51	\$141.51
SEN SVCS	0.25	29.48	\$29.48

### Tax Details 2017 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	September 6, 2017
Base Tax:	\$4,805.09
Admin Fees:	\$48.05
Interest Fees:	\$48.53
Total Tax & Fees:	\$4,901.67
Assessed Value:	\$117,930
Taxable Value:	\$117,930
State Equalized Value:	\$117,930
Exemption Percent:	0%
Base Paid:	\$4,805.09
Admin Fees Paid:	\$48.05
Interest Fees Paid:	\$49
Total Paid:	\$4,901.67

### Tax Items 2017 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	707.58	\$707.58
COUNTY ALLOCATED	4.5	530.68	\$530.68
SCHOOL OPER	9	1,061.37	\$1,061.37
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	135.61	\$135.61
SCH VTD SINKING	0.4873	57.46	\$57.46
CITY TAX	16.1082	1,899.64	\$1,899.64
CITY REC	1	117.93	\$117.93
CITY VOTED ROADS	1.5	176.89	\$176.89
LIBRARY VOTED	1	117.93	\$117.93



## Appendix D

---

---

**Application Use:**

This map is neither a legally recorded map nor a survey and is not intended to be used as such. The information on EUPRPDC's websites, are distributed and transmitted 'as is' without warranties of any kind, either expressed or implied, including without limitations, warranties of title or implied warranties of merchantability or fitness for a particular purpose. EUPRPDC does not guarantee the accuracy, timeliness, or completeness of the information on this website.

**GIS/Mapping:**

The Geographic Information System (GIS) made available through this website is developed and maintained by EUPRPDC. Use of materials and information constitutes acceptance of all disclaimers associated with these websites. GIS data is not the official record of EUPRPDC. This data is made available for information purposes only!



Appendix D



## Eastern UP GIS

Parcel Report: 052-180-082-00

12/9/2021  
6:41:32 AM



<b>Property Address</b>	
220 STOCKBRIDGE ST	
-	
<b>Owner Address</b>	
STAR LINE MI PASS SERV INC	
-	
587 N STATE ST	
ST IGNACE, MI 49781	
<b>Unit:</b>	052
<b>Unit Name:</b>	CITY OF ST IGNACE
<b>General Information for 2021 Tax Year</b>	
<b>Parcel Number:</b>	052-180-082-00



## Appendix D

Property Class:	201
Class Name:	Commercial 201
School Dist Code:	49010
School Dist Name:	District 49010
PRE 2020:	0%
PRE 2021:	0%

Assessed Value:	\$118,000
Taxable Value:	\$118,000
State Equalized Value:	\$118,000

### Prev Year Info

Prev Year Info	MBOR Assessed	Final SEV	Final Taxable
2020	\$117,500	\$117,500	\$117,500
2019	\$117,400	\$117,400	\$117,400

### Land Information

Acreage:	0
Zoning:	

### Legal Description

ASSESSOR'S PLAT NO. 3 COMM AT THE INT OF THE EAST LINE OF HAZELTON ST WITH S LINE OF STOCKBRIDGE ST TH S 87 DEG 31'E 255 FT TO THE POB TH CONT S 87 DEG 31'E 85.1 FT TH N 00 DEG 15'E 43.89 FT TH S 58 DEG 49'E 957.1 FT TO LAKE HURON TH S 21 DEG 56'W 207.44 FT ALG THE SHORE TH N 59 DEG 32'W 718 FT TH N 59 DEG 45'W 224.4 FT TH N 00 DEG 15'E 80.21 FT TH N 87 DEG 31'W 14.94 FT TH N 00 DEG 15'E 90 FT TO THE POB. PART OF LOT 33.



## Appendix D

---

### Sales Information

---

Sale Date: 11-10-2016

Sale Price: 0

Instrument: WD

Grantor: MACKINAC ISLAND FERRY CAPITAL LLC

Grantee: STAR LINE MI PASS SERV INC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 823/437

Sale Date: 05-01-2015

Sale Price: 0

Instrument: OTH

Grantor: UNION TERMINAL PIERS INC

Grantee: MACKINAC ISLAND FERRY CAPITAL LLC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 795/650

Sale Date: 07-27-2010

Sale Price: 0

Instrument: OTH

Grantor: UNION TERMINAL PIERS INC

Grantee:

Terms of Sale: 33-TO BE DETERMINED

Liber/Page:

### Tax History \*Total Due as of settlement date

---

#### Tax Details 2019 Winter

---



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	March 2, 2020
Base Tax:	\$1,684.69
Admin Fees:	\$16.84
Interest Fees:	\$0.00
Total Tax & Fees:	\$1,701.53
Assessed Value:	\$117,400
Taxable Value:	\$117,400
State Equalized Value:	\$117,400
Exemption Percent:	0%
Base Paid:	\$1,684.69
Admin Fees Paid:	\$16.84
Interest Fees Paid:	\$0
Total Paid:	\$1,701.53

### Tax Items 2019 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
SAFA	0.5	58.70	\$58.70
VET SVCS	0.1	11.74	\$11.74
SEN SVCS	0.25	29.35	\$29.35
HEALTH SVCS	1.2	140.88	\$140.88
SCH DEBT ELEM	1.1	129.14	\$129.14
SCHOOL OPER FC	9	0.00	\$0.00
SCHOOL OPER	9	1,056.60	\$1,056.60
EUPISD VTD VOCAT	1	117.40	\$117.40
EUPISD VTD	1	117.40	\$117.40
EUPISD ALLOC	0.2	23.48	\$23.48

### Tax Details 2019 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	August 30, 2019
Base Tax:	\$4,720.44
Admin Fees:	\$47.20
Interest Fees:	\$0.00
Total Tax & Fees:	\$4,767.64
Assessed Value:	\$117,400
Taxable Value:	\$117,400
State Equalized Value:	\$117,400
Exemption Percent:	0%
Base Paid:	\$4,720.44
Admin Fees Paid:	\$47.20
Interest Fees Paid:	\$0
Total Paid:	\$4,767.64

### Tax Items 2019 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	704.40	\$704.40
COUNTY ALLOCATED	4.5	528.30	\$528.30
SCHOOL OPER	9	1,056.60	\$1,056.60
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.1	129.14	\$129.14
CITY TAX	16.1082	1,891.10	\$1,891.10
CITY REC	1	117.40	\$117.40
CITY VOTED ROADS	1.5	176.10	\$176.10
LIBRARY VOTED	1	117.40	\$117.40

### Tax Details 2018 Winter



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	February 28, 2019
Base Tax:	\$1,777.22
Admin Fees:	\$17.05
Interest Fees:	\$0.00
Total Tax & Fees:	\$1,794.27
Assessed Value:	\$119,380
Taxable Value:	\$119,380
State Equalized Value:	\$119,380
Exemption Percent:	0%
Base Paid:	\$1,773.32
Admin Fees Paid:	\$17.05
Interest Fees Paid:	\$0
Total Paid:	\$1,790.37

### Tax Items 2018 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
SAFA	0.5	59.69	\$59.56
VET SVCS	0.1	11.93	\$11.90
SEN SVCS	0.25	29.84	\$29.77
HEALTH SERVICES	1.2	143.25	\$142.94
SCH DEBT ELEM	1.15	137.28	\$136.98
SCHOOL OPER FC	9	0.00	\$0.00
SCHOOL OPER	9	1,074.42	\$1,072.06
SCH VTD SINKING	0.4874	58.18	\$58.05
EUPISD VTD VOCAT	1	119.38	\$119.12
EUPISD VTD	1	119.38	\$119.12
EUPISD ALLOC	0.2	23.87	\$23.82

### Tax Details 2018 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	August 31, 2018
Base Tax:	\$4,864.18
Admin Fees:	\$48.64
Interest Fees:	\$0.65
Total Tax & Fees:	\$4,913.47
Assessed Value:	\$119,380
Taxable Value:	\$119,380
State Equalized Value:	\$119,380
Exemption Percent:	0%
Base Paid:	\$4,853.58
Admin Fees Paid:	\$48.53
Interest Fees Paid:	\$0
Total Paid:	\$4,902.11

### Tax Items 2018 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	716.28	\$714.72
COUNTY ALLOCATED	4.5	537.21	\$536.04
SCHOOL OPER	9	1,074.42	\$1,072.08
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	137.28	\$136.98
SCH VTD SINKING	0.4873	58.17	\$58.04
CITY TAX	16.1082	1,922.99	\$1,918.80
CITY REC	1	119.38	\$119.12
CITY VOTED ROADS	1.5	179.07	\$178.68
LIBRARY VOTED	1	119.38	\$119.12

### Tax Details 2017 Winter



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	February 26, 2018
Base Tax:	\$820.80
Admin Fees:	\$7.63
Interest Fees:	\$0.00
Total Tax & Fees:	\$828.43
Assessed Value:	\$57,450
Taxable Value:	\$57,450
State Equalized Value:	\$57,450
Exemption Percent:	0%
Base Paid:	\$820.80
Admin Fees Paid:	\$7.63
Interest Fees Paid:	\$0
Total Paid:	\$828.43

### Tax Items 2017 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
SEN SVCS	0.25	14.36	\$14.36
HEALTH SERVICES	1.2	68.94	\$68.94
SCH DEBT ELEM	1.15	66.06	\$66.06
SCHOOL OPER FC	9	0.00	\$0.00
SCHOOL OPER	9	517.05	\$517.05
SCH VTD SINKING	0.4874	28.00	\$28.00
EUPISD VTD VOCAT	1	57.45	\$57.45
EUPISD VTD	1	57.45	\$57.45
EUPISD ALLOC	0.2	11.49	\$11.49

### Tax Details 2017 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	September 6, 2017
Base Tax:	\$2,340.80
Admin Fees:	\$23.40
Interest Fees:	\$23.64
Total Tax & Fees:	\$2,387.84
Assessed Value:	\$57,450
Taxable Value:	\$57,450
State Equalized Value:	\$57,450
Exemption Percent:	0%
Base Paid:	\$2,340.80
Admin Fees Paid:	\$23.40
Interest Fees Paid:	\$24
Total Paid:	\$2,387.84

### Tax Items 2017 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
CITY REC	1	57.45	\$57.45
CITY VOTED ROADS	1.5	86.17	\$86.17
LIBRARY VOTED	1	57.45	\$57.45
CITY TAX	16.1082	925.41	\$925.41
SCH VTD SINKING	0.4873	27.99	\$27.99
SCH DEBT ELEM	1.15	66.06	\$66.06
SCHOOL OPER FC	9	0.00	\$0.00
SCHOOL OPER	9	517.05	\$517.05
COUNTY ALLOCATED	4.5	258.52	\$258.52
STATE ED	6	344.70	\$344.70



## Appendix D

---

---

### Application Use:

This map is neither a legally recorded map nor a survey and is not intended to be used as such. The information on EUPRPDC's websites, are distributed and transmitted 'as is' without warranties of any kind, either expressed or implied, including without limitations, warranties of title or implied warranties of merchantability or fitness for a particular purpose. EUPRPDC does not guarantee the accuracy, timeliness, or completeness of the information on this website.

### GIS/Mapping:

The Geographic Information System (GIS) made available through this website is developed and maintained by EUPRPDC. Use of materials and information constitutes acceptance of all disclaimers associated with these websites. GIS data is not the official record of EUPRPDC. This data is made available for information purposes only!



## Appendix D



### Eastern UP GIS

Parcel Report: 052-180-081-00

12/9/2021  
6:42:37 AM



<b>Property Address</b>	
STOCKBRIDGE ST MILL SL	
-	
<b>Owner Address</b>	
STAR LINE MI PASS SERV INC	
-	
587 N STATE ST	
ST IGNACE, MI 49781	
<b>Unit:</b>	052
<b>Unit Name:</b>	CITY OF ST IGNACE
<b>General Information for 2021 Tax Year</b>	
<b>Parcel Number:</b>	052-180-081-00



## Appendix D

Property Class:	202
Class Name:	Commercial 202
School Dist Code:	49010
School Dist Name:	District 49010
PRE 2020:	0%
PRE 2021:	0%

Assessed Value:	\$267,500
Taxable Value:	\$267,500
State Equalized Value:	\$267,500

### Prev Year Info

Prev Year Info	MBOR Assessed	Final SEV	Final Taxable
2020	\$267,500	\$267,500	\$267,500
2019	\$267,500	\$267,500	\$267,500

### Land Information

Acreage:	0
Zoning:	

### Legal Description

ASSESSOR'S PLAT NO. 3 COMM AT SE COR OF LOT 1 BLK 1 MACKINAC LAND CO PLAT TH S 87 DEG 34'E 106 FT TH S 58 DEG 49'E 34 FT TO POB BEING A PT ON N LINE OF PC 19 TH N 86 DEG 45'E 221 FT TH N 3 DEG 30'E 315 FT TH N 90 DEG E 400 FT TO A PT ON ELY SIDE OF FILLED LAND TH S 15 DEG 29'23"E 853.73 FT ALG THE ELY LINE OF FILLED SUBAQUEOUS LAND TH N 90 DEG W 50 FT TH N 58 DEG 49'W 991.9 FT TO THE POB BEING A PORTION OF LOT 2 SEC 7 T40N R3W ALSO BEING A PORTION OF LOT 33 ASSESSOR'S PLAT NO.3



## Appendix D

---

### Sales Information

---

Sale Date: 11-10-2016

Sale Price: 0

Instrument: WD

Grantor: MACKINAC ISLAND FERRY CAPITAL LLC

Grantee: STAR LINE MI PASS SERV INC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 823/437

Sale Date: 05-01-2015

Sale Price: 0

Instrument: OTH

Grantor: UNION TERMINAL PIERS INC

Grantee: MACKINAC ISLAND FERRY CAPITAL LLC

Terms of Sale: 33-TO BE DETERMINED

Liber/Page: 795/633

Sale Date: 07-27-2010

Sale Price: 0

Instrument: OTH

Grantor: UNION TERMINAL PIERS INC

Grantee:

Terms of Sale: 33-TO BE DETERMINED

Liber/Page:

### Tax History \*Total Due as of settlement date

---

#### Tax Details 2019 Winter

---



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	202
Class Name:	Commercial 202
Last Payment Date:	March 2, 2020
Base Tax:	\$3,838.62
Admin Fees:	\$38.38
Interest Fees:	\$0.00
Total Tax & Fees:	\$3,877.00
Assessed Value:	\$267,500
Taxable Value:	\$267,500
State Equalized Value:	\$267,500
Exemption Percent:	0%
Base Paid:	\$3,838.62
Admin Fees Paid:	\$38.38
Interest Fees Paid:	\$0
Total Paid:	\$3,877.00

### Tax Items 2019 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
EUPISD ALLOC	0.2	53.50	\$53.50
EUPISD VTD	1	267.50	\$267.50
EUPISD VTD VOCAT	1	267.50	\$267.50
SCHOOL OPER	9	2,407.50	\$2,407.50
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.1	294.25	\$294.25
HEALTH SVCS	1.2	321.00	\$321.00
SEN SVCS	0.25	66.87	\$66.87
VET SVCS	0.1	26.75	\$26.75
SAFA	0.5	133.75	\$133.75

### Tax Details 2019 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	202
Class Name:	Commercial 202
Last Payment Date:	August 30, 2019
Base Tax:	\$10,755.69
Admin Fees:	\$107.55
Interest Fees:	\$0.00
Total Tax & Fees:	\$10,863.24
Assessed Value:	\$267,500
Taxable Value:	\$267,500
State Equalized Value:	\$267,500
Exemption Percent:	0%
Base Paid:	\$10,755.69
Admin Fees Paid:	\$107.55
Interest Fees Paid:	\$0
Total Paid:	\$10,863.24

### Tax Items 2019 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	1,605.00	\$1,605.00
COUNTY ALLOCATED	4.5	1,203.75	\$1,203.75
SCHOOL OPER	9	2,407.50	\$2,407.50
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.1	294.25	\$294.25
CITY TAX	16.1082	4,308.94	\$4,308.94
CITY REC	1	267.50	\$267.50
CITY VOTED ROADS	1.5	401.25	\$401.25
LIBRARY VOTED	1	267.50	\$267.50

### Tax Details 2018 Winter



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	202
Class Name:	Commercial 202
Last Payment Date:	February 28, 2019
Base Tax:	\$3,981.76
Admin Fees:	\$38.21
Interest Fees:	\$0.00
Total Tax & Fees:	\$4,019.97
Assessed Value:	\$267,460
Taxable Value:	\$267,460
State Equalized Value:	\$267,460
Exemption Percent:	0%
Base Paid:	\$3,981.76
Admin Fees Paid:	\$38.21
Interest Fees Paid:	\$0
Total Paid:	\$4,019.97

### Tax Items 2018 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
EUPISD ALLOC	0.2	53.49	\$53.49
EUPISD VTD	1	267.46	\$267.46
EUPISD VTD VOCAT	1	267.46	\$267.46
SCH VTD SINKING	0.4874	130.36	\$130.36
SCHOOL OPER	9	2,407.14	\$2,407.14
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	307.57	\$307.57
HEALTH SERVICES	1.2	320.95	\$320.95
SEN SVCS	0.25	66.86	\$66.86
VET SVCS	0.1	26.74	\$26.74
SAFA	0.5	133.73	\$133.73

### Tax Details 2018 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	202
Class Name:	Commercial 202
Last Payment Date:	August 31, 2018
Base Tax:	\$10,897.77
Admin Fees:	\$108.97
Interest Fees:	\$0.00
Total Tax & Fees:	\$11,006.74
Assessed Value:	\$267,460
Taxable Value:	\$267,460
State Equalized Value:	\$267,460
Exemption Percent:	0%
Base Paid:	\$10,897.77
Admin Fees Paid:	\$108.97
Interest Fees Paid:	\$0
Total Paid:	\$11,006.74

### Tax Items 2018 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	1,604.76	\$1,604.76
COUNTY ALLOCATED	4.5	1,203.57	\$1,203.57
SCHOOL OPER	9	2,407.14	\$2,407.14
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	307.57	\$307.57
SCH VTD SINKING	0.4873	130.33	\$130.33
CITY TAX	16.1082	4,308.29	\$4,308.29
CITY REC	1	267.46	\$267.46
CITY VOTED ROADS	1.5	401.19	\$401.19
LIBRARY VOTED	1	267.46	\$267.46

### Tax Details 2017 Winter



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	February 26, 2018
Base Tax:	\$1,917.36
Admin Fees:	\$17.83
Interest Fees:	\$0.00
Total Tax & Fees:	\$1,935.19
Assessed Value:	\$134,200
Taxable Value:	\$134,200
State Equalized Value:	\$134,200
Exemption Percent:	0%
Base Paid:	\$1,917.36
Admin Fees Paid:	\$17.83
Interest Fees Paid:	\$0
Total Paid:	\$1,935.19

### Tax Items 2017 Winter

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
EUPISD ALLOC	0.2	26.84	\$26.84
EUPISD VTD	1	134.20	\$134.20
EUPISD VTD VOCAT	1	134.20	\$134.20
SCH VTD SINKING	0.4874	65.40	\$65.40
SCHOOL OPER	9	1,207.80	\$1,207.80
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	154.33	\$154.33
HEALTH SERVICES	1.2	161.04	\$161.04
SEN SVCS	0.25	33.55	\$33.55

### Tax Details 2017 Summer



## Appendix D

School Dist. Code:	49010
School Dist. Name:	District 49010
Property Class:	201
Class Name:	Commercial 201
Last Payment Date:	September 6, 2017
Base Tax:	\$5,468.04
Admin Fees:	\$54.68
Interest Fees:	\$55.23
Total Tax & Fees:	\$5,577.95
Assessed Value:	\$134,200
Taxable Value:	\$134,200
State Equalized Value:	\$134,200
Exemption Percent:	0%
Base Paid:	\$5,468.04
Admin Fees Paid:	\$54.68
Interest Fees Paid:	\$55
Total Paid:	\$5,577.95

### Tax Items 2017 Summer

Tax Source	Millage Rate	Tax Amt.	Base Amt. Paid
STATE ED	6	805.20	\$805.20
COUNTY ALLOCATED	4.5	603.90	\$603.90
SCHOOL OPER	9	1,207.80	\$1,207.80
SCHOOL OPER FC	9	0.00	\$0.00
SCH DEBT ELEM	1.15	154.33	\$154.33
SCH VTD SINKING	0.4873	65.39	\$65.39
CITY TAX	16.1082	2,161.72	\$2,161.72
CITY REC	1	134.20	\$134.20
CITY VOTED ROADS	1.5	201.30	\$201.30
LIBRARY VOTED	1	134.20	\$134.20



## Appendix D

---

---

### Application Use:

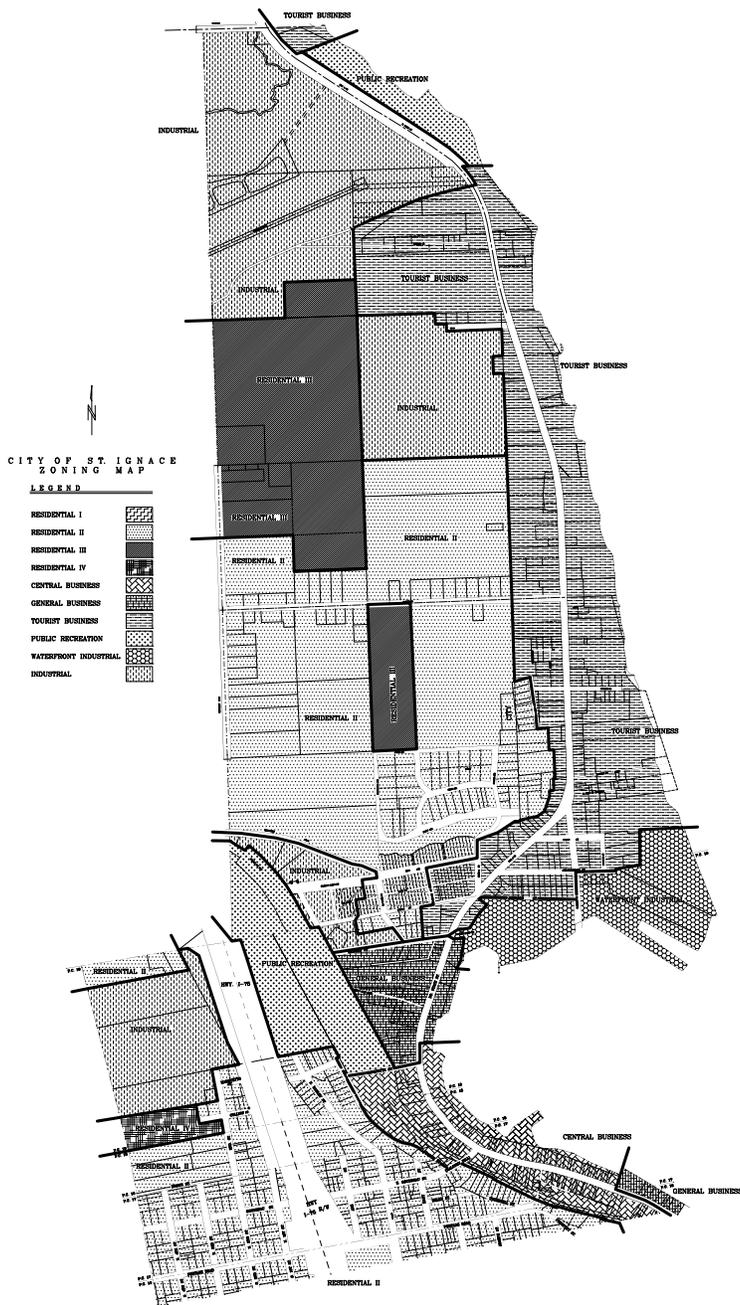
This map is neither a legally recorded map nor a survey and is not intended to be used as such. The information on EUPRPDC's websites, are distributed and transmitted 'as is' without warranties of any kind, either expressed or implied, including without limitations, warranties of title or implied warranties of merchantability or fitness for a particular purpose. EUPRPDC does not guarantee the accuracy, timeliness, or completeness of the information on this website.

### GIS/Mapping:

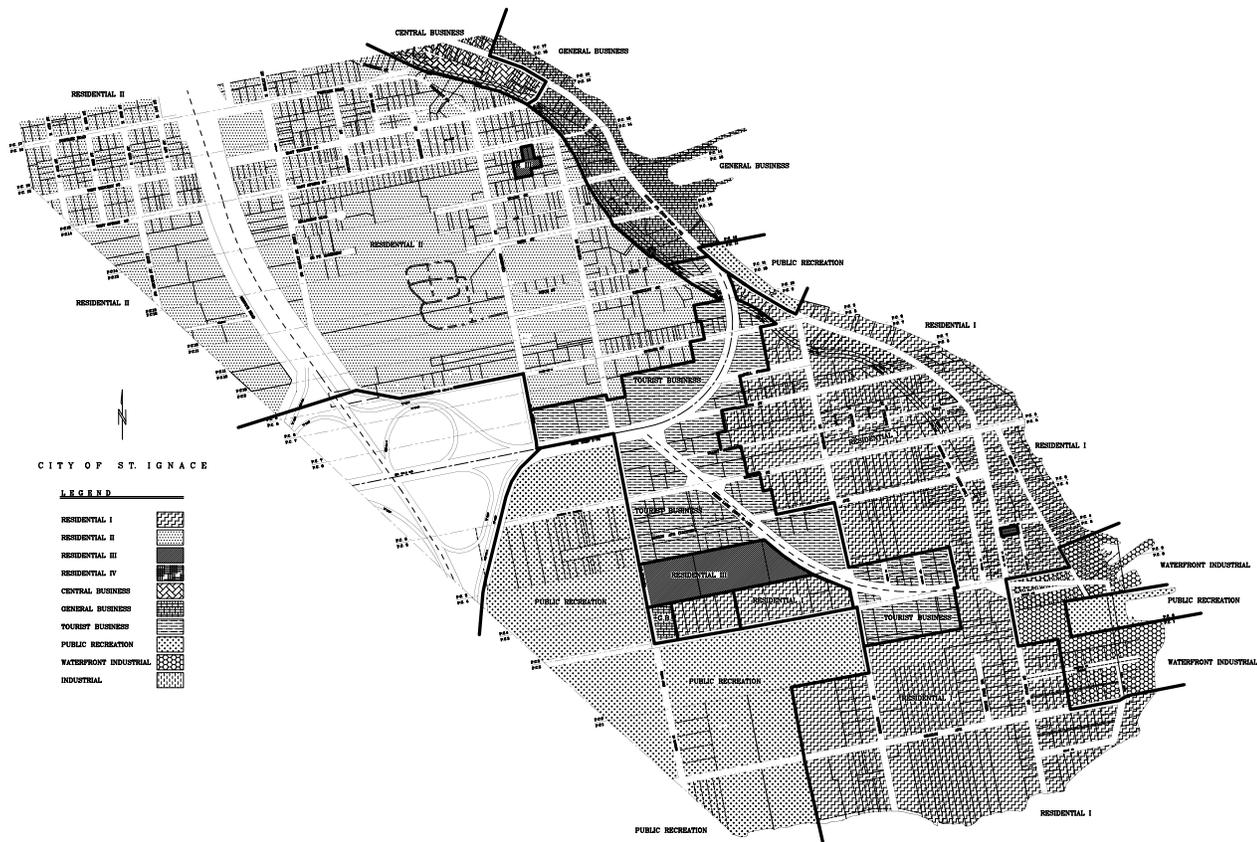
The Geographic Information System (GIS) made available through this website is developed and maintained by EUPRPDC. Use of materials and information constitutes acceptance of all disclaimers associated with these websites. GIS data is not the official record of EUPRPDC. This data is made available for information purposes only!



# Appendix E



# Appendix E



100

<sup>100</sup> City of St. Ignace Zoning Maps <https://www.cityofstignace.com/planning-zoning/pages/zoning-maps>



# Appendix F

## STATUTORY CHECKLIST FEDERAL LAWS AND AUTHORITIES LISTED AT SEC. 58.5

**Project Name and Identification No.** \* Attach evidence that required actions have been taken.

AREA OF STATUTORY OR REGULATORY COMPLIANCE	Not Applicable to This Project	Consultation Required *	Review Required *	Permits Required *	Determination of consistency	Approvals, Permits Obtained *	Conditions and/or Mitigation Actions Required	PROVIDE COMPLIANCE DOCUMENTATION. ADDITIONAL MATERIAL MAY BE ATTACHED.
<b>Historic Properties</b>								See <a href="http://www.michigan.gov/shpsection106">www.michigan.gov/shpsection106</a> and HUD Assessment Tools for Environmental Compliance (ATEC) <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Floodplain Management</b> (HUD 8-step decision-making process must be used if project is located in/impacts floodplain)								See <a href="http://www.msc.fema.gov">www.msc.fema.gov</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Wetlands Protection</b> (HUD 8-step decision-making process must be used if project is located in/impacts wetlands)								See <a href="http://www.fws.gov/wetlands/Data/Mapper.html">www.fws.gov/wetlands/Data/Mapper.html</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Coastal Zone Management</b>								See <a href="http://www.mi.gov/coastalmanagement">www.mi.gov/coastalmanagement</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Water Quality</b>								See <a href="http://www.epa.gov/safewater/sourcewater/pubs/grg_ssam_ap_reg5.pdf">http://www.epa.gov/safewater/sourcewater/pubs/grg_ssam_ap_reg5.pdf</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Endangered Species</b>								See <a href="http://www.fws.gov/midwest/endangered/section7/s7process/index.html">http://www.fws.gov/midwest/endangered/section7/s7process/index.html</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Wild and Scenic Rivers</b>								See <a href="http://www.rivers.gov/michigan.php">http://www.rivers.gov/michigan.php</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Air Quality</b>								See <a href="http://www.epa.gov/oar/oaqps/greenbk/ancl.html#michigan">http://www.epa.gov/oar/oaqps/greenbk/ancl.html#michigan</a> and HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>
<b>Farmlands Protection</b>								See HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>



# Appendix F

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

CDBG

Thermal/Explosive										See HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>	
Noise Control										See HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>	
Airport Clear Zones										See HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>	
Contamination/Toxic Sites										See HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>	
Environmental Justice										See HUD ATEC <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/atec</a>	
<b>FEDERAL LAWS AND AUTHORITIES LISTED AT SEC. 58.6 AND PERMITS, LICENSES, FORMS OF COMPLIANCE UNDER OTHER LAWS - FEDERAL, STATE AND LOCAL</b>											
OTHER AREAS OF STATUTORY AND REGULATORY COMPLIANCE APPLICABLE TO PROJECT	Not Applicable to This Project	Consultation Required *	Review Required *	Permits Required *	Determination of consistency	Approvals, Permits Obtained *	Conditions and/or Mitigation Actions Required	PROVIDE COMPLIANCE DOCUMENTATION. ADDITIONAL MATERIAL MAY BE ATTACHED.			
<b>FEDERAL REQUIREMENTS</b>											
Flood Insurance - 58.6(a)											
Coastal Barriers - 58.6(c)											
Airport Clear Zone Notification - 58.6(d)											
Water Quality											
Solid Waste Disposal											
Fish and Wildlife											
Storm Water											
<b>STATE STATUTES</b>											
Use the Michigan Department of Environment, Great Lakes, and Energy (EGLE) <b>Permit Information</b> checklist to determine which, if any, state statutes apply ( <a href="https://www.michigan.gov/documents/egle/egle-tou-permits-checklist_678821_7.pdf">https://www.michigan.gov/documents/egle/egle-tou-permits-checklist_678821_7.pdf</a> ). Document any relevant state statute compliance below.											

Prepared by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



## Appendix F



### PERMIT INFORMATION

[Michigan.gov/EGLEpermits](http://Michigan.gov/EGLEpermits)

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) has prepared a list of key questions to help identify what EGLE permits, licenses, or approvals of a permit-like nature may be needed. By contacting the appropriate offices indicated, you will help reduce the possibility that your project or activity will be delayed due to the untimely discovery of additional permitting requirements later in the construction process. While this list covers the existence of permits and approvals required from EGLE, it is not a comprehensive list of all legal responsibilities. A useful way to learn whether other requirements will apply is to go through the Self-Environmental Assessment in the Michigan Guide to Environmental, Health, and Safety Regulations, online at: [Michigan.gov/EHSguide](http://Michigan.gov/EHSguide). Please call the Environmental Assistance Center at 800-662-9278 to talk with any of the EGLE programs noted below.

How Do I Know that I Need a Construction Permit?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1) Will your business involve the installation or construction of any process equipment that has the potential to emit air contaminants (e.g. dry sand blasting, boilers, standby generators)? Air Quality Permit to Install, Air Quality Division (AQD), <a href="#">Permit Section</a>	Y <input type="checkbox"/>	N <input type="checkbox"/>
2) Does the project involve renovating or demolishing all or portions of a building? Notification is required for asbestos removal and required for all demolitions even if the structure never contained asbestos. Asbestos Notification, AQD, <a href="#">Asbestos Program</a> , 517-284-6777	Y <input type="checkbox"/>	N <input type="checkbox"/>
3) Please consult the <a href="#">Permitting at the Land and Water Interface Decision Tree document</a> to evaluate whether your project needs a land and water management permit (i.e., Does the project involve filling, dredging, placement of structures, draining, or use of a wetland?). Land and Water Featured Programs (Water Resources Division - WRD) - <a href="#">Joint Permit Application</a> , 517-284-5567: a. Does the project involve construction of a building or septic system in a designated Great Lakes high risk erosion area? b. Does the project involve dredging, filling, grading, or other alteration of the soil, vegetation, or natural drainage, or placement of permanent structures in a designated environmental area? c. Does the project propose any development, construction, silvicultural activities or contour alterations within a designated critical dune area? d. Does the project involve construction of a dam, weir or other structure to impound flow?	Y <input type="checkbox"/>	N <input type="checkbox"/>
4) Does the project involve an earth change activity (including land balancing, demolition involving soil movement, and construction) or does the project involve construction which will disturb one or more acres that come into contact with storm water that enters a storm sewer, drain, lake, stream, or other surface water? <a href="#">Soil Erosion and Construction Storm Water</a> , 269-567-3515, or <a href="#">Local Agency</a>	Y <input type="checkbox"/>	N <input type="checkbox"/>
5) Does the project involve the construction or alteration of a water supply system or sewage disposal system for a manufactured housing project? <a href="#">Drinking Water &amp; Environmental Health Division</a> (DWEHD), 517-284-6524	Y <input type="checkbox"/>	N <input type="checkbox"/>
6) Does the project involve construction or alteration of any sewage collection or treatment facility? <a href="#">WRD, Part 41 Construction Permit</a> Program ( <a href="#">staff</a> ), 906-228-4527, or <a href="#">EGLE District Office</a>	Y <input type="checkbox"/>	N <input type="checkbox"/>
7) Public Swimming Pool Construction (Spas/Hot Tubs) Permits: Will your business involve the construction or modification of a public swimming pool, spa or hot tub? <a href="#">Public Swimming Pool Program</a> , 517-284-6541, or <a href="#">EGLE District Office</a>	Y <input type="checkbox"/>	N <input type="checkbox"/>
8) Does the project involve the construction or modification of a campground? DWEHD, <a href="#">Campgrounds program</a> , 517-284-6529	Y <input type="checkbox"/>	N <input type="checkbox"/>



## Appendix F

9) Does the project involve construction of a facility that landfills, transfers, or processes of any type of solid non-hazardous waste on-site, or places industrial residuals/sludge into or onto the ground? Materials Management Division (MMD), <a href="#">Solid Waste</a> , 517-284-6588, or <a href="#">EGLE District Office</a>	Y <input type="checkbox"/>	N <input type="checkbox"/>
10) Does the project involve the construction of an on-site treatment, storage, or disposal facility for hazardous waste? MMD, Hazardous Waste Section, <a href="#">Treatment, Storage and Disposal</a> , 517-284-6562	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>Who Regulates My Drinking (Potable) Water Supply?</b>		
11) I am buying water from my community water supply (i.e. city of Detroit or Grand Rapids), Contact <a href="#">Local Water Utility</a> , 517-284-6512	Y <input type="checkbox"/>	N <input type="checkbox"/>
12) I have a Non-Community Water Supply (Type II) <a href="#">Guide, Contact (District or County) Local Health Department</a> , 517-485-0660	Y <input type="checkbox"/>	N <input type="checkbox"/>
13) I am a community water supply (Type I) <a href="#">Community Water Supply, DWEHD District Office Community Water Supply Program</a> , 517-284-6512	Y <input type="checkbox"/>	N <input type="checkbox"/>
14) Do you desire to develop a <a href="#">withdrawal of over 2,000,000 gallons of water per day</a> from any source including groundwater, inland surface water, or the Great Lakes and their connecting waterways? WRD, Great Lakes Shorelands Unit, Water Use Program, 517-284-5563	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>Who Regulates My Wastewater Discharge System?</b>		
15) NPDES: Does the project involve the discharge of any type of wastewater to a storm sewer, drain, lake, stream, or other surface water? WRD, <a href="#">EGLE District Office</a> , or <a href="#">National Pollutant Discharge Elimination (NPDES) Permit Program</a> , 517-284-5568	Y <input type="checkbox"/>	N <input type="checkbox"/>
16) Does the facility have industrial activity that comes into contact with storm water that enters a storm sewer, drain, lake, stream, or other surface water? WRD, <a href="#">Permits Section</a> , or <a href="#">EGLE District Office</a> , 517-284-5588	Y <input type="checkbox"/>	N <input type="checkbox"/>
17) Does the project involve the discharge of wastewaters into or onto the ground (e.g. subsurface disposal or irrigation)? WRD, <a href="#">Groundwater Permits Program</a> , 517-290-2570	Y <input type="checkbox"/>	N <input type="checkbox"/>
18) Does the project involve the drilling or deepening of wells for waste disposal? <a href="#">Oil, Gas and Minerals Division</a> (OGMD), 517-284-6841	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>What Operational Permits Are Relevant to My Operation and Air Emissions?</b>		
19) Renewable Operating Permit: Does your facility have the potential to emit any of the following: 100 tons per year or more of any criteria pollutant; 10 tons per year or more of any hazardous air pollutant; or 25 tons per year or more of any combination of hazardous air pollutants? AQD, <a href="#">Permit Section</a> , 517-284-6634	Y <input type="checkbox"/>	N <input type="checkbox"/>
20) Does your facility have an electric generating unit that sells electricity to the grid and burns a fossil fuel? AQD, <a href="#">Acid Rain Permit Program</a> , 517-780-7843	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>What Operational Permits Are Relevant to My Waste Management?</b>		
21) Does the project involve landfilling, transferring, or processing of any type of solid non-hazardous waste on-site, or placing industrial residuals/sludge into or onto the ground? <a href="#">MMD</a> , 517-284-6588 or <a href="#">EGLE District Office</a>	Y <input type="checkbox"/>	N <input type="checkbox"/>
22) Does the project involve the on-site treatment, storage, or disposal of hazardous waste? MMD, <a href="#">Hazardous and Liquid Waste</a> , 517-284-6562	Y <input type="checkbox"/>	N <input type="checkbox"/>
23) Does the project require a site identification number (EPA number) for regulated waste activities (used oil, liquid waste, hazardous waste, universal waste, PCBs)? ( <a href="#">Hazardous Waste Program Forms &amp; License Applications</a> ) MMD, <a href="#">EGLE District Office</a> , 517-284-6562	Y <input type="checkbox"/>	N <input type="checkbox"/>



## Appendix F

24) Does the project involve the receipt, possession, manufacture, use, storage, transport, transfer, release, or disposal of radioactive material in any form? MMD, <a href="#">Radioactive Material and Standards Unit</a> , 517-284-6581	Y <input type="checkbox"/>	N <input type="checkbox"/>
25) Does the project involve decommissioning or decontamination of tanks, piping, and/or appurtenances that may have radioactive levels above background? MMD <a href="#">Radioactive Material and Standards Unit</a> , 517-284-6581	Y <input type="checkbox"/>	N <input type="checkbox"/>
26) Does the project involve the generation of medical waste or a facility that treats medical waste prior to its disposal? MMD, <a href="#">Medical Waste Regulatory Program</a> , 517-284-6594	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>What Sector-Specific Permits May be Relevant to My Business?</b>		
<b>Transporters</b>		
27) Does the project involve the <i>transport</i> of some other facility's non-hazardous liquid waste? MMD, <a href="#">Transporter Program</a> , 517-284-6562	Y <input type="checkbox"/>	N <input type="checkbox"/>
28) Does the project involve the <i>transport</i> of hazardous waste? MMD, <a href="#">Transporter Program</a> , 517-284-6562	Y <input type="checkbox"/>	N <input type="checkbox"/>
29) Do you engage in the business of transporting bulk water for drinking or household purposes (except for your own household use)? DWEHD, <a href="#">Water Hauler Information</a> , 517-284-6527	Y <input type="checkbox"/>	N <input type="checkbox"/>
30) Does the project involve <i>transport</i> of septic tank, cesspool, or dry well contents or the discharge of septage or sewage sludge into or onto the ground? DWEHD, <a href="#">Septage Program</a> , 517-284-6535	Y <input type="checkbox"/>	N <input type="checkbox"/>
31) Do you store, haul, shred or process <i>scrap tires</i> ? MMD, <a href="#">Scrap Tire Program</a> , 517-284-6586	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>Sectors</b>		
32) Is the project a <i>dry cleaning</i> establishment utilizing perchloroethylene or a flammable solvent in the cleaning process? AQD, <a href="#">Dry Cleaning Program</a> , 517-284-6780	Y <input type="checkbox"/>	N <input type="checkbox"/>
33) Does your <i>laboratory</i> test potable water as required for compliance and monitoring purposes of the Safe Drinking Water Act? <a href="#">Laboratory Services Certifications</a> , 517-284-5424	Y <input type="checkbox"/>	N <input type="checkbox"/>
34) Does the project involve the operation of a <i>public swimming pool</i> ? DWEHD, <a href="#">Public Swimming Pools Program</a> , 517-284-6529	Y <input type="checkbox"/>	N <input type="checkbox"/>
35) Does the project involve the operation of a <i>campground</i> ? DWEHD, <a href="#">Campgrounds</a> , 517-284-6529	Y <input type="checkbox"/>	N <input type="checkbox"/>
<b>What Permits Do I Need to Add Chemicals to Lakes and Streams?</b>		
36) Are you applying a chemical treatment for the purpose of aquatic nuisance control (pesticide/herbicide etc.) in a water body (i.e. lake, pond or river)? WRD, <a href="#">Aquatic Nuisance Control</a> , 517-284-5593	Y <input type="checkbox"/>	N <input type="checkbox"/>
37) Are you applying materials to a water body for a water resource management project (i.e. mosquito control treatments, dye testing, or fish reclamation projects)? WRD, <a href="#">Surface Water Assessment Section</a> , 517-331-5228	Y <input type="checkbox"/>	N <input type="checkbox"/>



## Appendix F

Why would I be subject to Oil, Gas and Mineral Permitting?		
38) Do you want to operate a central production facility (applies to oil and gas production facilities where products of diverse ownership are commingled)? OGMD, <a href="#">Petroleum Geology and Production Unit</a> , 517-284-6826	Y <input type="checkbox"/>	N <input type="checkbox"/>
39) Does the project involve the removal of sand from a sand dune area within two (2) miles of a Great Lakes shoreline? OGMD, Minerals and Mapping Unit, <a href="#">Sand Dune Mining Program</a> , 517-284-6826	Y <input type="checkbox"/>	N <input type="checkbox"/>
40) Does the project involve decommissioning or decontamination of tanks, piping, and/or appurtenances that may have radioactive levels above background? MMD, <a href="#">Radioactive Protection Programs</a> , 517-284-6581	Y <input type="checkbox"/>	N <input type="checkbox"/>
<a href="#">Petroleum &amp; Mining</a> , OGMD, 517-284-6826		
41) Does the project involve the diversion and control of water for the mining and processing of low-grade iron ore?	Y <input type="checkbox"/>	N <input type="checkbox"/>
42) Does the project involve the surface or open-pit mining of metallic mineral deposits?	Y <input type="checkbox"/>	N <input type="checkbox"/>
43) Does the project involve the mining of nonferrous mineral deposits at the surface or in underground mines?	Y <input type="checkbox"/>	N <input type="checkbox"/>
44) Does the project involve mining coal?	Y <input type="checkbox"/>	N <input type="checkbox"/>
45) Does the project involve changing the status or plugging of a mineral well?	Y <input type="checkbox"/>	N <input type="checkbox"/>
46) Does the project involve the drilling or deepening of wells for brine production, solution mining, storage, or as test wells?	Y <input type="checkbox"/>	N <input type="checkbox"/>
<a href="#">Permits &amp; Bonding</a> , OGMD, 517-284-6841		
47) Do you want to change the status of an oil or gas well (i.e. plug the well)?	Y <input type="checkbox"/>	N <input type="checkbox"/>
48) Does the project involve drilling of oil, gas, brine disposal, secondary recovery, or hydrocarbon storage wells?	Y <input type="checkbox"/>	N <input type="checkbox"/>

If you need further assistance, please fill out the information below and email the form to [EGLE-assist@Michigan.gov](mailto:EGLE-assist@Michigan.gov).

**Requester Information**

First and Last Name:

Requester Phone:

E-mail:



# Mackinac Economic Alliance: Charting A New Course

## Accelerating Prosperity

New partnerships and strategies can drive economic opportunities, which can be leveraged to advance social and sustainability factors as well.



Appendix G

# Mackinac County's Future Is At A Crossroads.

## Choice of Two Directions:



### Stay the Course

Outdated infrastructure and extreme seasonal economy doesn't provide enough year-round, good-paying jobs that can sustain all families.

This has stagnated the housing and commercial development market, such that St. Ignace hasn't produced a new commercial build in over a decade.

This path is failing too many Mackinac County communities and residents with harmful results, lack of new commercial investment, difficulty attracting new businesses or helping existing ones expand, high rates of seasonal unemployment, child homelessness and reliance on social safety net.

### Navigate a New Route

MEA has been preparing to leverage the unprecedented development funding becoming available to communities. Yet, we may "miss the boat" unless we unite together to plan, develop and foster the future we desire.

Funding will go to communities that have coordinated local, regional, state and federal resources to invest in the economic and community development initiatives.

Creating year-round, family supporting employment is the launching point for a new route with waypoints of improved community investment, social and sustainability outcomes as well.



### Waypoints on our Path



**INVESTMENT**  
Local Property Tax Base



**EMPLOYMENT**  
Year-Round Full-Time



**SOCIAL**  
Health, Housing & Education



**SUSTAINABILITY**  
Natural Resources & Energy



## Appendix G

# OPPORTUNITYZONE

The potential economic development opportunities highlighted here have been identified through a Feasibility Study funded by the Native American Business Development Institute, and conducted in partnership with the Sault Tribe, Star Line Ferry Co., Rebelyon Consulting and Viability Lab. These preliminary results have been generated in time to allow application for unprecedented economic development funding from pandemic relief.

### Mackinac Shipyard

- \$750K Federal Grant for 200 ton ship hoist
- \$70K Federal Grant for Opportunity Zone Feasibility Study
- \$200K Michigan Grant for Mobility & Electrification

### Mackinac Marine Services

- Startup launched by Star Line Ferry Co.
- Restoration of ships up to 200 tons
- Attract or develop new ship builder with Sault Tribe

### Ship Electrification & Renewable Energy Port

- Michigan Tech - Great Lakes Research Center & Advanced Power System Research Center
- R & D transitioning ships from diesel to electric power systems
- R & D Straits hydro power generation, storage and ship charging



INVESTMENT

\$40M



EMPLOYMENT

30



SOCIAL

++



SUSTAINABILITY

+



## Appendix G

### Graham Point

#### Arnold Freight Relocation

- New freight port



INVESTMENT

\$200K



SUSTAINABILITY

+

#### Graham Point Condos

- Market rate housing



INVESTMENT

\$28M



SOCIAL

+



SUSTAINABILITY

+

### Straits Heritage and Innovation Center

#### Heart of the Great Turtle Island

- The Heritage Circle – Anishinaabek culture pow wow space
- Learning Commons and Heritage Museum
- Live performance outdoor Amphitheater
- Hiking and Interpretive Trails

#### Viability Lab Launch Pad

- Michigan Tech – Great Lakes Research Center and Advanced Power Systems Center
- Michigan State – Mass Timber Institute, Office of Public Engagement and Cooperative Extension
- Straits Artisan Cooperative – complementary off season jobs
- Employers’ Council – address workforce development



INVESTMENT

\$21M



EMPLOYMENT

24



SOCIAL

++



SUSTAINABILITY

++

### Mackinac Island Coal Dock

- Mackinac Island Transportation Authority purchased Coal Dock
- Significant infrastructure investment to safely renovate



INVESTMENT

\$5M



SUSTAINABILITY

+



## Appendix G

### Maple Hardwoods

- New production site development in Marquette Township
- Rail Shipping site development in Chippewa County
- Bio Mass energy development potential
- Containerized international shipping potential
- Extensive community development and social support

  
INVESTMENT  
\$19M

  
EMPLOYMENT  
50

  
SOCIAL  
++

  
SUSTAINABILITY  
++

### Spaceport Security

- Michigan National Guard drone station at Hessel Airport
- Security for three MI Spaceport launch and control centers

  
INVESTMENT  
\$9M

  
EMPLOYMENT  
14

### Mining Ports

- Expansion required to accommodate 1,000 foot freighters
- Potential for Port Dolomite, Sand Port and Port Inland

  
INVESTMENT  
\$14M

  
EMPLOYMENT  
6

  
SUSTAINABILITY  
+



## Appendix G

### Kewadin Casino Port

- Tourist requested ferry service to casino
- Ready-made waterfront site could accommodate development



INVESTMENT

\$4M



EMPLOYMENT

2



SUSTAINABILITY

+

### Straits Area Airports

- 6 Mackinac County airports provide critical year-around service
- Potential restoration and upgrades in demand



EMPLOYMENT

2



SOCIAL

+

### Saint Ignace Parking & Access

- Potential to relocate parking from downtown waterfront
- Potential to provide indoor long-term parking



INVESTMENT

\$14M



SUSTAINABILITY

+

### Bois Blanc Island/Cheboygan/Mackinaw City

- Straits passenger and vehicle ferry ports
- Year-round and seasonal operations



INVESTMENT

\$1M



EMPLOYMENT

2



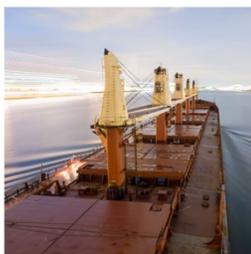
SOCIAL

+



## Appendix G

# New Partnerships Invest in What's Strong Not in What's Wrong



**Leverage Mackinac County assets to build a strong economic foundation that will serve as a catalyst for regional economic growth as well as improved employment, social and sustainability factors.**



**Create year-round good-paying jobs that can sustain families and positively impact their quality of life, health, education and future potential.**



**Forge a new economic future that fosters innovation, attracts new commercial and private investment and puts Mackinac County tax dollars to work for Mackinac County families and businesses.**



## Appendix G



# OPPORTUNITY ABOUNDS

The Mackinac Economic Alliance will leverage partnerships to strategically invest in assets that result in economic growth, year-round family-sustaining jobs and greater community cohesion.



**LEARN MORE:**

[mackinaceconomicalliance.org/opportunity-zone/](http://mackinaceconomicalliance.org/opportunity-zone/)



## Appendix G

---

# Mackinac County

## Economic Development Strategy

2021 - 2024

# OPPORTUNITYZONE

U.P. Opportunity Zone



# Appendix G

## Mackinac County Port Potential



**Ferry Port** ■ Hosts Great Lakes ferry services that accommodate passengers, vehicles, package freight.

**Cargo Port** ■ Deep-water harbors that host cargo shipping vessels and facilities.

**Commercial Port** ■ Hosts commercial maritime activities, including vessel construction, maintenance, repair, commercial fishing, marine contractors, etc.

**Recreational Port** ■ Harbors and marinas funded by Michigan Waterways Commission.



## Mackinac Port Projects

<b>Economic Development Project Name</b>	<b>Fed / State Grants</b>	<b>Year Round Full Time Jobs</b>
Hardwood Sawmill	\$18.7 M	50 jobs
Mackinac Shipyard	\$12.6 M	30 jobs
Marine Energy Port	\$25.9 M	6 jobs
Straits Heritage & Innovation Center	\$20.9 M	24 jobs
Graham Point Housing	\$28.6 M	4 jobs
Spaceport Security	\$9.2 M	14 jobs
Mine Port Expansions (2)	<u>\$10.2 M</u>	<u>4 jobs</u>
<b>Totals</b>	<b>\$126.1 M</b>	<b>132 jobs</b>

## Port Development Procedure

The Mackinac Economic Alliance is joining forces with the County Brownfield Authority, Local Development Finance Authority and Land Bank for site development and finance.

Funding needed for initial 3 Year Budget.	
Port Development Engineering <sup>1</sup>	\$1,500,000
Matching Funds / Administration <sup>2</sup>	<u>\$ 600,000</u>
<b>3 Year Budget Total</b>	<b>\$ 2,100,000</b>

- 1) Completed Engineering will expedite MacCo construction grants.
- 2) Matching Funds may be contributed to specific projects. Administrative Funds may replace existing County program funding.



## Appendix G

### Maple Hardwoods, Inc.



#### Supporting Partners

- Maple Hardwoods, Inc
- Federal - USDA, EDA, DOE
- State - MEDC, MDARD, MDOT
- Local - Mackinac County, Clark Township, EUP EDO's
- Proposed - Mackinac Port Commission
- Proposed - Carmeuse Mine Port

#### Maple Hardwoods, Inc Hessel Site

The Mackinac Economic Alliance is assisting in the expansion of Maple Hardwoods in Marquette Township by investing into strategic assets that will retain 30 existing jobs, as well as accommodate 20 new jobs.

#### Proposed to Include:

- 30 Full Time Jobs Retained
- 20 Expansion Positions Created
- Site Development & Training
- Rail Shipping Site in Chippewa County
- Containerized International Shipping Potential
- BioMass Energy Development
- Investment Potential \$18.7M

#### Project Budget

Facilities & Site Development	\$2,600,000
Equipment & Training	\$4,100,000
BioMass Energy Development	\$10,000,000
Containerization Facilities	\$2,000,000
<b>Total</b>	<b>\$18,700,000</b>



# Appendix G



## Mackinac Shipyard

- Commercial Marine Restoration - Expansion
- Commercial Marine Shipbuilding - New
- 12 Full Time Jobs Initially / 30 Jobs Fully Operational
- Ships up to 200 Tons / Federally Funded \$750K Lift
- Transition Diesel to Electric Drive Systems
- Launch Renewable Electric Generation
- Launch St. Ignace Opportunity Fund
- Investment Potential \$ 12.6M ++

Project Budget	Private / OppZone	Port Commission	State / Federal	Totals
Site Infrastructure	\$250,000		\$500,000	\$750,000
Building Const.	2,100,000		\$7,500,000	\$9,600,000
Engineering		\$210,000		\$210,000
Equipment	\$1,250,000		\$750,000	\$2,000,000
Tech Training	\$50,000		\$100,000	\$150,000
<b>Totals</b>	<b>\$1,550,000</b>	<b>\$210,000</b>	<b>\$8,850,000</b>	<b>\$12,610,000</b>

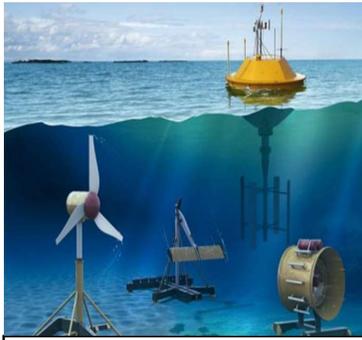
### Supporting Partners

- Mackinac Marine Services
- Sault Tribe EDC / Opportunity Fund
- Rebylon Development / Viability Lab
- Michigan Office of Mobility & Electrification
- MTU Great Lakes Research Center
- Federal, State, Mackinac County, City
- Mackinac Port Commission

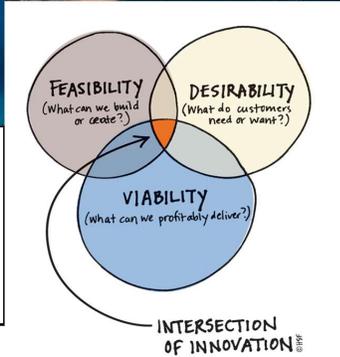


## Appendix G

### Marine Energy Port



- Supporting Partners**
- Viability Energy LLC
  - Mackinac Marine Services
  - Michigan Office of Mobility & Electrification
  - MTU Great Lakes Research Ctr.
  - Federal, Mackinac County
  - Multiple Investors



**Viability Energy  
Marine Energy Development**

Viability Energy has designed, financed and implemented innovative renewable energy solutions around the world, integrating cutting edge technologies in unique situations with creative funding and partnerships.

Proposed to Initially Include:

- 6 Full Time Jobs
- Launch at Straits Innovation Center
- Renewable Energy Research / Development
- Commercial Ship Integration Design / Development
- \$25.8M Investment

**Project Budget**

Energy Solution R&D	\$350,000
Renewable Energy Development	\$25,000,000
Marine Propulsion Design	\$500,000
Engineering	\$0
<b>Total</b>	<b>\$25,850,000</b>



# Appendix G



Heart of the Great Turtle Island			
Heritage Center		Innovation Center	
Learning Commons	\$6 M	Viability Lab	\$7 M
Powwow Circle	\$400 K	Amphitheater	\$3.7 M
Roads & Utilities	\$2.1 M	Interpretive Trails	\$1.7 M
<b>Total</b>	<b>\$8.5 M</b>	<b>Total</b>	<b>\$12.4 M</b>
		{Pre-engineering \$310 K}	
<b>14 Year-Round Jobs</b>		<b>10 Year-Round Jobs</b>	

Innovation Center Program Potential	
Michigan Technological University	Michigan State University
Great Lakes Research Center *	CES & Mass Timber *
Adv. Power Systems Research Ctr. *	Public Policy and Social Research
Sustainable Future Institute	Community & Economic Development
Institute for Policy, Ethics & Culture	Systems Integration and Sustainability
DePaul University	Native American Institute
Asset-Based Comm. Dev. Institute	Innovation & Economic Prosperity

\* Grant Funded Work Initiated

Funding Opportunities	
<b>Proposed Pre-Engineering Cost</b>	<b>\$310,000</b>
Mackinac County ARP / Pre-Engineering	
<b>Proposed Construction Cost</b>	<b>\$12,400,000</b>
Build Back Better Regional Challenge ARP	
Good Jobs Challenge ARP	
Infrastructure for Rebuilding America (INFRA)	
Infrastructure Investment and Jobs Act	



## Appendix G



### Graham Point Housing Development

- Key Residential Development Site
- Relocate City and MDOT Garages
- Municipal Garage Site Options near I-75
- Construct Multi-story Housing
- High-end Condos on upper floors
- Market-rate Condos / Apartments lower floors
- Potential Investment of \$28.5M (First Phase)

#### Project Budget

Facility Relocation	\$2,000,000
Site Development	\$500,000
Condo / Apartment Construction	\$22,500,000
Engineering	\$500,000
<b>Totals</b>	<b>\$25,500,000</b>

Funding Source	In-Kind	New	Totals
City of St. Ignace	\$1,000,000		\$1,000,000
MI Dept. of Transportation	\$2,000,000		\$2,000,000
Mackinac Port Commission	\$25,000	\$500,000	\$525,000
Sault Tribe	\$25,000		\$25,000
Federal / State - Construction		\$25,000,000	\$25,000,000
<b>Totals</b>	<b>\$3,050,000</b>	<b>\$25,500,000</b>	<b>\$28,550,000</b>



# Appendix G

## Spaceport Security



- Supporting Partners**
- Rebylon Development Group
  - NorPro Company
  - Anchor Systems
  - Michigan Unmanned Aerial Systems Consortium
  - Michigan National Guard

**Michigan Launch Initiative Hessel Security Facility**

Michigan National Guard Facility to provide site security and operational oversight for three Spaceport sites in Northern Michigan.

Proposed to Include:

- 14 Full Time Jobs / 20 Trainee Positions
- Operations Offices / Training Facility
- Sensitive Compartmented Information Facility (SCIF)
- Drone Hangar
- Potential Investment of \$9.1M

Project Budget	
Facilities Construction	\$8,000,000
Site Development	\$750,000
Airport / Taxiway	\$250,000
Engineering	\$180,000
<b>Total</b>	<b>\$9,180,000</b>



## Appendix G

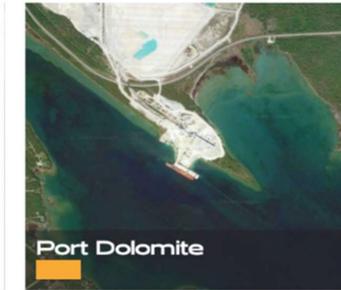
### St. Ignace Waterfront / Parking Redevelopment



Access / Parking	Waterfront Redevelopment
I-75 Half Exit / Entrance	Parking Removal
Parking Lots	Seasonal 'Festival' Structures
Street Improvements	Shoreline Restoration
Islander Garage?	Boardwalk Restore / Expand
Guv / MDOT	Arnold / Star Line
City / CVB / DDA	City / CVB / DDA
County / Road Comm	
Public Relations	DNR / CDBG / Bond
State Support	Opportunity Zone Fund
\$5-7M EDA Grant	Private Development



## Appendix G



- Mine Port Expansions**
- Port Dolomite Expansion
  - Port Dolomite Cargo Container Capabilities
  - Sand Port Expansion
  - Accommodate 1,000 ft Freighters
  - Port Facilities
  - Dredging
  - Long term redevelopment agreements



Project Budget	
Port Dolomite Expansion	\$6,000,000
Sand Port Expansion	\$4,000,000
Engineering	\$200,000



## Appendix G

### Mackinac Island Transportation Authority



#### Activity to Date

- Purchase of Coal Dock in City of Mackinac Harbor
- Federal planning grant of \$490,000
- State of Michigan proposed FY22 Budget allocation \$1.5 M
- Straits transportation public planning process underway

#### City of Mackinac Island Transportation Authority

The City of Mackinac Island Transportation Authority is formed for the purpose of providing public transportation services, both within and outside of the Transportation Authority's jurisdictional boundaries, and to exercise all powers incidental, necessary or convenient for that purpose.

#### Authority Includes:

- To plan, promote, finance, acquire, improve, transportation facilities and services.
- To own, construct, operate, maintain, replace such facilities and services.
- To contract for public transportation services by means of one or more public transportation systems and public transportation facilities.



PREPARED BY:



Chris Byrnes, Principal  
Justin Knepper

St. Ignace, MI  
616.886.1691