



ECONOMIC DEVELOPMENT ACTION PLAN

CITY OF MARQUETTE

ABSTRACT

As a component of the required best practices for state certification as a Redevelopment Ready Community, and as directed by Section 13-6 of the Marquette City Charter adopted in 2012, this economic development action plan includes a brief description of the City's history, demographic information, regional context, relationship to other City plans and priority economic development related goals and strategies for achieving them. The City of Marquette's status as a regional hub for healthcare, business, recreation and academics allows for multiple opportunities to encourage and support sustainable economic development.

Adopted by the Marquette City
Commission on September 9, 2019

Introduction

Historical Context

The village of Marquette, originally New Worcester, began on September 14, 1849, with the formation of the Marquette Iron Company. On August 21, 1850, the name was changed to honor Jacques Marquette, the French Jesuit missionary who had explored the region. The Marquette Iron Company failed, while its successor, the Cleveland Iron Mining Company (now Cleveland-Cliffs, Inc.), flourished and had the village platted in 1854. Marquette was then incorporated as a village in 1859 and as a city in 1871.

Cleveland-Cliffs, Inc. has remained a consistent economic fixture in Marquette County. The ore dock in Marquette's Lower Harbor was originally built in 1859 and, until 1876, Marquette was the only port on Lake Superior that shipped iron ore. A second dock was built in Marquette's Upper Harbor in 1912 and the Lower Harbor dock was updated to its current state in 1932. The Lower Harbor dock was decommissioned in 1971 but the Upper Harbor dock remains active to this day.

Northern Michigan University was established in 1899 by the Michigan Legislature as Northern State Normal School and offered teaching programs to service schools in the Upper Peninsula. Currently, the University serves 7,900 undergraduate and graduate students and offers 177 degree programs, including 25 graduate programs. NMU employs 1,100 area residents with over 300 full-time faculty members.

Marquette General Hospital was established in 1886 as the Marquette City Hospital with only 26 beds. In 1915, the hospital moved to a new location in the middle of town and expanded to a 60-bed capacity. The hospital continued to grow and expand until the 307-bed tertiary care facility was purchased by Duke LifePoint in 2012 for \$483M. Duke LifePoint has continued to invest in the community and is nearing completion of a brand new \$330M campus in the middle of town, directly off of US 41.

Regional Context

Marquette is located on the northern border of Marquette County along the shores of Lake Superior in Michigan's Upper Peninsula and serves as the county seat. Marquette is located along a concurrent section of the US-41 and M-28 highways and is bordered by Marquette Township and Chocolay Township. The City is accentuated by many ample natural features, including parks, rivers, forests and lakes, that are both within and surrounding its borders. The City is home to Northern Michigan University and has many students intermixed with local residents in City neighborhoods, along with student housing on campus. Marquette is the largest city in the Upper Peninsula and is 20 minutes from Negaunee and Ishpeming, the nearest cities, and three hours from the Mackinac Bridge. The nearest major cities are Green Bay, WI (three hours), Milwaukee, WI (five hours), Chicago, IL (six hours) Detroit, MI (seven hours) and Minneapolis, MN (seven hours).

Key Demographics

Key demographics specific to the City of Marquette and compared with the county and state are provided below. Most data is taken from the 2013-2017 American Community Survey 5-Year Estimates provided by the U.S. Census Bureau.

Population: 20,629

Median Age:

Marquette	Marquette County	State of Michigan
27.8	39.1	39.7

Household Income:

Characteristics	Marquette	Marquette County	State of Michigan
Median Income	\$38,998	\$48,491	\$52,668
% Unemployed	---	5.7%	4%

Educational Attainment:

Characteristics	Marquette	Marquette County	State of Michigan
HS Degree or Higher	94.7%	94.6%	90.2%
Bachelors Degree or Higher	39.1%	30.8%	29.1%

Housing:

Characteristics	Marquette	Marquette County	State of Michigan
Owner Occupied	49.2%	70%	71%
Renter Occupied	50.8%	30%	29%
Median Home Value	\$172,900	\$142,900	\$136,400
Median Monthly Rent	\$712	\$669	\$821

Retail Sales per Capita:

Marquette	State of Michigan
\$18,360	\$12,071

Other information:

Civilian Labor Force	57.8%
Travel Time to Work	11.9 minutes
Density	1,874.4/mi ²
City Area	11.39 mi ²
Local Industry Cluster Groups	Construction, Healthcare, Manufacturing
All firms	1,803

Male owned firms	945
Female owned firms	516

External Partners

Central Upper Peninsula Planning And Development Regional Commission (CUPPAD)

The CUPPAD Regional Commission provides a variety of planning services to six central counties in the U.P. CUPPAD administers grants and provides economic development, transportation and community planning assistance amongst other services.

Downtown Development Authority (DDA)

The DDA is a subsidiary of the City of Marquette and has a nine-member board, including the City Manager, appointed by the City Commission. The DDA is charged with the upkeep and promotion of the downtown district in the City. The downtown district includes Third Street from Fair Street to Baraga Avenue, Washington Street from Seventh Street to Lakeshore Boulevard, Front Street from Ridge Street to Rock Street and a significant portion of the lower harbor area.

UP Health Systems- Marquette

The City is a strong supporter of Upper Peninsula Health Systems and the parent company, Duke LifePoint. Purchased for \$483M in 2012, the hospital is a major employer in the City and a significant source of tax revenue. Duke LifePoint has invested over \$300M into a new, 265-bed hospital and 80,000 square foot medical office building at the site of the former Municipal Service Center on West Baraga Avenue. The sale of City property allowed the City to construct a new Municipal Service Center on the north side of town.

Invest UP

InvestUP is an economic development organization in the Upper Peninsula and is private sector driven with Michigan Economic Development Corporation support.

Lake Superior Community Partnership (LSCP)

The LSCP is a regional economic development organization formed after the closure of K.I. Sawyer Air Force Base. They provide affordable and effective development services for businesses and municipalities.

Marquette Chamber of Commerce

The Chamber, formed in 2015 with support from the City, serves as a resource for the business community in Marquette.

Marquette County

The City contributes to multiple County boards and has an established relationship with the County government.

Noquemanon Trail Network (NTN)

Residents and visitors alike are frequent users and enthusiasts of the trails maintained by the NTN, a member supported 501c3 non-profit. The City-owned Heartwood Forest property in the southern portion of the City comprises a significant portion of the NTN trail system, as well as the trailhead and pavilion for the NTN South Trails.

Northern Michigan University

NMU is an important part of the Marquette community and the students and university staff comprise a significant portion of the City population.

Invent@NMU

Invent@NMU is an entrepreneurial “idea” incubator that works to plan and launch products and businesses.

SmartZone/Local Development Finance Authority

The Innovate Marquette SmartZone facilitates the commercialization of tech and tech-enabled ideas in the Marquette area.

Superior Trade Zone

The Superior Trade Zone is a partnership between several local governments in Delta and Marquette Counties in the U.P. As a Next Michigan Development Corporation, the Superior Trade Zone is intended to promote local economic development.

Surrounding Cities and Townships

The City enjoys a good relationship with the surrounding municipal governments in the area. The Marquette Area Wastewater Treatment Plant is jointly owned and utilized by the City of Marquette (84%), Chocolay Township (7%) and Marquette Township (9%). The City Manager meets quarterly with managers and supervisors of the surrounding cities and townships to build and maintain relationships with these governments.

Team U.P.

City and village managers from across the Upper Peninsula meet biannually in order to be updated on current affairs, new state policies and collaborate on mutual goals and challenges.

Travel Marquette

The rebranded convention and visitors bureau leads travel and tourism marketing efforts to positively impact economic development in Marquette County.

Economic Development Goals

The following goals for economic development in Marquette have been set with the intention that this plan guides City economic priorities but remains flexible as circumstances demand.

Goal 1: Improve and diversify tax base

Around 50% of property in Marquette is either publicly owned or non-taxable. A priority of this plan is to encourage economic activity and new ventures that keep property taxable and opens up new property for growth.

Goal 2: Increase and diversify employment base

From the beginnings of Marquette until present day, changes in the local economy demonstrated the need for a diversified and adaptable employment base. Basing the majority of activity around a singular industry makes a community extremely susceptible to economic downturns and Marquette is no exception. Marquette County has experienced this with the decline in mining while Marquette's adaptability has allowed it to grow and improve in the face of these changes.

Goal 3: Support local businesses and encourage growth

Local businesses are the foundation of the City of Marquette and contribute greatly to the quality of life for residents and visitors. Money spent at local businesses is much more likely to remain within the community and promotes local sustainable growth.

Goal 4: Improve the City's relationship with the local business community and be responsive to their needs and concerns

The City values the local business community and endeavors to make Marquette an attractive place to start and continue a business.

Goal 5: Improve quality of life for citizens

A foremost goal of any plan for the City is to improve the quality of life for its residents.

Opportunities, Strategies and Challenges

The City of Marquette was not immune to the effects of the 2008 economic recession but was not impacted as greatly as other communities within the state and country. The local economy continues to see new investment and Marquette has been subject to steady growth, redevelopment and investment.

This economic plan identifies three areas of opportunity outlined with various strategies below. It is also important to take notice of impediments to economic success facing the City today and in the future. Challenges facing the City are identified and addressed following the areas of opportunity.

Opportunities

Encourage sale and development of City-owned surplus property and the redevelopment of existing spaces.

Strategies:

- Continue to invest in capital infrastructure projects.
 - Lakeshore Boulevard
 - Street improvements
 - Sanitary/water infrastructure
- Focus efforts to sell surplus property.
 - Continue to list available properties for sale.
 - Engage with interested developers.
 - Continue remediation efforts to bring the former Dow site to a sellable state.
 - Improve infrastructure and surrounding sites to make redevelopment of surplus property viable.
- Support investment in downtown.
 - Continue to support the DDA.
 - Encourage development of available space within the downtown district.
 - Support continuing development efforts, such as the renovation of 231 W. Washington St. and the office building development at Third and Main Streets.
- Promote walkability and bikeability in new project designs.
 - Expansion of the multi-use path in the Lighthouse Park.
 - Continue to add bike lanes where relevant.
 - Separate Lakeshore Boulevard from the multi-use path from Pine Street to Hawley Street and eventually redesign it through reclaimed green space.
- Continue to offer support/assistance when appropriate to make projects viable, including brownfield financing and other forms of tax increment financing (TIF) funding.
 - Explore brownfield funding for qualifying projects.
 - Offer alternative TIF funding mechanisms to developers for needed infrastructure improvements.
- Utilize State property development resources.
 - List available properties with the Michigan Economic Development Corporation on Zoom Prospector.

Support efforts to make the City a desirable place to live and a hub for tourism.

Strategies:

- Engage with service groups to create opportunities for local festivals.
 - Continue to allow and support events in Mattson Lower Harbor Park.
 - Approve fee waivers for non-profit events through the Promotional Fund and Discount Fee Waiver application.
- Continue to make public green space a focal point for community and regional events.
 - Continue support and maintenance of all City parks.
 - Bring the lighthouse property to full park status and promote its availability for weddings and other events.
- Promote and support Marquette as an attractive vacation and recreation destination.
 - Engage with Travel Marquette and support their mission.
 - Continue to partner with other local organizations to develop and promote Marquette’s natural attractions.
- Support the local trails system as an economic driver for the tourism industry.
 - Engage with the NTN network and continue to license City property for recreational use.
 - Negotiate the sale of City property for a trailhead facility.
- Communicate City events, projects and interest stories to the public.
 - Internal and external newsletters
 - City social media
- Responsibly manage the balance between short- and long-term rentals.
 - Continue to reexamine City Code related to rental regulations.

Focus efforts to promote job opportunities and retain existing talent.

Strategies:

- Encourage development projects that increase the housing stock for middle income families.
 - Middle income accessible housing
- Support local economic development to promote entrepreneurship opportunities,
- Support workforce development and attraction.
 - Establish relationships with local talent agencies such as Michigan Works.
 - Refer new businesses to local business development organizations and serve as a conduit for business resources.
 - Promote developable properties.
 - Promote development in Opportunity Zones.
 - Create a page showing workforce development opportunities and partners on the City website.
- Collaborate with regional economic development groups and neighboring municipalities.
 - Consider participation in the Triple Threat Economic Resiliency Strategy and Action Plan steering committee with CUPPAD, LSCP, NMU, Michigan Works, Marquette County, City of Negaunee, and InvestUP.
 - Utilize the Regional Prosperity Initiative for project opportunities.
- Promote the City to economic development organizations.
 - Attend economic development organization meetings and promote the benefits of developing in the City.

- Support the Downtown Development Authority and the Marquette Chamber of Commerce in their missions to promote and develop the City business community.
 - Board meetings
 - Chamber membership
- Continue to support Upper Peninsula Health Systems- Marquette/Duke LifePoint.
 - Monthly meetings with UPHS administration
- Support City enhancements that improve quality of life for residents.
 - Park improvements
 - Lakeshore Boulevard
- Promote Community attributes that are important to potential new residents.
 - City Website
- Promote opportunities for continuing education.
 - Internships
- Engage with service groups.
- Engage with State elected officials and the State government.
 - Regular meetings with state Representative
 - Lobbyist
- Discuss the potential economic impact of the Michigan Regulation and Transportation of Marihuana Act within the City.
 - Public process
 - Economic impact report
 - City ordinance

Challenges

- The City is facing large losses in tax revenue due to the shutting down of the We Energies power plant south of Presque Isle. This loss has been projected for several years but an income source to replace this revenue has not yet been identified.
- Several large properties in the City are vacant, including the Marquette Mall and the Shopko department store. There are no immediate plans for these properties to be redeveloped at this time.
- Tax tribunal cases are a source of continuing and potential future revenue loss for the City.
- With the loss in tax revenue from the aforementioned situations, the City budget faces significant deficits. This, coupled with needed capital investments such as Lakeshore Boulevard and deferred tax revenue due to brownfield projects, will be a challenge to the City in coming years.
- Northern Michigan University is a significant economic driver for the City, both in terms of employment and the student population residing in the area. However, due to declining national trends in college enrollment, NMU has experienced a decline in students in recent years. Declining university enrollment puts pressure on local businesses and the local rental market. NMU has undertaken measures to regain students with some success and enrollment has started to rebound but this remains an area of concern for the City.
- Proposal A, passed in 1994, continues to have a constraining effect on the City budget. The City's tax collection does not necessarily reflect the rise in home values and has led to a disconnect between the state equalized value and the taxable value of the home.

Consistency with Local Plans

Community Master Plan

Related Elements:

- Improving quality of life through continuing improvement in education, healthcare, civic engagement, employment opportunities, arts and culture, and recreation.
- Nurturing a "green" economy, promoting partnerships and entrepreneurship, maximizing local talent and goods.
- Improving continuously on its status as a unique tourist destination.
- Emphasizing mixed-use and compact downtown development.
- Valuing the opportunities of its natural assets.

Capital Improvements Plan

Related Elements:

- Lakeshore Boulevard reconstruction
- Walkability/bikeability improvements
- Investment in City infrastructure and roads

Parks and Recreation Master Plan

Related Elements:

- Taking care of existing parks and resources
- Enhancing/expanding resources, including the multi-use path and trails

Arts and Culture Master Plan

Related Elements:

- Integrate economic development planning for arts, culture, creative enterprise and heritage with downtown development, historic preservation, regional food hub development and area-wide economic planning.
- Establish comprehensive talent development, attraction and retention plans
- Focus an integrated strategy for community festivals and celebrations.
- Develop collaborative marketing and promotional efforts that incorporate the breadth of culture and creativity in the Marquette area with a strategy that connects to and integrates the efforts of the City, NMU, UP Health Systems- Marquette, the DDA, Travel Marquette and others.
- Ensure an attractive, supportive and sustainable environment for artists and creative businesses.

Superior Trade Zone Marketing Strategy

Related Elements:

- Sustain a workforce with numbers and diversity of talent needed by business.
- Concentrate economic development efforts on entrepreneurship and business expansion.
- Leverage the region’s economic development tools to promote industry growth.

Regional Prosperity Initiative (RPI)/Comprehensive Economic Development Strategy (CEDS)

Related Elements:

- Develop, attract and retain a talented workforce.
- Foster collaboration between schools, career and technical education(CTE) groups, Michigan Works, and relevant industries to develop and improve training opportunities and better align education and CTE programs with in-demand skills
- Improve infrastructure conditions.
- Improve quality of life for all residents.
- Support entrepreneurial development and innovation.

Annual Review

This economic development action plan will be reviewed annually. The implementation matrix (attached) will be used to evaluate the progress and success of this plan. The review will be made publicly available on the City website and will be distributed to the City Commission.

Opportunity	Strategies	Action Items	Responsible Party	Strategy Completion Date
Encourage sale and development of City-owned surplus property and the redevelopment of existing spaces.	Continue to invest in capital infrastructure projects	Budget for appropriate maintenance during the Capital Improvement Plan process including street improvements and sanitary/water infrastructure.	City Department Heads	Annually in August
	Focus efforts to sell surplus property	Improve the value of surplus property by investing in improved infrastructure and amenities to make the properties more viable. Review and consider offers from potential developers for the sale of the properties.	Community Development Director, City Manager	Ongoing
	Support investment in downtown	Continue to support the Downtown Development Authority's mission to promote economic growth and improve the value of downtown properties.	DDA Director, City Commission	Ongoing
	Promote walkability and bikeability in new project designs	Follow engineering and community standards when redesigning streets and other properties to provide safe walking and biking options	Community Development Director	Ongoing
		Reroute and develop the multi-use path through the Lighthouse Park and separate it from the road.	Community Development Director	November 2019
		Move Lakeshore Boulevard inland from Pine Street to Hawley Street and separate the road from the multi-use path.	Community Development Director	November 2020
	Continue to offer support assistance when appropriate to make projects viable, including Brownfield financing and other forms of TIF funding	Evaluate the merits of at least one project based on the benefit to the community, its relationship to community goals and the actual need to close financing gaps.	Community Development Director, City Commission	Measured Annually
	Utilize State property development resources	List available properties with the MEDC on Zoom Prospector	Community Development Director/City Manager's Office	November 2019

Opportunity	Strategies	Action Items	Responsible Party	Strategy Completion Date
Support efforts to make the City a desirable place to live and a hub for tourism.	Engage with service groups to create opportunities for local festivals.	Approve fee relief for four non-profit events every year through the Promotional Fund and Discount Fee Waiver application.	Community Services Director, City Commission	Measured Annually
	Continue to make public green space a focal point for community and regional events	Approve at least three licenses for events in community greenspace, including parks and right-of-ways.	Community Services Director, City Commission	Measured Annually
	Promote and support Marquette as an attractive vacation and recreation destination	Meet with the Director of Travel Marquette (Marquette County Convention and Visitors Bureau).	City Manager	Yearly
		Engage in local forums on tourism.	City Manager	Ongoing as opportunities arise
	Support the local trails system as an economic driver for the City tourism industry.	Negotiate the sale of City property to the Noquemanon Trail Network for their trailhead and trail facilities.	City Manager, City Commission	September 2019
		Maintain licenses for trails to operate on City property and forestland.	City Commission	Ongoing
	Communicate City events, projects and interest stories to the public	Publish internal and external newsletters that highlight City accomplishments and upcoming projects.	City Manager's Office	Monthly
		Utilize City social media channels (Facebook and YouTube) to communicate City news features and important news to residents and the broader public.	City Manager's Office	Weekly
	Responsibly manage the balance between short and long term rentals	Continue to monitor the local rental market and review the short term-rental ordinance as needed to meet with the character and needs of the City.	Fire Chief, Community Development Director, City Commission	Ongoing

Opportunity	Strategies	Action Items	Responsible Party	Strategy Completion Date	
Focus efforts to promote job opportunities and retain existing talent.	Encourage development projects that increase the housing stock for middle income families.	Promote housing projects to prospective developers that increase accessible housing for City residents.	City Manager, City Commission	Ongoing as opportunities arise	
	Support local economic development to promote entrepreneurship opportunities	Meet with prospective and new business owners in the City to establish positive relationships.	City Manager	Ongoing as opportunities arise	
	Support workforce development and attraction	Establish relationships with local talent agencies (SBDC, Michigan Works)		City Manager	Ongoing as opportunities arise
		Refer new businesses to local business development organizations and serve as a conduit for business resources (SBDC, Innovate Marquette)		City Manager	Ongoing as opportunities arise
		Promote developable properties		City Manager/Community Development	Ongoing as opportunities arise
		Create a page showing workforce development opportunities and partners on the City website		City Manager's Office	September 2019
		Promote development in Opportunity Zones		City Manager/Community Development	Ongoing as opportunities arise
	Collaborate with regional economic development groups and neighboring municipalities	Consider participation in the Triple Threat Economic Resiliency Strategy and Action Plan with CUPPAD, LSCP, NMU, Michigan Works, Marquette County, City of Negaunee, and InvestUP		City Manager's Office	Ongoing
		Utilize the Regional Prosperity Initiative for project opportunities		Community Development Director	Ongoing as opportunities arise
	Promote the City to economic development organizations	Attend economic development organization meetings and promote the benefits of developing in the City		City Manager	Ongoing as opportunities arise
	Support the Downtown Development Authority and the Marquette Chamber of Commerce in their missions to promote and develop the City business community.	Engage in monthly Downtown Development Authority board meetings.		City Manager	Monthly
		Maintain Champion level supporting membership in the Chamber of Commerce.		City Commission	Yearly
		Engage in monthly Chamber of Commerce board meetings and other Chamber events.		City Manager's Office	Monthly
	Continue to support Upper Peninsula Health Systems-Marquette/Duke LifePoint	Meet with the president of UPHS on a monthly basis to determine the status of the hospital.		City Manager	Monthly
	Support City enhancements that improve quality of life for residents	Add public green space to the City by reclaiming coastland from Lakeshore Boulevard between Pine Street and Hawley Street.		Community Development Director	2023
Promote Community attributes that are important to potential new residents	Maintain the City website as a resource for residents to learn about the City government and local services.		City Manager's Office	Ongoing	

Promote opportunities for continuing education.	Along with Northern Michigan University and Marquette Senior High School, provide at least two internship opportunities a year to local students to promote education and employment development.	Human Resources Director, Various City Departments	Yearly
Engage with service groups.	Work with various community service groups (Friends of Presque Isle, Rotary, etc.) to integrate their service missions with public space project needs.	City Staff	Ongoing as opportunities arise
Engage with state elected officials and the State government.	Meet with the local representative at least four times per year to discuss current matters in the capitol as they relate to City needs.	City Manager, Mayor	Quarterly
	Continue to employ a lobbyist to advance City needs in the State legislature.	City Manager, City Commission	Ongoing
Discuss the potential economic impact of the Michigan Regulation and Transportation of Marihuana Act within the City.	Engage in the public process to determine the community's view on retail marihuana establishments by holding at least one public forum and one City Commission work session.	City Commission	November 2019
	Create a report on the economic impact of retail marihuana licenses in the City that considers both employment and excise tax revenue.	City Manager's Office	September 2019
	Develop and review a City ordinance, in accordance with State regulations, that allows retail marihuana establishment licenses within the City.	City Attorney, City Commission	February 2020