The Port of Alpena: A Community Asset Inventory

Marc Coburn, Tatsuya Fukushige, Evan Gross, Corey Jackson, Mark Jones, and Elizabeth Masserang
Introductions: Our Client

- Northeastern Michigan Council of Governments (NEMCOG)

- NEMCOG is a team of highly motivated individuals dedicated to the betterment of the northeastern portion of Michigan, including Alcona, Alpena, Cheboygen, Crawford, Emmet, Montmorency, Oscoda, Otsego, and Presque Isle.

- NEMCOG has been key in pooling resources for the region as well as fostering regional cooperation.
Project Overview

Our main objective: collecting and compiling an inventory for NEMCOG on the port and community of Alpena, MI

Secondary objective: generate recommendations based on information acquired
Presentation Outline

I. Location and background
II. Identifying properties on the port of Alpena
III. Socioeconomic and community data
IV. Transportation systems and port navigability
V. Recommendations
Location

- Northeastern Michigan
- Situated on Lake Huron
- Part of the largest freshwater port system in the world

Source: Google Maps 2012
Background

- Alpena’s roots are in logging and milling, and limestone exporting which flourished in the late 1800s and early 1900s
- Today, Alpena thrives on outdoor recreational activities, tourism, and industrial manufacturing (including cement)
Properties on the Port
LaFarge

- Manufacturer of limestone and cement production
- Largest port in Alpena
- Partial owner of the West Dock
  - Private access only
- Approximately 230 employees
- Estimated 75 years of viability in the quarry
Decorative Panels International (DPI)

- Designer of wall panels
- Located in Alpena in 1957 (then known as Abitibi)
- Employs approximately 185 people
- Partial owner of the West Dock
- Does not export any goods via cargo freighters; utilizes US-23 to ship out hardboard panels
The Marina

- Governed by the Michigan State Waterways Commission
- Full service marina
- 143 boat slips, only reaches 60% capacity in peak seasons

Source: Great Lakes Cruising Club
Alpena Marc LLC

- Real Estate Agents and Managers

- Long-term project has been to redevelop the current property they own along the Thunder Bay River
  - Utilization of brownfield funding
  - NOAA Maritime Center, and the Fletcher Brewery

Source: Alpena Marc LLC
National Oceanic and Atmospheric Agency (NOAA) Maritime Center

- Became a National Marine Sanctuary and Underwater Preserve in 2000

- Redeveloped brownfield by Alpena Marc LLC

Source: NOAA

Source: Association for Great Lakes Maritime History
Fisheries and Wildlife Conservation Office (FWCO)

- Opened in June 1992
- Station covers the U.S waters of Lake Huron, western portion of Lake Erie, the St. Mary’s River, Detroit River, and St. Clair River
- Alpena FWCO conducts fishery and wildlife restoration projects

Source: Fisheries and Wildlife Conservation Office
Alpena Oil Company

- Shell Oil distributor for over 60 years and recently Marathon as well
- Two fishing companies also utilize part of the property to facilitate own businesses

Source: Adapted from NEMCOG
Socioeconomic Data
## Population

<table>
<thead>
<tr>
<th>Year</th>
<th>City of Alpena</th>
<th>Alpena County</th>
<th>NEMCOG Service Area</th>
<th>Michigan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td></td>
<td></td>
<td>22,189</td>
<td>-</td>
</tr>
<tr>
<td>1960</td>
<td>14,682</td>
<td>-</td>
<td>28,556</td>
<td>28.69%</td>
</tr>
<tr>
<td>1970</td>
<td>13,805</td>
<td>-5.97%</td>
<td>30,708</td>
<td>7.54%</td>
</tr>
<tr>
<td>1980</td>
<td>12,214</td>
<td>-11.52%</td>
<td>32,315</td>
<td>5.23%</td>
</tr>
<tr>
<td>1990</td>
<td>11,354</td>
<td>-7.04%</td>
<td>30,605</td>
<td>-5.29%</td>
</tr>
<tr>
<td>2000</td>
<td>11,304</td>
<td>-0.44%</td>
<td>31,314</td>
<td>2.32%</td>
</tr>
<tr>
<td>2010</td>
<td>10,843</td>
<td>-4.08%</td>
<td>29,598</td>
<td>-5.48%</td>
</tr>
</tbody>
</table>

Source: United States Census Bureau
Age Distribution

Source: U.S Census Bureau
Population Distribution

Population Distribution - Alpena County
1970 to 2010

Source: United States Census Bureau
**Employment Analysis**

### Alpena County

<table>
<thead>
<tr>
<th>Industry</th>
<th>2000 Census</th>
<th>2005-2010 ACS</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, fishing and hunting, and mining</td>
<td>490</td>
<td>373</td>
<td>-23.88%</td>
</tr>
<tr>
<td>Construction</td>
<td>864</td>
<td>809</td>
<td>-6.37%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,355</td>
<td>1,474</td>
<td>-37.41%</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>437</td>
<td>451</td>
<td>3.20%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>1,916</td>
<td>1,747</td>
<td>-8.82%</td>
</tr>
<tr>
<td>Transportation and warehousing, and utilities</td>
<td>494</td>
<td>594</td>
<td>20.24%</td>
</tr>
<tr>
<td>Information</td>
<td>315</td>
<td>289</td>
<td>-8.25%</td>
</tr>
<tr>
<td>Finance and insurance, and real estate and rental and leasing</td>
<td>528</td>
<td>661</td>
<td>25.19%</td>
</tr>
<tr>
<td>Professional, scientific, and management, and administrative and waste management services</td>
<td>568</td>
<td>877</td>
<td>54.40%</td>
</tr>
<tr>
<td>Educational services, and health care and social assistance</td>
<td>3,318</td>
<td>3,343</td>
<td>0.75%</td>
</tr>
<tr>
<td>Arts, entertainment, and recreation, and accommodation and food services</td>
<td>1,190</td>
<td>1,116</td>
<td>-6.22%</td>
</tr>
<tr>
<td>Other services, except public administration</td>
<td>742</td>
<td>602</td>
<td>-18.87%</td>
</tr>
<tr>
<td>Public administration</td>
<td>565</td>
<td>555</td>
<td>-1.77%</td>
</tr>
</tbody>
</table>

Largest Employment Sectors: Medical and Health, Education, and Manufacturing
Income and Poverty

- Michigan household median income: $46,861
- Alpena County household median income: $36,242

Source: U.S Census Bureau
Summary of Socioeconomic Data

- Approximately 50% of the population is over the age of forty-five
  - Similar with the NEMCOG region as a whole
- The population demographic of Alpena has shifted from a predominantly young population (0-24yrs) to older (45+) from 1970 to 2010
- The highest sectors of employment in Alpena are Medical and Health, Education, and Manufacturing
- The median salary in Alpena is $10,000 less than the state average
Zoning, Community Planning, and Land-Use
Zoning

Source: Adapted from the Alpena Comprehensive Plan
Downtown Development

Goal Statement: “to strengthen the downtown business district, promote economic growth and revitalization, encourage commercial revitalization and historic preservation” (Comprehensive Plan)

- Diverse and unique collection of shops
- Expansion towards the Thunder Bay River
- Asset: walking distance to a waterfront
Seasonal Tourism and Cultural Events

- Snowmobiling
- Shipwreck Tours, glass-bottomed boat
- Variety of nature trails and bike paths
- Maritime Festival and a variety of other yearly festivals
Future Land Use Goal

- The focus of the properties that line the Thunder Bay riverfront are an eventual conversion to mixed-use development.

Source: Alpena Comprehensive Plan
Transportation Systems and Utilities
Current Transportation Systems

- Road
- No interstate highway
- Not large capacity for heavy loads
- Bus System (between St. Ignace and Bay City)
  - Subsidized by MDOT
- Airport - commercial flights, Air Force flights
  - Asset to the city
- Non-motorized
  - Bicycle and pedestrian pathway system
Railways

- No passenger rail in Alpena

- Lake State Railway Company provides the rail service from Alpena to Bay City, MI

- Only one inbound and one outbound train per day, Monday through Saturday

- The rail is classified as Class III
  - Less than $40 million annual revenue
  - Considered short line rail/switching-terminal rail
Utilities

- Water (excess capacity)
- Sewer (excess capacity)
- Gas
- Electricity
Shipping, Port Navigability
Shipping

Michigan’s Activity
- 36 active ports in Michigan

Alpena’s Activity
- LaFarge has an active dock
- Currently no use of the West Dock
- Has an active, city-owned marina
- Not at capacity
Water Depths of the Port

- West Docks
- Lafarge Docks
- Thunder Bay River/Alpena Docks
Port Navigability & Potential Development

- LaFarge meets standards for N. Great Lakes (24 ft)
- West Dock cannot carry cargo ships (16 ft)
  - 20 ft - 21 ft is recommended for industrial (est. cost: $500,000)
  - Meets depth for cruise ships to dock
    - Though not aesthetically attractive at present—is industrial site
- River Channel (14 ft)
  - Can carry cruise ships
## Comparison

<table>
<thead>
<tr>
<th>Ports</th>
<th>Toledo</th>
<th>Detroit</th>
<th>Hamilton</th>
<th>Green Bay</th>
<th>Monroe</th>
<th>Muskegon</th>
<th>Alpena</th>
<th>Rogers City</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water Depth (ft)</strong></td>
<td>27</td>
<td>27</td>
<td>30 ft.</td>
<td>26 ft.</td>
<td>21 ft.</td>
<td>27 ft.</td>
<td>16-24 ft.</td>
<td>21 ft.</td>
</tr>
<tr>
<td><strong>Dock Space</strong></td>
<td>1,054 ft.</td>
<td>5,500 ft.</td>
<td>36,089 ft.</td>
<td>n/a</td>
<td>5,300 ft.</td>
<td>3,500 ft.</td>
<td>N/A</td>
<td>5,600 ft</td>
</tr>
<tr>
<td><strong>Cargo (in millions/yr)</strong></td>
<td>12</td>
<td>80</td>
<td>10.4</td>
<td>2.5</td>
<td>1.8</td>
<td>n/a</td>
<td>18.26</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Transport Facilities</strong></td>
<td>Rail, Highway, Airport</td>
<td>Rail, Highway, Airport</td>
<td>Rail, Airport</td>
<td>Rail, Highway, Airport</td>
<td>Rail, Highway, Airport</td>
<td>Rail, Highway, Airport</td>
<td>Rail, Highway, Airport</td>
<td>Rail, Highway, Airport</td>
</tr>
<tr>
<td><strong>Recreation</strong></td>
<td>Boat shows, kayaking</td>
<td>Eco-tourism, boat rentals, fishing</td>
<td>Sailing school, waterfront trails</td>
<td>Golfing, boating, hiking</td>
<td>Bike trails, boat rentals, fishing</td>
<td>Bike trails, glass bottom boats, tall ships, fishing, tourism</td>
<td>Bike trails, hiking, fishing</td>
<td></td>
</tr>
<tr>
<td><strong>Ferry &amp; Cruise Service</strong></td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes,</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Import / Export</strong></td>
<td>Both</td>
<td>Both</td>
<td>No</td>
<td>Both</td>
<td>No</td>
<td>Both</td>
<td>Both</td>
<td>Both</td>
</tr>
<tr>
<td><strong>International</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Foreign Trade Zone</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Port Authority</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>N</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

*Source: World Port Source*
Recommendations
Our Recommendations

- **Tourism Marketing Strategies**
  - Expand partnership with Pure Michigan for the entire NE region
  - Generate interest in Alpena as a maritime archeology hub
    - Array of shipwrecks and NOAA Facility
  - Draw interest in Alpena as a Great Lakes cruise ship stop
  - Huron Shores Greenways (US-23 Heritage Route)
  - Eco-tourism opportunities
Recommendations (con’t)

- LaFarge exit strategy
  - Industrial Reuse
- West Dock
  - Facilitate dredging opportunities
- On a regional level for Northeastern Michigan:
  - Create a marketing strategy and brand for the region as a tourist destination
- Governing council over the Alpena and the northeast Michigan ports or a port authority
Questions?