Ontonagon County Place-based Targeting Strategy

Ontonagon County -- Grant # MSC-2011-0718-HOA

The Place-based Targeting Strategy represents MSHDA's Community Development Division approved process and the County's determinations to address the following Special Condition:

To receive the second year funding (the remaining 50% of the grant award) the grantee must engage in community planning for a Targeted Strategy that will forward the goal of Place Making, resulting in a plan approved by MSHDA, Community Development Division.

Authorized Signatory for Grantee

Printed Name

Date

Data collection and final report prepared by MSHDA approved Technical Assistance provider, Kuntzsch Business Services, Inc., and updated by Western Upper Peninsula Planning and Development Region.
Introduction

On September 2, 2011 the Michigan State Housing Development Authority (MSHDA) sent a memo to its County Allocation Housing Resource Fund Grantees to notify them of changes to the County Allocation Program. Due to recent cuts in the Community Development Block Grant (CDBG) program, which funds MSHDA’s County Allocation Program, and the difficult housing market, MSHDA determined it was necessary to redefine its investment priorities. The memo states,

“...we must provide solutions by redefining our investment priorities within our [Housing Resource Fund]. We will do this by targeting our resources collectively between state and local governments by creating ‘Sense of Place’ investment priorities.”

In order to access 50% of their County Allocation funding, the memo requires counties to,

“...engage in community planning for a ‘Targeted Strategy’ that will forward the goal of Place Making, resulting in a plan approved by [MSHDA’s Community Development Division].”

The purpose of this Place-based Targeting Strategy is two-fold; it addresses the requirement for a “Targeted Strategy” set forth by MSHDA in the Program for Creating a Place-based Targeting Strategy (see Appendix 1) while also identifying needs for improving the quality of place in targeted areas, which extend beyond the current scope of the County Allocation Program.
Identification of Target Areas
Ontonagon County has selected the White Pine Census-Designated Place (CDP) and the Village of Ontonagon as its target areas for the 2012/2013 County Allocation Grant. Map 1 illustrates the CDP's and Village’s location relative to the County as a whole, and Maps 2 and 3 provide detailed views of the CDP’s and Village’s boundaries, respectively.
Rationale for Target Areas
Ontonagon County has selected White Pine CDP and the Village of Ontonagon as the target areas for the County Allocation Program based on the following considerations:

- A combined 29 percent of the County population lives in the CDP and Village (see Appendix 2).
- The developed part of the CDP is a compact community and former mining town with substantial opportunity for redevelopment.
- The Village is located on Lake Superior; it has significant community assets, vibrant natural environment, and history to build upon.
- The Village and CDP have necessary services to support economic development (water, sewer, transportation infrastructure, communications).
- The CDP and Village meet all of MSHDA’s requirements for a County Allocation Program Target area (see Appendix 2).
Consistency with Existing Plans

Ontonagon County does not have a master plan. The county relies upon the Western Upper Peninsula Planning and Development Region (WUPPDR) for assistance regarding county-wide planning decisions. The Village of Ontonagon itself has a master plan with which this strategy is consistent.

The Western Upper Peninsula Planning and Development Region’s Comprehensive Economic Development Strategy (CEDS) plan identifies a variety of goals and objectives for the region in terms of economic development. Targeting the CDP and Village for investment through the County Allocation Program is consistent with those goals and objectives. Additionally, the CEDS identifies specific projects in each community, some of which are described in further detail in the Recommendations section of this document.
Target Area Requirements
This section responds to the requirements for target areas identified by MSHDA in the Program for Creating a Place-based Targeting Strategy, as outlined in Appendix 1.

Housing Density
Ontonagon County: .007 Housing units/acre
White Pine CDP: .108 Housing units/acre
Village of Ontonagon: .384 Housing units/acre

Zoning
The Village of Ontonagon adopted a new hybrid zoning code in 2012 that provides for several form-based districts in the Village. This code is highly conducive to place-making activities. Carp Lake Township, the jurisdiction covering White Pine CDP, is also zoned.

Affordability

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Rent</th>
<th>% of County Median Income*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontonagon County</td>
<td>$335</td>
<td>11%</td>
</tr>
<tr>
<td>White Pine CDP</td>
<td>**</td>
<td>**</td>
</tr>
<tr>
<td>Village of Ontonagon</td>
<td>$351</td>
<td>12%</td>
</tr>
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</table>

* County Median Income: $35,269
** Not Available

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Home Value</th>
<th>% of County Median Home Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontonagon County</td>
<td>$75,300</td>
<td>100%</td>
</tr>
<tr>
<td>White Pine CDP</td>
<td>$38,900</td>
<td>52%</td>
</tr>
<tr>
<td>Village of Ontonagon</td>
<td>$62,600</td>
<td>83%</td>
</tr>
</tbody>
</table>

Assessed Value

<table>
<thead>
<tr>
<th>Area</th>
<th>2011 State Equalized Value</th>
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<tbody>
<tr>
<td>Ontonagon County</td>
<td>$367,507,524</td>
</tr>
<tr>
<td>White Pine CDP</td>
<td>**</td>
</tr>
<tr>
<td>Village of Ontonagon</td>
<td>$29,146,154</td>
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</table>

** Not Available
**Target Area Recommendations**

This section responds to recommendations for placemaking from MSHDA in the *Program for Creating a Place-based Targeting Strategy* (see Appendix 1) and also identifies needs for enhancing the quality of place within target areas beyond the scope of the County Allocation Program. These additional needs have been identified with the understanding that the State of Michigan may be targeting other state resources to create and enhance high-quality places in the future.

**Access to Transportation**

Ontonagon County Public Transit (On-Trans) provides demand-response service to all residents of the County as well as a monthly fixed route to Houghton for access to broader services.

The primary state highway through White Pine CDP, M-64, provides connectivity with routes M-28, M-38, and U.S. 45 for access throughout the state and region. M-64 connects to M-38 within the Village of Ontonagon. Several years ago, the bridge joining the two routes was moved to bypass the downtown, significantly altering the amount of traffic that passes local businesses on a daily basis. Ontonagon has direct access south to Wisconsin via highway US-45.

**Pedestrian Infrastructure**

White Pine CDP, though it is not a municipal government, includes a central developed area served by an interconnecting array of local streets. With low levels of traffic, these are appropriate for pedestrian use.

The Village of Ontonagon recently invested in downtown lighting and sidewalks by adding brick pavers and bump-outs to enhance the downtown’s pedestrian-friendliness. This shift in form and function was extended to many side streets, expanding the walkability of the entire Village.

Development of trails and access to hiking, biking and cross country skiing is a vital amenity for the Village as it continues to enhance the quality of life of residents as well as improve its attractiveness for tourism.

**Proximity to Necessities and Community Assets**

*Major Employers*

The Village of Ontonagon and the County as a whole has been significantly impacted by the loss of major employers in the natural resources industry in recent years. Current major employers in the region include

- Ontonagon Memorial Hospital
- Ontonagon School District
- Ontonagon County Government

These employers are located within the Village limits of Ontonagon. However, access to the Hospital and the School could be improved, as both are in the southern portion of the Village, separated from the main residential areas.
In White Pine CDP, Global Wood Sticks is in the process of preparing a chopstick factory that can be expected to become one of the County's major employers.

_Parks_
White Pine CDP has a small playground as well as sports and recreation facilities available at a former school complex in the developed part of the community. The Village of Ontonagon has eight recreational facilities within or just outside of the Village limits.

The primary development of parks and recreational facilities needed in the Village is to capitalize on the Village’s waterfront. Examples include:
- The Village’s current Marina should be expanded and relocated to provide users with walking access to the downtown, rather than needing to cross the river.
- The Village currently lacks a town square or central gathering place. Development of public open space specifically related to the River or Lake Superior would be an excellent solution to this need.
- The Village of Ontonagon and the Township of Ontonagon have identified development of a recreational trail system through both jurisdictions as a priority.

_Healthcare Facilities_
Residents of the Village and surrounding areas have access to Aspirus Ontonagon Hospital for healthcare services. Some clinic hours are held at the closed hospital in White Pine CDP.

_Grocery Stores_
Ontonagon has a supermarket on the Village perimeter and a small downtown grocery store that serve residents and visitors alike.

_Community Centers_
White Pine CDP residents have close access to Carp Lake Township Library in the main residential area. The Ontonagon Township Library is located near the heart of Downtown Ontonagon and provides a gathering place as well as resources for residents. A recreation facility—normally used as a hockey arena—is also available in the Village for public events, as are community parks. Both the CDP and Village have active community/fraternal organizations.

_Other_
White Pine CDP is still recovering from closure of a major copper mine in the mid-1990s which reduced the population occupying the developed residential area. A small-scale niche industry continues to utilize part of the mine. As previously mentioned, a major employer that will impact the entire County is currently developing in the community's industrial park.

The primary physical challenge currently facing the Village is redevelopment of the former Lakeshore industrial site, located across the river from the downtown, which historically provided vital employment for Village and County residents. Now vacant, the structure blocks a substantial portion of waterfront access. The Village developed a re-use plan as part of its Master Plan. Implementation of this plan is absolutely critical to the Village.
Appendix 1
Program for Creating a Place-Based Targeting Strategy

The following process has been developed to target the County Allocation Program for placemaking in each county participating in the current grant cycle.

Identification of Target Areas

1. Target area(s) must be identified based on one or more of the following:
   1.1. County and/or regional planning documents
   1.2. Analysis of existing conditions
2. Consistency with existing plans
   2.1. Target area(s) should be identified on relevant plans (regional, county and/or local) as an area suitable for investment in housing, infrastructure enhancements, and economic development.

Target Area Requirements
All target areas must meet the following criteria.

1. Housing Density
   1.1. The target area must have 50% more housing units per acre than the county as a whole.
2. Zoning
   2.1. Zoning in the target area must be flexible enough to permit the creation of high-quality places.
      2.1.1. Ideally, the target area should be primarily zoned with a mixed-use classification.
          But at a minimum, residential, commercial and office uses must be permitted within the target area.
3. Affordability
   3.1. Median rent in the target area must be 30% or less of county median household income.
   3.2. Median home value in the target area must be equal to or less than 110% of median home value for the county as a whole.
4. Assessed value of targeted area and county.
   4.1. Submit assessed value of target area and the county as a whole for the current year.

Target Area Recommendations
The following items indicate recommended characteristics of target areas. Grantees must respond to the following questions for each target area. If the answer to any question is “No,” the grantee must identify how the county will pursue improvements that move the target area toward meeting that recommendation in the future.

1. Access to transportation
   1.1. Does the target area have access to public transportation?
1.2. Does pedestrian infrastructure exist in the target area that effectively connects key destinations?
   1.2.1. Sidewalks, bike lanes and/or multi-use pathways should provide access to destinations within and outside of the target area.

2. Proximity to necessities and community assets
   2.1. Is the target area within walking distance (1/2 mile) of major employment centers?
   2.2. Is the target area within walking distance (1/2 mile) of parks and green infrastructure assets?
   2.3. Distance to essential services
       2.3.1. Is the target area within walking distance (1/2 mile) of healthcare facilities?
       2.3.2. Is the target area within walking distance (1/2 mile) of schools?
       2.3.3. Is the target area within walking distance (1/2 mile) of grocery stores?
   2.4. Is the target area within walking distance (1/2 mile) of community facilities e.g. community centers, local government offices, etc.?
## Appendix 2

Table 4: County Target Area Requirements Evaluation (source: 2010 Census and 2010 ACS 5-year estimates)

<table>
<thead>
<tr>
<th>Geography</th>
<th>Population</th>
<th>Housing Units</th>
<th>HU/Acre</th>
<th>HU/Acre % of County</th>
<th>Contract Rent</th>
<th>CR % of County M.I. **</th>
<th>Home Value</th>
<th>HV % of County</th>
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<tr>
<td>Ontonagon County</td>
<td>6,780</td>
<td>5,672</td>
<td>0.007</td>
<td>100%</td>
<td>$335</td>
<td>11%</td>
<td>$75,300</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Ontonagon village</strong></td>
<td>1,494</td>
<td>910</td>
<td><strong>0.384</strong></td>
<td>5675%</td>
<td><strong>$351</strong></td>
<td><strong>12%</strong></td>
<td><strong>$62,600</strong></td>
<td><strong>83%</strong></td>
</tr>
<tr>
<td>White Pine CDP*</td>
<td>474</td>
<td>346</td>
<td><strong>0.108</strong></td>
<td>1599%</td>
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<td>-</td>
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</tr>
<tr>
<td>Bergland township</td>
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<td>$382</td>
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<tr>
<td>Bohemia township</td>
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<td>$118,800</td>
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<td>Carp Lake township</td>
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<td>12%</td>
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<td>206%</td>
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<td>Interior township</td>
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<td>334</td>
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<td>89%</td>
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<td>McMillan township</td>
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<td>$119</td>
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<td>90%</td>
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<td>Matchwood township</td>
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<td>35%</td>
<td>-</td>
<td>-</td>
<td>$97,100</td>
<td>129%</td>
</tr>
<tr>
<td><strong>Ontonagon township</strong></td>
<td><strong>2,579</strong></td>
<td><strong>1,774</strong></td>
<td><strong>0.014</strong></td>
<td><strong>213%</strong></td>
<td><strong>$323</strong></td>
<td><strong>11%</strong></td>
<td><strong>$75,500</strong></td>
<td><strong>100%</strong></td>
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<tr>
<td>Rockland township</td>
<td>228</td>
<td>210</td>
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<td>52%</td>
<td>$314</td>
<td>11%</td>
<td>$59,000</td>
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<td>547</td>
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<td>101%</td>
<td>$353</td>
<td>12%</td>
<td>$82,100</td>
<td>109%</td>
</tr>
</tbody>
</table>

*Bold Text*= Eligible area  
**Ononagon County Median Income: $35,269
Appendix 3

Map 3: Previous County Allocation grant home rehabs, December 2011

Ontonagon County Past Home Rehabs

Legend
- Home Rehab
- Political Boundaries
- State Roads
- Water Body