

5. Economic Development

The field of Economic Development has traditionally focused on the strategies of business attraction, retention, and expansion to drive job growth and local prosperity. However, the evolution of our society, driven by factors like advancements in technology, globalization, and others have changed the game of economic development significantly. Today, talented workers are the fuel of the new global economy and where they go and cluster, industries tend to follow and thrive. Skilled and talented workers are free and willing to relocate to places where they can achieve a high quality of life, competitive salaries, and high-quality affordable housing options. Thus, the strategy for economic development has had to adjust in recent years; while traditional strategies are still needed, incorporating principles of community development that aims to create vibrant places where these workers want to stay has become a necessity.

While the evolution described above is growing to be the norm for knowledge and skill-based industries, it should be noted that land-based industries such as fishing, forestry, and tourism are anchored to the locations in which these resources reside. The immediate region has a high reliance on these industries since the establishment of mining when Negaunee first formed. This fact is a double-edged sword, as they ensure reliable living-wage jobs locally, but these industries are subject to broader market trends and sustainability practices. The workforces of these industries also tend to skew more toward local labor and are not commonly targets for talent attraction. Heavy reliance on relatively few land-based industries may leave the community less resilient when faced with economic shocks, which suggests a significant effort should be put into cultivating diversification.

Strategic Priorities

For most of Negaunee and Marquette County's history, the economy was principally based on the iron ore mining industry. Mining on the Marquette Iron Range in Marquette County goes back more than 150 years. Since the closing of many of these mines, the economy has had to shift from iron ore production to a more service and tourism-based economy.

A Redevelopment Ready Community

As of this point in early 2023, Negaunee is working on becoming a Redevelopment Ready Community, or RRC, through the Michigan Economic Development Corporation. Through this certification the City will be eligible for certain grant programs and obtain priority on shovel-ready projects that meet the criteria.

Redevelopment of vacant and underutilized properties is a high priority in the City of Negaunee. Reinvestment in these types of properties enhances a community's potential to attract businesses and talent by creating a stronger sense of place and catalyzing future opportunities. Redevelopment visions should align with the future needs of the community, and in Negaunee's case, these visions should consider the possibility of strategies like increasing density, providing missing middle housing options, growing the tax base, welcoming new businesses and enterprises, and eliminating development barriers that impede the constructive and innovative use of land.



Priority Redevelopment Sites

Priority Site #1: Cambria Location

Location: South of Cambria Street, along M-41.

Opportunities: Could be an ideal location for commercial development, hospitality or hotel development, or retail establishments.

Vision: Redevelopment of this site serves the community with commercial and retail developments designed to fill need-based gaps, like eateries or hospitality based businesses such as hotels.



Priority Site #2: Tracy Mine Vacant Land

Location: South of Tracy Mine Road.

Opportunities: This reclaimed mine area could be developed into much needed housing, utilizing a mix of single family homes and multifamily housing structures.

Vision: This area could be the beginning of a new neighborhood in Negaunee, utilizing the underused land in a method that serves the community and stays within the style of Negaunee’s older neighborhoods for a cohesive look and feel.



Priority Site #3: Ann Street Location

Location: South of Ann Street.

Opportunities: This area could also be used for new housing developments.

Vision: The Ann Street neighborhood has expanded and grown to include more newly built single and multi family housing. Negaunee’s new housing developments serve as a major draw for new residents.

Industry Diversification

Industry diversification is a strategy that seeks to grow the output, workforce, and wages of new and emerging industries in regions where few larger industries dominate the economy. Diversification of industries, similar to investment planning, can result in reduced potential losses and greater potential for rapid recovery when impacted by economic shocks, such as the Great Recession and the COVID-19 Pandemic.

According to EMSI, Economic Modeling Specialists International, which provides high-quality employment data and economic analysis via web tools and reports, the highest industry cluster in the county is Non-Function Employment, meaning, service-based uncategorical industries such as food service and retail, numbering over 16,000 jobs in 2020 (figure 23). Knowledge-Intensive Business Services is the next highest industry cluster, followed closely by Higher Education. Agriculture and Natural Resource extraction is still high up on the list, but only employs about 5% of the local workforce.

Mining remains a current staple of Marquette County industries, but is expected to continue its downward trend. Figure 24 shows the employment rates of the County along with the national average. Marquette County has many more employees than the national average, but there has been a 26% drop in growth over 2015-2020, and is projected to fall another 20% by 2025.

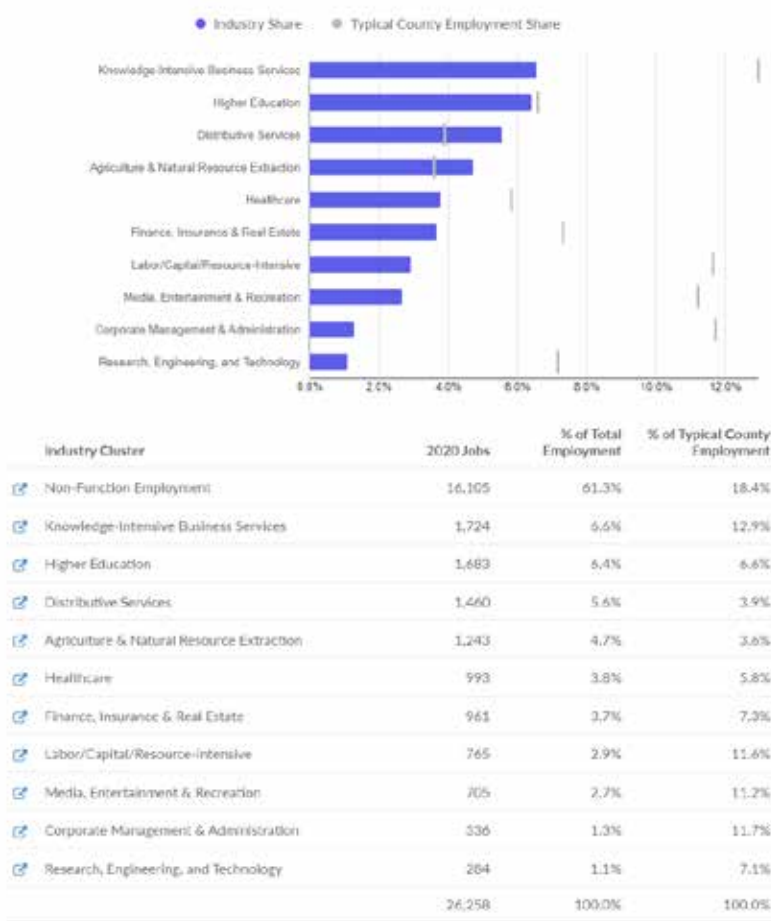


Figure 22: Industry Shares by Sector in Marquette County
Source: Economic Modeling Specialists International (EMSI), 2020