

## INDUSTRIAL

Nearly all self contained urban communities have a major interest in promoting and attracting industrial activity. Realization of this goal, however, is not easy as there is intensive competition between communities, the technology of industry is continually changing and there are wide regional differences which affect industrial potential. Specialists in industrial search and development point out that there are two basic sources of industrial growth: (1) The expansion of existing activity and (2) The development of or importation of new industry. It is generally agreed that attracting new industry is the glamorous aspect of industrial development work. However, successful industrial growth more often results from expansions among existing operations.

The Preliminary Industrial Plan report portrayed the most significant industrial land resources that may be used for industrial activities. However, changes and variations to that original analysis are indicated in the final Comprehensive Land Use Plan. Most changes occurred in waterfront industrial areas, where in the final analysis, open space and recreation was considered to be a higher and better use. The realities of industrial probability affected the final determination.

### EXISTING CONDITIONS

The location of Hancock and Houghton in the Upper Peninsula of Michigan has a significant bearing on industrial potential in terms of attracting diversified industrial operations. Although not universally true, diversified manufacturing in the United States has tended to locate within the immediate influence areas of larger metropolitan centers.

The most obvious characteristic of existing industrial uses is their predominant orientation to the Portage Canal Waterway. The Ripley area accounts for most of the industrial land area, and there are industrial tracts along the waterway in Hancock and Houghton. Few of the present waterfront industries involve operations which are dependent upon the Portage Canal resource. This is significant because future policies on land use along the Portage Canal can be more flexible in terms of the following:

- . Relocation of non-water dependent uses.
- . Re-use of industrial sites for open space recreation or community services.
- . Dedication of selected waterfront lands for water dependent industry.

TABLE 27 summarizes pertinent industrial land use information for the Hancock-Houghton Region. The statistics differ somewhat from the original land use tabulations because they include community owned uses that are industrial in character such as D.P.W. garages, M.T.U. Power Plant, sewage treatment plant, and railroad switching yards.

In the entire planning area there are 137.6 acres of industrial land. Only 46.4 acres are within City areas and this includes 8.1 acres of community service uses. Only 5.1 acres of land in the entire two City area is in manufacturing processing uses, of which some food warehousing is included.

Industrial sites are small. In Hancock and Houghton the average industrial parcel measures 1.1 acres, while non-city site average 3.4 acres. Some newer industrial sites in other parts of the Upper Peninsula have sites which average seven acres. These statistics are useful in evaluating the site size requirements of industry when planning industrial parks.

Using 1969 tabulation data it is found that Hancock has 2.7% and Houghton has 1.6% of their developed land area in the industrial use classification. This is compared with selected other U.P. communities in this section.

**TABLE 27**  
**INDUSTRIAL ACREAGE BY USE**  
**Hancock-Houghton Region**

	City of Houghton	City of Hancock	Two-City Area	Non-City Area	Total Hancock Houghton Area
Manufacturing and processing	-	.5	.5	13.8	14.3
General storage and warehousing	.5	4.7	5.2	10.0	15.2
Food processing and storage	2.6	2.0	4.6	-	4.6
Fuel depots and docks	1.2	2.9	4.1	24.3	28.4
Construction and bldg. materials	2.7	2.7	8.4	9.5	17.9
Transportation	14.7	-	14.7	5.5	20.2
Services of an industrial character	5.0	3.1	8.1	5.4	13.5
Junk, scrap and salvage	-	.1	.1	22.0	22.1
Vehicle repair service	.2	.5	.7	.7	1.4
TOTAL ACREAGE	26.9	16.5	46.4	91.2	137.6

SOURCE: Vilican-Leman & Associates, Inc., Field Inspections, 1971

<u>Community</u>	<u>Percent of Developed Land in Industrial Use</u>
Hancock	2.7%
Houghton	1.6%
Iron Mountain	2.7%
Norway	3.3%
Kingsford	6.9%
Baraga	7.5%
Negaunee	8.6%
Manistique	9.3%
Munising	12.7%
L'Anse	25.3%

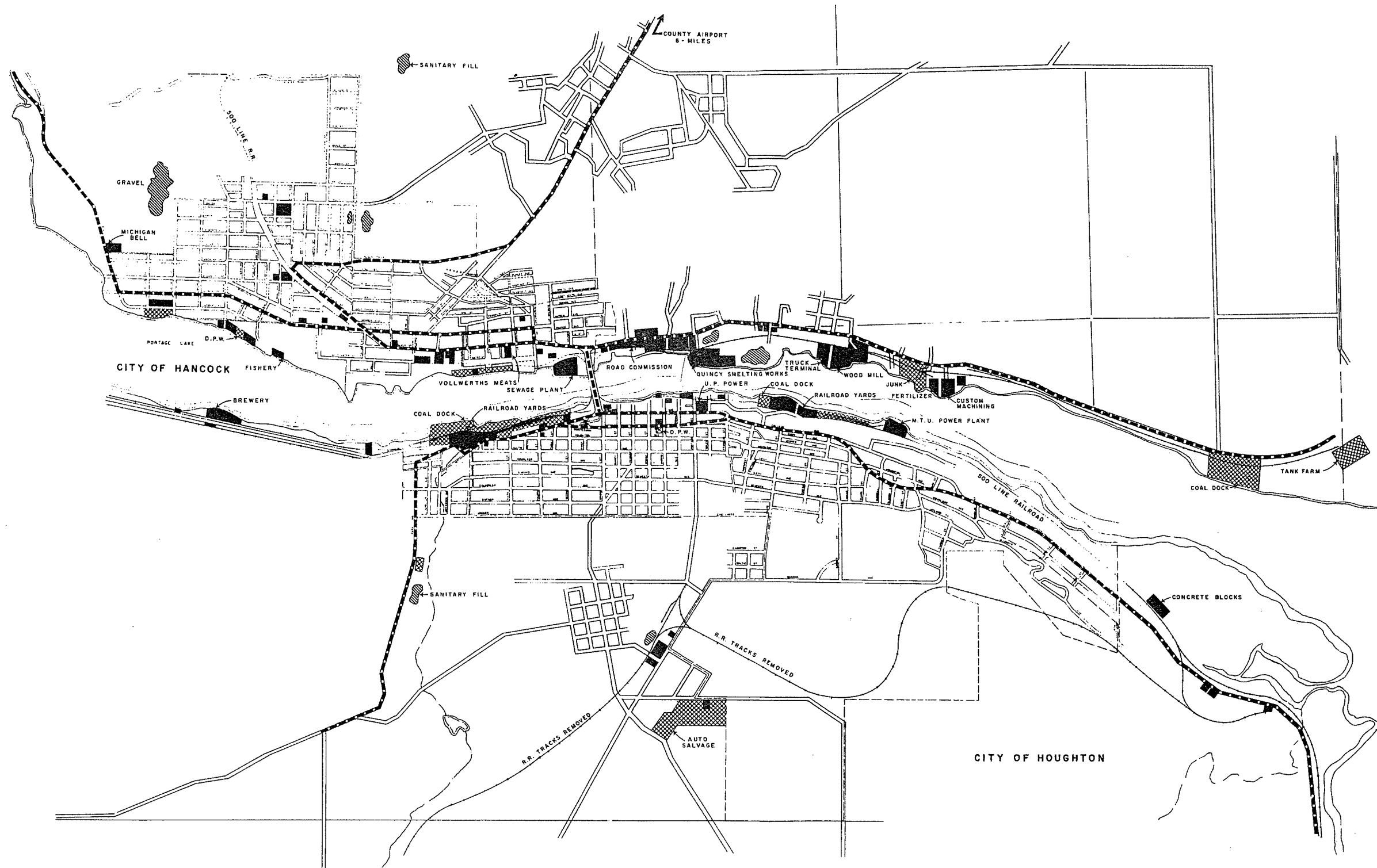
The comparative community statistics listed above capsule the pertinent industrial use problems affecting the Cities of Hancock and Houghton. These include: limited industrial base and scarcity of marketable industrial sites. Typically, mid-western central cities have upwards of 10% of their land uses in the industrial category. Both Hancock and Houghton have more acreage in commercial use than industrial use, which underscores the significance of retail markets in the local economy.

#### **INDUSTRIAL ASSETS AND POTENTIALS**

The regional location of Hancock and Houghton determines, to a significant degree, their industrial potentials. In addition, there are local factors which relate to capacity to sustain industrial operations. These generally breakdown into two groups: Production Factors and Community Factors.

Production factors can be defined as those services or conditions which enable an industry to operate successfully. They include labor, land, utilities, resources and markets. Communities which possess multiple factors have a greater capacity to sustain industrial uses, hence, a better opportunity to diversity. Communities with the higher quality factors stand to be more successful in promotional efforts.


Once an area has determined its physical capability to support industrial activity, it joins in competition for industry with the numerous other communities which have a similar or greater capacity. It is in this realm that community factors become vitally important, not only for their existence but also their promotion. Briefly, the community must sell its advantages to industry. Although it is



- SITES WITH STRUCTURES
- OPEN STORAGE
- MINE WASTE, GRAVEL, OR SANITARY FILL
- STATE TRUNKLINE HIGHWAYS

# EXISTING INDUSTRIAL USES

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frequently overlooked, the community's rating as a home become important in the sense of successful economic competition. Community factors include schools, shopping, housing, recreation, medical services, communications and related.

### **Potential Industrial Operations**

A good overall view of the comparative economic advantages of communities like Hancock and Houghton was presented in a 1963 report published by the Upper Midwest Economic Study. Although there were no specific references to Houghton County or its communities, the report compared the relative advantages of the Upper Midwest to other regions in the United States. A summary of the pertinent conclusions is listed below:

The most important limitation is, without a doubt, the fact that the area is somewhat removed from major markets.

Industries with prohibitive transportation costs hold a very limited potential for expansion in the Upper Midwest.

The best prospects for heavy specialization appear to be in industries where labor considerations are critical.

Look to those industry groups where required labor skill characteristics compare with industry already developed in the area.

Machinery and instrument industries deserve special attention since they are national growth industries. Their required skills exist in the Upper Midwest and these industries are now increasingly attracted by non-cost influences.

The types of industry which may feasibly operate within a given community are dependent upon a number of individual factors, some of which are indeterminate. An industrial operation may develop simply because the employer "liked the community," although there certainly must be tangible factors as well. Generally, existing operations, physical facilities, natural resources, and labor skills are primary subjects indicative of an area's industrial potential.

## **INDUSTRIAL PLAN - CITY OF HANCOCK**

The industrial elements of Hancock's Comprehensive Plan are illustrated on the "Industrial Plan" map accompanying this section. In all, there are seven areas with industrial uses or with industrial use potential. One of these areas is beyond the City Limits along M-26 and the Portage waterway. The numbered areas below are keyed to the Industrial Plan map.

### **Number 1 - Hancock**

Nearly 90 acres of land are available for new industrial uses, expanded industry and/or relocated industry. This site is recommended for development as an organized industrial district, preferably operated by an industrial development corporation or similar investment oriented group. The exact location of this industrial area may shift in response to changed transportation patterns, changed City Limits, or difficulty in marketing the sites for industrial use.

To implement the industrial district plan, the processes of site preparation and grooming must be started to increase the area's appeal to prospective industrialists.

### **Number 2 - Hancock**

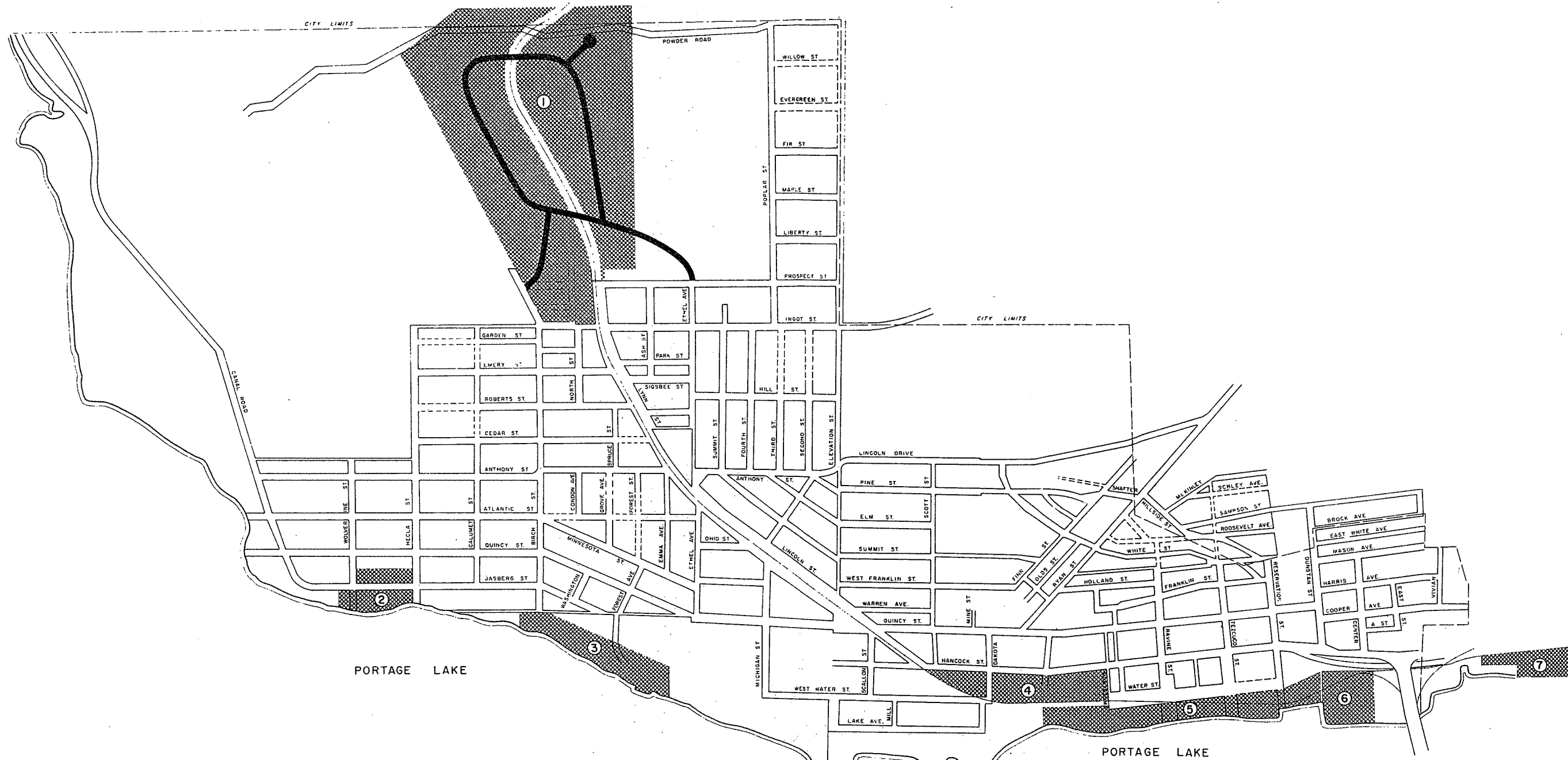
Because Area 2 is positioned within a developing residential area, the site is comparatively small, and there is no apparent dependency on the Portage waterway. It is recommended that existing industrial uses be relocated to more suitable industrial areas.

### **Number 3 - Hancock**

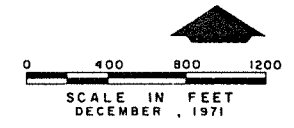
Area 3 is similar to Area 2, except that present industrial uses are more permanent and the fishery may be dependent upon the Portage waterway. It would be desirable if the existing industries could operate at other industrial locations.

### **Number 4 - Hancock**

Area 4 is positioned in a built up City area between Hancock Street, the Soo Line Railroad, and Montezuma Street. Existing industrial uses are non manufacturing (lumber, storage, contractors, etc.) and there are 26 homes. All sites are now limited in terms of parking, off street loading and expansion potential. The use



- INDUSTRIAL AREAS (SUGGESTED POLICY)**
- 1 PROPOSED INDUSTRIAL DISTRICT
  - 2 DISPLACE WITH NON INDUSTRIAL USES
  - 3 DISPLACE USES TO NON INDUSTRIAL OR RESERVE FOR LIGHT INDUSTRIAL OR COMMERCIAL
  - 4 WHOLESALE, STORAGE, & INDUSTRIAL SERVICES
  - 5 DISPLACE INDUSTRIAL WITH RECREATION
  - 6 SEWAGE PLANT AREA
  - 7 RIPLEY INDUSTRIAL AREA
- PROPOSED INDUSTRIAL DISTRICT SERVICE ROADS**



# INDUSTRIAL PLAN

## CITY OF HANCOCK MICHIGAN

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plan envisions a long term trend wherein existing residential properties are gradually replaced by industrial or heavy commercial activity. Small shops, repair services, building supplies, wholesalers and enclosed storage may impact this area more than other areas.

#### **Number 5 - Hancock**

Area 5 is long and narrow with limitations for future industrial development. Existing uses include low density open storage, a small shed, and temporary concrete mix plant. Contractors equipment and vehicles are scattered along the entire area, and barges are docked at the water's edge.

Because of basic site limitations and the questionably demand for water dependent type industry, it may be better policy to promote future industrial development in an industrial park and use the water front lands for open space recreation, pleasure boating, and related recreation-resource uses.

#### **Number 6 - Hancock**

Area 6 is physically an extension of Area 5, and contains the Portage Lake Sewer and Water Authority office and sewage treatment plant. There is some vacant area around the sewage plant for limited industrial use, but any future expansion of the treatment plant should be given priority consideration.

#### **Number 7 - Hancock**

Industrial Area 7 is located entirely in the Township, and its full extent is more clearly illustrated on the "Existing Industrial Uses" map. This area extends one and one-half miles easterly from the Hancock City Limits. Most of the uses are contained within the varying width area between M-26 and the Portage waterway.

Area 7 is now an unattractive industrial area, supporting mixed uses, vacant and dilapidated structures, mine waste deposits, open industrial activity, salvage operations, and the like. Despite these site limitations, Area 7 has considerable use and re-use potential for water dependent industry. Raw water is available for major water consuming manufacturing operations, and Great Lakes shipping can proceed east and south without passing under the Lift Bridge ( a favorable community feature).

Considerable effort will be necessary to open industrial sites to new tenants. Useable sites must be assembled, obsolete structures should be removed, and major site grooming and beautification is necessary.



## **INDUSTRIAL PLAN - CITY OF HOUGHTON**

The "Industrial Plan" map for the City of Houghton depicts seven (7) industrial areas. All of these areas have existing industrial uses giving them reason for consideration in the Plan. Various qualitative measures are suggested in the Plan in order to maximize the utility of the areas for industrial and/or community purposes.

The discussion of industrial sites follow in the order that they are keyed to the "Industrial Plan" map:

### **Number 1 - Houghton**

This area is made up of five modules of industrial land that hold a potential for additional industrial development. By including Area 2, there is a combined total area of some 90 acres.

Because of favorable topography and good access for employees, this area is proposed as an industrial district, that ideally would be planned and controlled by an industrial development corporation.

### **Number 2 - Houghton**

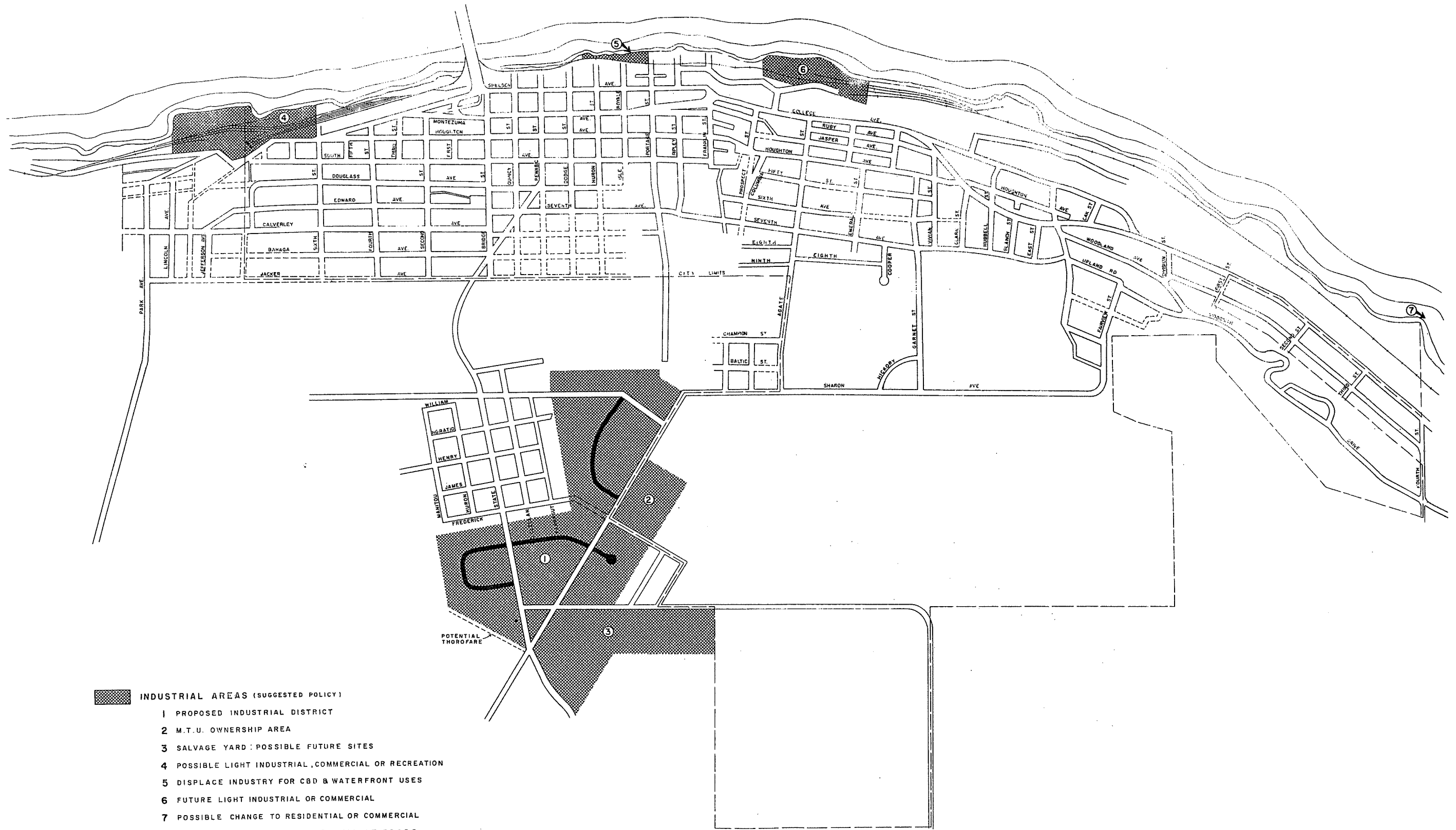
Area 2 is too small to be regarded as an industrial park and it is on land owned by Michigan Technological University and therefore may never be available for industrial use. However, the site has industrial use potential when related to the adjacent lands in Area 1.

### **Number 3 - Houghton**

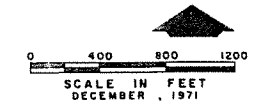
Area 3 is adjacent to the industrial district proposed as Area 1. Much of the site is used for auto salvage activity and open vehicle storage. A few residences are located in the area, and there are topographic limitations. It may be possible to consolidate the auto salvage activity, displace existing residences, and provide improved industrial sites.

### **Number 4 - Houghton**

The use of Area 4 for industrial purposes is restricted by existing railroad uses and miscellaneous structures. Moreover, the area has poor image qualities, being less than appealing to prospective industrialists, and vehicle access is poor. Since the coal dock area is now inactive, no uses in Area 4 are dependent upon the water



- INDUSTRIAL AREAS (SUGGESTED POLICY)**
- 1 PROPOSED INDUSTRIAL DISTRICT
  - 2 M.T.U. OWNERSHIP AREA
  - 3 SALVAGE YARD : POSSIBLE FUTURE SITES
  - 4 POSSIBLE LIGHT INDUSTRIAL, COMMERCIAL OR RECREATION
  - 5 DISPLACE INDUSTRY FOR CBD & WATERFRONT USES
  - 6 FUTURE LIGHT INDUSTRIAL OR COMMERCIAL
  - 7 POSSIBLE CHANGE TO RESIDENTIAL OR COMMERCIAL
- PROPOSED INDUSTRIAL DISTRICT SERVICE ROADS**



# INDUSTRIAL PLAN

## CITY OF HOUGHTON MICHIGAN

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resources of the Portage Canal.

Although existing conditions tend to support future industrial use, site grooming efforts and access improvements can render the area useable for commercial activity or recreation uses related to shoreline open space, marine service center or boat works and other recreation-resource developments.

#### **Number 5 - Houghton**

Only a few industrial uses are located in Area 5. These are not dependent upon the Portage Waterway and therefore can be relocated. It is suggested that the existing industrial uses be displaced as the plans for Houghton's Central Business District are detailed and implemented.

#### **Number 6 - Houghton**

An active coal dock and building materials center occupy most of this area. Although there are no immediate indications that existing uses would relocate, the area may ultimately be re-used for light industrial uses, commercial activity, or water dependent industry.

#### **Number 7 - Houghton**

Use of the Isle Royale Sands location for industry is in question because of possible municipal well sites, possible commercial uses, and potential high value housing. Much depends on evolving markets, for these multiple use potentials. However, this area is adaptable to industrial use because of favorable topography, rail service, raw water, and access.

#### **SUMMARY**

The Industrial Plan for the Hancock-Houghton Region is aimed at strengthening the overall economic potential of the area. Each of the industrial sites and locations have been researched and evaluated with a view toward qualitative industrial features, rather than from any expectation of massive in-migration of new manufacturing plants. Without a doubt, the most valuable physical industrial resources are the availability of unlimited quantities of raw water (Lake Superior through the Portage Waterway), Great Lakes Shipping, a student and resident labor force, Michigan Technological research capability, and expanding County Airport services. Not to be minimized are the excellent family living conditions from the standpoint of community environment and broad scale recreation resources.