

Portage Lake Harbor Commission

Onekama Township
5435 Main Street
Onekama, MI 49675

Director Keith Creagh, Director
Department of Natural Resources
Stevens T. Mason Building
530 West Allegan Street
P.O. Box 30028
Lansing, MI 48909-7528

December 17, 2012

Gentlemen;

Please find the information you requested as well as a synopsis of data assembled by Onekama Township and the Portage Lake Harbor Commission concerning potential losses if our channel closes.

It is noteworthy to mention that most small communities such as Onekama were already feeling the stress of a terrible economic climate prior to problems with channel closings and now low water.

Upon considering your request, we decided to use the "John Glenn" study as a basis for our information. With Onekama being approximately one-half the size of Saugatuck in 2004, we felt confident we could establish a basis for comparison with the research and accepted data from the Glenn study and our current data from our Onekama Government and local businesses. In the Glenn study we see the significant economic value of boating to Saugatuck as well as Tower Marine

We estimate the total business and property value loss to Portage Lake / Onekama if the channel closes to be \$18,185,000. Based upon actual tax rolls, Onekama Township property values would drop 35% for a loss in tax base of \$1,500,000. This loss in tax revenue would greatly reduce support of our school, 911 services, fire protection and critical Township services and would predicate significant budget cuts affecting all Township residents. The direct and indirect economic loss to the Township by loss of local businesses including marinas, motels, restaurants, gas stations, grocery stores, tackle shops, hardware store, constructions companies and local bank branch plus other tourism related businesses would be devastating. It is interesting to note that the average economic impact per harbor in the John Glenn study is \$20.5 million in value added for direct impact (businesses selling goods and services directly to boaters) and \$12 million for indirect impact (related businesses and household spending from boaters). Although Portage Lake / Onekama is smaller than the average harbor, our \$18,185,000 million total estimated direct and indirect loss appears to be conservative.

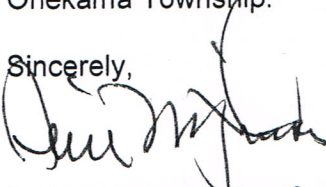
Continued Page #2

All Great Lakes Harbor communities are affected by channel closings and many, such as Portage Lake are in great need of infrastructure repair. In Onekama, Portage Lake, "self funding" will be very difficult and if funds could be assembled we feel it would be a one time occurrence and it too would be a detriment and damage the local economy.

And so, we again reach out to you and your colleagues and in the same breath thank you for what you have done to date. Our Michigan Harbor communities have added to the economic well being of the State of Michigan for many years and are a key component of the future growth of tourism to our State. We are now asking for your help to remain secure as a community and to continue to contribute to the Michigan economy. In short, an investment by the State of Michigan in keeping its harbors like Portage Lake / Onekama open makes sound economic sense and benefits all the citizens of Michigan. In this effort, we appreciate very much your interest and support in finding the State funding of \$200,000 needed to dredge the Portage Lake channel in 2013 and keep the Onekama community a viable asset for Michigan.

Please call or e.m. at anytime for discussion or additional information. Thank you again for the opportunity to share this information with you and your interest in Portage Lake, Onekama Township.

Sincerely,



Portage Lake Harbor Commission
Jim Mrozinski, Chairman
231-889-5000

c.c. Senator Boohar
Rep. Ray Franz
Congressman Benishek
Representative Schmidt
Senator Carl Levin, ATT: Brandon
Senator Debbie Stabenow, Att: Gabe
Supervisor Dave Meister, Onekama Township
Brad Comment
Governor Synder