

The St. Ignace News

and Les Cheneaux Islands Weekly Wave



Bankers Say Local Business Lending Still Available, Despite National Crisis

This Year Was Toughest, Businesses Say

By John S. DeMott

Despite the economic downturn that has challenged state and local businesses this year, local bankers say they anticipate business picking up again in about two years, and they advise business owners who are struggling now not to put off seeking financial help. There is no tightening of local business lending as a result of the national financial crisis, they report, and qualified applicants can still get business loans here.

"We're looking at another couple years of status quo, meaning things are not going to get much bet-

ter or much worse," Jim North, president of St. Ignace First National Bank, told *The St. Ignace News*, saying there is "plenty of capital" on hand for local lending. "I do see a light," he said, "but it's a long way down the track."

After that, economic conditions could brighten. Mr. North looks ahead to the turnaround. He'd like to see heavy joint promotion of travel sites here, saying, "If we could get the Soo Locks, Mackinac Island, the parks, the nature trails - if we could promote all of that as a package - wow! We're positioned to thrive once the economy gets better."

Similarly, Central Savings Bank CEO W. W. "Frenchy" LaJoie said a few businesses in his bank's service area, including St. Ignace, did better this year than last, but he doesn't expect a solid upturn until 2010.

"Some of our customers are going to have a little bit of a difficult time," he said. "We're going to have to work with them."

It's, indeed, rough going for many business people. Marianne Huskey's Soffie's Ltd. casual clothing store in downtown St. Ignace was drawing 90 to 120 customers daily, but they were just looking and not buying, typical of her last two years. Finally, in frustration, she shuttered her four-year-old business

this summer, vowing never to go into business in this area again.

"There is no business here," she said. "I am done. It's too high risk to continue."

Mike Buby had been in the bicycle business for five years in St. Ignace, but he has now closed his Marlee's Cruisers store for good.

"For five months, it does very

well," he said, "but it doesn't do well enough to sustain 12 months of expenses. We will not reopen."

Little traffic in the winter and reduced traffic in the summers have taken a toll on food services, as well. Six restaurants in St. Ignace have closed in the past two years.

Local businesses have suffered in what is possibly the worst Michigan economic downturn anyone can remember since the early 1980s.

"It's the toughest I've seen in the 25 years I've been up here. I've never seen such adversity," said Bill Bertchinger, chairman of the Mackinaw Area Visitors Bureau and owner of Budget Host American

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Fort de Buade Now To Remain Open Year-around

St. Ignace Museum Ends Year \$545 in Red

By Karen Gould

The Michilimackinac Historical Society will receive \$5,000 to cover Fort de Buade museum expenses for November and December. The money will come from funds earmarked for the museum and given to the city annually by the Sault Ste. Marie Tribe of Chippewa Indians. The museum will be open year-around, the historical society has announced.

Any financial support that may be needed after December is expected to be discussed at a future committee meeting, not yet set.

The museum was not open last winter.

The city has a contract with the historical society, which operates the museum, and the financial request meets contract guidelines, said City Manager Eric Dodson during a Fort de Buade Committee meeting Monday, October 27.

The request for financial support was made by Michilimackinac Historical Society members Judi Engle and Dave Walker. Ms. Engle manages the museum.

The funds are needed, they say, to help keep the museum open year-around, which will assist in making it eligible for state and national grants. The \$5,000 is estimated to cover most of the operating expenses

for November and December, which the historical society estimates will be more than \$5,100, including utilities and wages.

For this winter, plans include keeping the museum open four days a week, said Ms. Engle, and she is planning to offer evening programs.

The historical society is in the process of changing the museum's fiscal year to match the calendar year, said Mr. Walker. When the changeover is made, the society will review the 2009 budget and any future funding needs with the committee.

The tribe gives the city an annual payment of \$118,398 to purchase

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Halloween Treat

This Year, Warm Weather Marks Festivities



"I have a lot of candy," said Halloween pirate Lauren Miller, 5, (left) of Cedarville. While trick-or-treating on Church Street in St. Ignace Thursday, October 30, she announced, "I'm the captain." Joining her were sister Ryane, 1, and their grandfather, Terry Becker of St. Ignace.



Enjoying the balmy trick-or-treat weather, Father Al Mott receives a visit from Batman, John Horn of Hessel. The eight-year-old stopped at St. Ignace rectory in St. Ignace for some Halloween candy Thursday, October 30.

9% More Cut From City Road Funds

By Karen Gould

Over the last nine years, St. Ignace has experienced a loss in revenue of about \$72,800, receiving 58.8% less money to pay for plowing and sweeping the city's main thoroughfare, the I-75 business loop. The funding comes from Michigan Department of Transportation (MDOT).

Funds have fallen from \$124,000 in 2000 to \$51,176 for 2009, said City Manager Eric Dodson. Funding for 2009, he said, accounts for a 9% drop, or \$8,195 less than 2008.

During the Monday, November 3, city council meeting, city leaders weighed safety issues and discussed how the city could be able to maintain the roadway at the same level as past years without cutting further into city funds. The city's major streets budget has a projected \$20,000 negative balance for 2008.

Roadways considered in the major streets budget include South State, Truckey, Portage, Chambers, Marley, and Ferry Lane.

During a budget work session that preceded the city council meeting, Mr. Dodson said 2009 expenses for major streets are anticipated to be \$30,000 over revenue. The city will not replace one position at the Department of Public Works (DPW), formerly held by Scott Marshall, who has been hired as the city's recreation director.

Funds to plow the sidewalk in front of downtown businesses were cut by MDOT in 2000, said Mr. Dodson, and since then the city has taken up the expense. Council discussed requiring businesses to keep sidewalks clear, although it hesitated to put an additional financial burden on them.

Councilman Don Gustafson suggested the city contact other nearby communities, including Sault Ste. Marie, to see how they are managing with the loss of funds from MDOT.

The city's \$3.8 million sewer project is ahead of schedule, Mr. Dodson said in his report to Council. Work on the Cheeseman Road force main is completed and work has begun on sludge removal at the lagoons near the airport.

DPW Director Les Therrian said the weather has cooperated and contractors made more progress than they expected. The project will be completed in 2009.

In a related matter, the city still is waiting for a part to complete repairs to the Reagon Street lift station that failed in October. The insurance company, Mr. Therrian said, has agreed to pay for the parts.

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Group Wants Phosphorous in Cedarville Bay Reduced

By Jonathan Eppley

In an ongoing dispute about how to deal with the overgrown weeds in Cedarville Bay, and what may have caused their rapid growth, a local

citizens group and biologists with the Department of Environmental Quality (DEQ) agree that water testing in the bay shows phosphate levels within acceptable state limits, but the citizens group wants to see levels reduced further.

The Les Cheneaux Waterways Restoration Committee, a subcommittee of the Les Cheneaux Watershed Council, claims the amount of phosphorus in the effluent from sewage treatment lagoons is still too high and it is fueling the rapid growth of the invasive weed, Eurasian watermilfoil. The group is calling for additional chemicals, like iron chloride, to further lower phosphorus levels, said Robert Smith, a member of the group who has been involved in testing water quality in the bay. Citizens also are asking that the channels and bay be dredged to promote more boat traffic and to increase circulation of the water there.

Randy Conroy, geologist for the Upper Peninsula District of the DEQ, said the agency would take action "if we thought that was some sort of detriment to public health."

But the DEQ has inspected the phosphate levels in the bay twice

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