

EXECUTIVE SUMMARY

This report describes population and migration trends in Michigan's Upper Peninsula (UP) historically and in the years leading up to and since the onset of the Covid-19 pandemic. Its purpose is to analyze how the pandemic has impacted UP migration. The report also reviews prevailing scholarly literature on rural economic development, amenity migration, and the relationship between the two and offers recommendations grounded in the perspective that population stabilization and growth in the UP are critical to the long-term vitality of Michigan's best peninsula. The report was commissioned and funded by InvestUP, a regional economic development organization in Michigan's Upper Peninsula.

Demographic Findings

- Since the 1970s, the Upper Peninsula has experienced moderate population loss due to both net out-migration (primarily of young adults) and, increasingly, natural decrease (i.e., more deaths than births).
- Cumulative out-migration of young adults, in-migration of retirees, and fertility decline have led to population aging. The older population structure means that further population loss is expected, as deaths will continue to outpace births across most of the region.
- The UP generally experiences net out-migration, but since the start of the pandemic, migration out of the UP slowed considerably. Migration into the UP also slowed, but less. This means that between May 2020 and August 2021, there was less net migration loss from the UP than is typical.
- These patterns vary across space, with some areas attracting/losing more than others during the pandemic.
- Alger and Iron counties both saw net positive migration in the pandemic. Marquette, Mackinac, Dickinson, Iron, Houghton, Keweenaw, and Alger counties saw the greatest increase in netflow during the pandemic, relative to the three years prior. The pandemic resulted in little change to migration in Baraga, Luce, Ontonagon, and Schoolcraft counties.

These findings have important implications for UP economic development. Migration is one means of shoring up the population, but this is a challenging prospect. Reducing out-migration of young adults, including current UP college students and potential return migrants in their late 20s and 30s, is key. Recruiting in communities where there are established migration currents to/from the UP also holds promise. Amenity-led economic development may also be an impactful means of stabilizing and growing the population, but there are cautions to consider in pursuing this approach. The slowed net out-migration during the pandemic provides a pause and opportunity for UP stakeholders to thoughtfully plan for sustainable and inclusive growth.

Literature Review & Recommendations

Amenity-led economic development is an approach that intentionally cultivates regional and local amenities to entice migrants. This approach is a feasible and potentially beneficial strategy for the UP, though it can have significant economic, political, social, and ecological ramifications for communities. These are best addressed in advance of amenity migrants' arrivals via proactive, collaborative planning and policy development. While we strongly endorse taking an amenity-led approach, it is best pursued as part of a broader partnership-based, community-linked, and prosperity-focused economic and community development strategy.

We offer five recommendations that aim to prepare leaders and stakeholders to pursue amenity-led economic development in a way that ensures sustainable growth and development to the benefit of UP communities.

- 1) *Prioritize investments in the human and social capital of UP residents.*
- 2) *Engage stakeholders and build partnerships focused on the UP's future.*
- 3) *Strengthen the UP's regional planning organizations and build capacity for this planning locally.*
- 4) *Plan for sustainable and inclusive growth now—even when growth is not happening—to keep benefits local and avoid negative impacts, such as increasing housing costs, land grabs, and loss of public access.*
- 5) *Make the case for state-wide investment in the UP by articulating why the broader public should care about the Upper Peninsula, and what the rest of the state will receive in return.*