

Chapter 3: Trends and Analysis

Location

Muskegon County is located on the western side of Michigan, along the shoreline of Lake Michigan, midway up the state's Lower Peninsula.

The county has 27 miles of Lake Michigan waterfront, 20 inland lakes and more than 400 miles of rivers.

In 2000, Muskegon County was designated by the US Census Bureau as a Metropolitan Statistical Area (MSA), the Muskegon-Norton Shores MSA. The county had previously been part of the Grand Rapids-Muskegon-Holland MSA in the 1990 Census.

Muskegon County is located 197 miles from Detroit, 153 miles from Flint, and 107 miles from the state capitol in Lansing. Additionally, it is 185 miles from Chicago, 276 miles (highway) from Milwaukee, and 224 miles from Toledo.

The county contains sixteen townships, four villages, and seven cities as defined by Michigan law. The county seat is Muskegon, which is also the largest city in the county.

The county is part of the Western Michigan Shoreline Regional Development Commission (WMSRDC). The agency incorporates a five county area, including: Lake, Mason, Muskegon, Newaygo, and Oceana counties. WMSRDC serves as an Economic Development District for the region and as the Air Quality Planning Agency and Metropolitan Planning



Figure 3.1: Location Map

Organization for Muskegon County and northern Ottawa County, among other roles.

History

The earliest recorded history of the Muskegon area reflects that it was inhabited by the Ottawa and Pottawatomi tribes. The name "Muskegon" is derived from the Ottawa Indian term "Masquigon" meaning "marshy river" or "swamp." The "Masquigon" river is identified on French maps as early as the 17th century, suggesting that French explorers had reached Western Michigan by that time (Yakes).

The first known Frenchmen in the area were Father Jacques Marquette, who traveled through the area in 1675 on his way to St. Ignace and a party of French soldiers under LaSalle's lieutenant, Henry de Tonty, who passed through in 1679 (Yakes).

The earliest known resident of the county was a fur trader and trapper named Edward Fitzgerald, who settled in the area in 1748. Settlement of the area began in 1837 with the organization of Muskegon County from portions of Ottawa and Oceana Counties. At the time of its incorporation in 1859, Muskegon County had six townships (Muskegon, Norton, Ravenna, White River, Dalton, and Oceana) (Yakes).

The lumbering era put Muskegon County on the map, in economic terms. Ravenna was settled in 1844 when E.B. Bostwick built a sawmill. The city and township were named after Ravenna, Ohio, the hometown of the surveyor who platted the land. Norton Shores was settled by Colonel S. Norton in 1846. Casnovia was founded in 1850 by a tavern keeper named Lot Fulkerson. Montague was first settled in 1855 by Nat Sargent. Whitehall was platted in 1859 by Charles Mears and Giles B. Slocum. The town was originally named after Mears. In 1864 the Muskegon Log Booming Company was formed to sort logs and raft them to the

mills. In 1868, Fruitport, originally Crawville, was founded by Edward Craw. It was renamed a year later when the Pere Marquette Railroad built a station in the town that was a fertile fruit growing area and a port. In 1872 North Muskegon was recorded as Reedsville, named for the first settler, Archibald Reed. It was renamed in 1881 when it was incorporated as a village. North Muskegon was later incorporated as a city in 1891 (Multi-Mag Michigan).

1890 marked the end of the lumber boom in Muskegon County. Successful area industrialists formed the Muskegon Improvement Company to stimulate the economy as it lagged at the end of the lumber boom. The Muskegon Improvement Company purchased 1,000 acres and sold the lots in a lottery, using the proceeds to underwrite new businesses. The project was successful enough that a train station was located in the area (Muskegon Heights) in 1902 to serve the Chicago & West Michigan Railroad (Yakes).

The lumberman John Torrent built his 31-room mansion in 1881-1892. He also served the community as an alderman, a justice of the peace, and as mayor for three terms. In 1972 the city purchased the home to save it from demolition. Union Depot was opened in 1885 to serve the Chicago & West Michigan; Muskegon, Grand Rapids, & Indiana; and the Toledo, Saginaw & Muskegon railroads. It was designed by A.W. Rush & Son of Grand Rapids in the Richardsonian Romanesque style. The station was closed in 1971 until it was donated to the county in 1992, restored, and reopened as the visitor's center and museum (Historical Markers). Lakewood Club was formed as a resort association in 1912 by the Mayo brothers. It was popular enough by 1914 that a seasonal post office was set up, which became permanent in the 1940s (Multi-Mag Michigan).

The oil boom in Muskegon County was a distinct period during the city's industrial era. The oil was found by accident in 1869 when Gideon Truesell was looking for salt. They had been drilling in various Muskegon County locations for salt between 1869 and 1886 but the salt they found was contaminated with petroleum. In 1922, Stanley Daniloff found oil seepage in the swampland near his home, within five years he had amassed enough funds to have the site drilled and a "gusher" was located in Muskegon Township in 1927. The price of crude oil fell with the depression in 1929 and the oil boom ended (Parrish).

During the world war period, Muskegon became an "Arsenal of Democracy." In the post war housing boom, Roosevelt Park was formed as a residential suburb in 1949 and named after Franklin Delano Roosevelt. The 1950s and 60s brought rough economic times to Muskegon County. Many workers were laid off and several local companies closed. In the 1960s and 70s, consolidation and mergers with national corporations left few locally-owned businesses in the county. The local economy has been struggling to diversify since that time (Yakes).

Population

Muskegon County was the 11th largest county in Michigan in 2000, with 170,200 residents. This population represented approximately seven percent growth in population over 1990. Population growth in Muskegon County has not been constant over the past century. The county grew rapidly in the 1920s and 30s, and then again in the 1950s and 60s. During the 1980s and 1990s, the county realized very little population change.

The largest age groups in the county are 40 to 44 years olds and those between five and 14 years old. The age groups in early adulthood are smaller than the mid-career and youth groups. In terms of functional

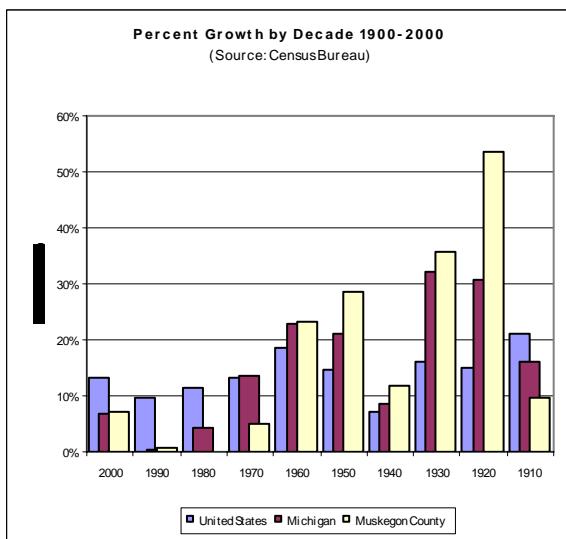


Figure 3.2: Percent Growth by Decade

age groups, 27.5 percent of the county population is under age 18. A small percentage of the county is college-aged adults, only 8.7 percent. The younger working age (age 25 to 44) population makes up 29 percent of the population, but many of them are over age 35. The older workers (age 45 to 64) are another 21.9 percent of the population, and 12.9 percent of the county is older adults, over age 65.

Increases in the county population were due to natural increase (births over deaths). The net migration of individuals into or out of the county was negative, meaning that more people moved out of the county than into the county from 2001 to 2002. Muskegon County was ranked 11th in the state for births and deaths in 2001/2002. The state faced a similar situation where all growth was due to natural increase and net migration was negative.

The population of Muskegon County was primarily urban, inside urbanized areas in 2000, with nearly 70 percent of the population residing in urbanized areas. An additional five percent lived in urban clusters. Twenty-six percent of the county

population lived in rural areas. This distribution is fairly consistent with the state average.

The Muskegon County population is expected to grow 13.3 percent by 2020. This represents approximately three percent growth every five years. The county population in 2020 is projected to be 195,064 (WMSRDC). The state population is expected to realize increases of roughly two percent every five years, growing to 10,545,737 residents by 2020.

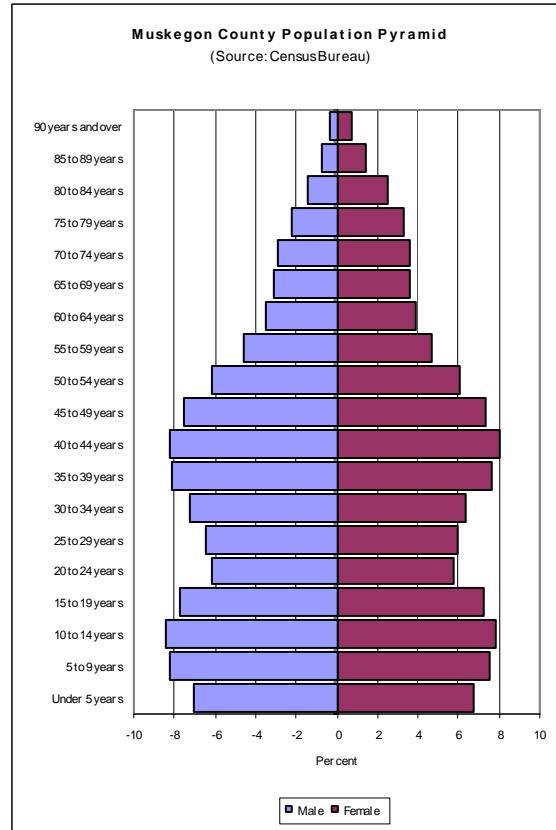


Figure 3.3: Population Pyramid

In 2000, 82 percent of the Muskegon County population identified themselves as white, 14 percent as black, and two percent as multi-racial. The remaining residents identified themselves as American Indian or

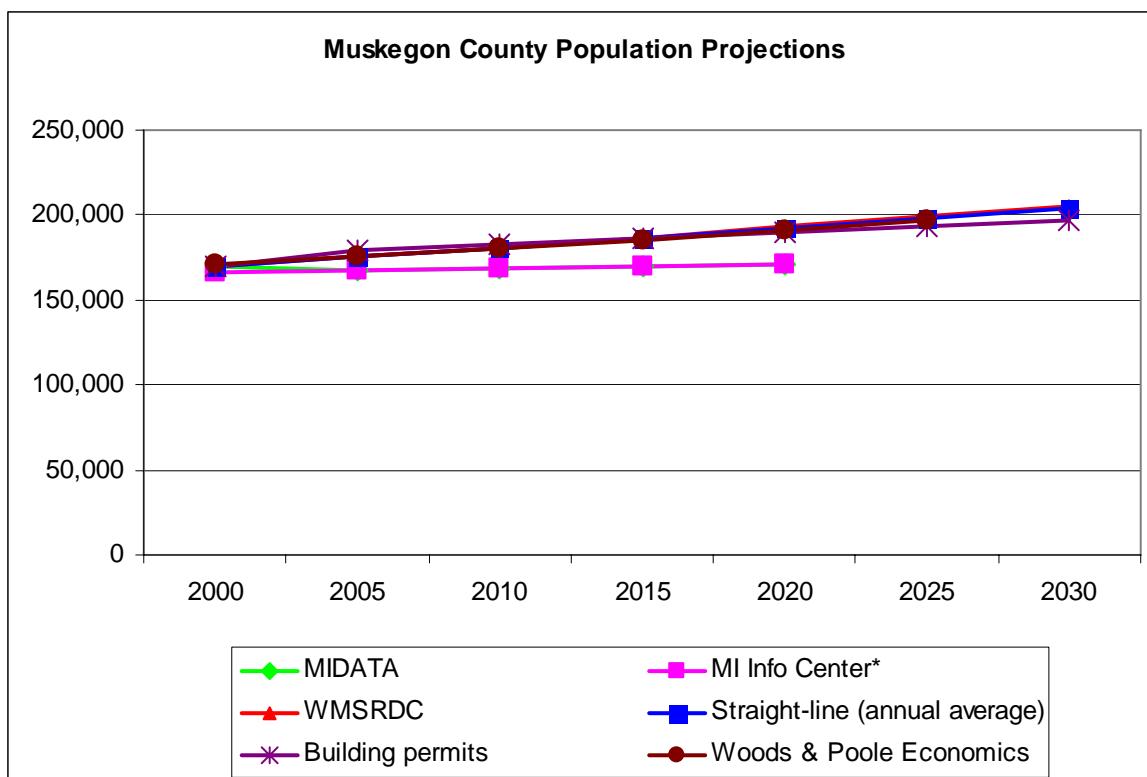


Figure 3.4: Population Projections

some other race not specified by the Census. In the State of Michigan, 80 percent of residents identified themselves as white, 14 percent as black, two percent as Asian, and two percent as multi-racial.

The Hispanic population in Muskegon County is 3.5 percent, approximately the same percentage as the state average. Approximately 91 percent of the adult population statewide speaks only English, while 95 percent of Muskegon County residents speak only English. More than two percent of the adult population statewide and in the county speak Spanish, more than three percent of children ages 5 to 17 speak Spanish both statewide and in the county.

The black population in Muskegon County is heavily concentrated in the cities of Muskegon and Muskegon Heights. More than thirty percent of the population in the

City of Muskegon is black and 77.8 percent of the population in Muskegon Heights is black.

Most Muskegon County residents are native Michiganders, with 82 percent of the population born in the state. An additional six percent were born in other Midwestern states. Sixty percent of county residents lived in the same house in 1995 as in 2000; this is consistent with the state average. Nearly 30 percent of residents moved to another house in the county between 1995 and 2000 and 12 percent had lived in a different county in 2000.

Movement within the county was toward decentralization of the population away from the urban centers. Blue Lake Township realized a population growth of more than 60 percent from 1990 to 2000. Dalton, Egelston, and Ravenna townships also experienced significant growth while Muskegon Heights lost 8.6 percent,

Whitehall City lost 4.7 percent, and the City of Muskegon lost 0.4 percent of its population.

Households and Families

There were 68,080 households in Muskegon County in 2000. More than eighty percent were family households, with spouses, children, or other relatives living in the household. Nearly four percent of households were males living alone, and 5.5 percent were females living alone. There was a slightly larger percentage of family households in Muskegon County than in the state or nation.

One quarter of households were people living alone in the county in the 2000 Census. Approximately another quarter were married couple families with their own children under 18 living at home and nearly thirty percent were married couples without children under 18 living at home or with children who weren't their own. Approximately two percent of householders were males with children of their own living at home. More than nine percent of households were females with children of their own living at home, which was higher than the state and national averages of approximately seven percent.

Similarly, one quarter of Muskegon County residents over age 15 had never married as of 2000. More than half of county residents over age 15 were currently married, approximately seven percent were widowed, and nearly 12 percent were divorced. The county divorced population was somewhat higher than the state and national averages.

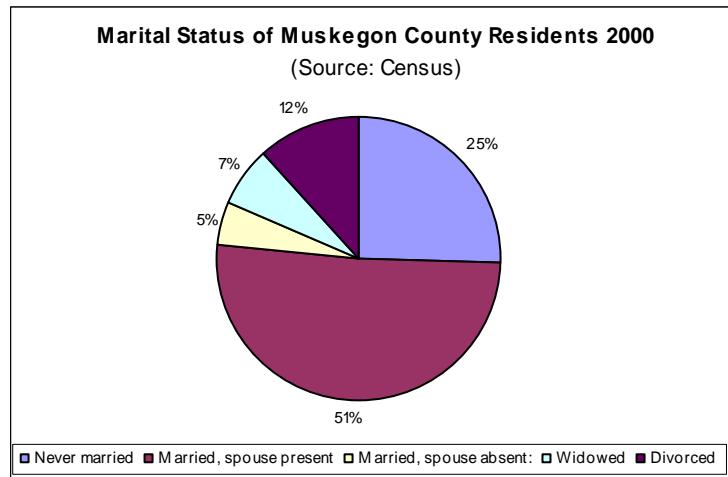


Figure 3.4: Marital Status

Housing Units

There were 68,556 housing units in Muskegon County in 2000. More than 92 percent of the units were occupied, a higher occupancy rate than either the state or the nation. Most townships and municipalities in the county also had high occupancy rates, White River Township was the notable exception, with a 65.7 percent occupancy rate. More than three quarters of Muskegon County housing units were owner occupied in 2000, considerably higher home ownership than the state or the nation. Exceptions to the high owner-occupancy rates were in the City of Muskegon, Muskegon Heights, Roosevelt Park, and Whitehall. Each of these communities had at least a third of occupied housing units being rented out. In Muskegon, 37.1 percent of the vacant units were for rent, Muskegon Heights had 32.1 percent of its vacant units for rent, and more than 70 percent of the vacant units in Whitehall were for rent.

While Michigan has a higher vacancy for seasonal, recreational, or occasional use rate than the national average, that is not the case for Muskegon County. More than half of the vacant homes in Michigan during the 2000 Census were for seasonal use, while

only about 25 percent were vacant for that purpose in Muskegon County.

Nearly three-quarters of the housing units in Muskegon County were in urban areas, similar to the national and state average.

Like most homes in Michigan, nearly three-quarters of Muskegon County homes were single unit structures. Only a small percentage of the housing in the county is in multi-family units with greater than ten units. Nearly eight percent of Muskegon County housing units were mobile homes, which is above the state average of 6.4 percent. In certain townships, mobile homes are quite prevalent housing options. In Cedar Creek, Egelston, Holton, and Whitehall townships more than one quarter of the housing stock was mobile homes in 2000.

Housing units in Muskegon County are a little older, on average than in the state or nation. The median age of the housing stock in 2000 was 1962 for the county, 1965 for the state, and 1971 nationally. In Blue Lake Township, the median age was 1981, indicating the newest housing stock in the county. Not surprisingly, the City of Muskegon has the oldest housing stock, with a median age of 1950. In Blue Lake Township, nearly 30 percent of the housing stock in 2000 was built between 1995 and

March 2000. Egelston Township also has quite a bit of newer housing stock, with 20 percent being built after 1995. In areas like Casnovia Township, and the municipalities

of Montague, Muskegon, Muskegon Heights, and Whitehall, at least one quarter of the housing stock was built prior to 1939.

Housing units that were vacant for rent had a median monthly rent of \$373 asked in 2000. This was considerably lower than the state median of \$444 or the national of \$469. More than 300 of the vacant units in the county at that time had asking rents of \$350 to \$400 per month.

Owner occupied housing units in the county had a median value of \$84,400, while the state and national values were \$110,300 and \$111,800 respectively. Most owner-occupied houses in Muskegon County had a value between \$40,000 and \$150,000 in 2000. Homes that were vacant because they were for sale had a median asking price of \$64,700 in the county, compared to \$88,400 statewide and \$89,600 nationally. The largest number of units available was in the \$70,000 to \$80,000 range.

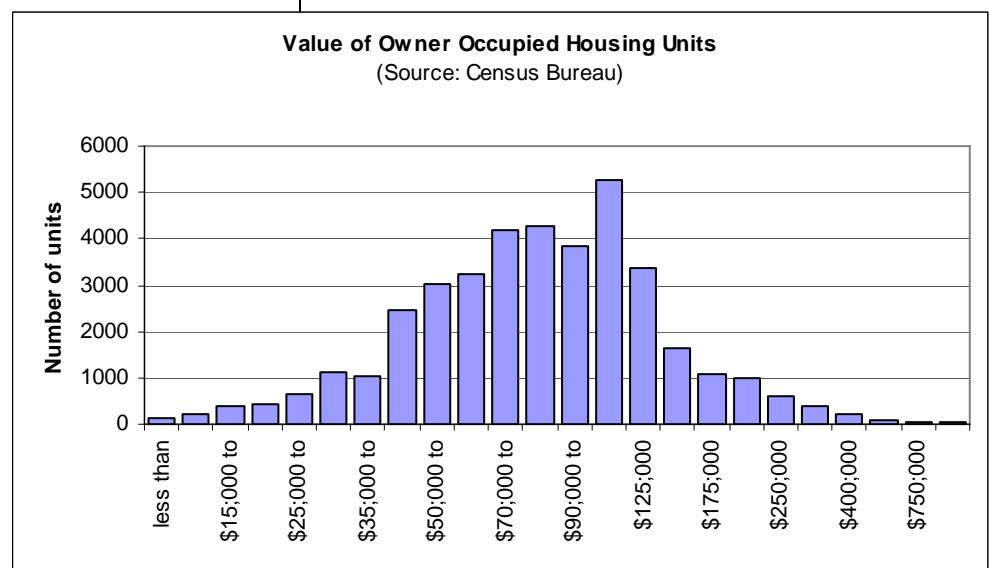


Figure 3.6: Value of Owner Occupied Housing Units

Housing affordability is related to household income. Household incomes are divided into five general classifications based on US

Department of Housing and Urban Development (HUD) standards:

- Very low income (<30% of area median income)
- Low income (30-50% of area median income)
- Low/moderate income (50-80% of area median income)
- Moderate income (80-120% of area median income)
- Middle/high income (>120% of area median income)

Using these classifications for Muskegon County, very low income households earn less than \$11,402 annually, low income households \$11,402 to \$19,004, low/moderate income households \$19,004 to \$30,406, moderate income households \$30,406 to \$45,610 and middle/upper income households earn more than \$45,610.

These income levels translate into the ability to rent or buy housing. In terms of monthly payments, households in Muskegon County can afford (based on 28% housing expense to income ratio):

<i>Affordable Rents</i>	
<i>Income Group</i>	<i>Monthly Payments</i>
Very low income.....	\$266
Low income.....	\$443
Low/moderate income.....	\$709
Moderate income.....	\$1064
Middle/upper income....	More than \$1064

Table 3.7: Affordable rents

For home ownership, other factors need to be considered including the required insurance, property taxes, interest rates, and closing costs. Based on standard assumptions of zero monthly debt payments,

5.625% interest, 3% closing costs, a 1.25% property tax rate, and 1% insurance the following value homes are affordable in Muskegon County:

<i>Affordable Home Values</i>	
<i>Income Group</i>	<i>Home Value</i>
Very low income.....	\$35,638
Low income.....	\$58,313
Low/moderate income.....	\$93,951
Moderate income.....	\$140,116
Middle/upper income.....	> \$140,116

Table 3.8: Affordable home values

With those facts in mind, only 3 percent of the current rental housing stock is affordable to very low income households, 14 percent to low income, and 19 percent to low/moderate income households. If home ownership is considered on the basis of the monthly ownership costs, only 2 percent is affordable to low income and 14 percent affordable to low/moderate income households. Just on the basis of the home's value, 14 percent of the housing stock is affordable to low income households, and 31 percent is affordable to low/moderate income households.

<i>Percent of Affordable Housing</i>			
	<i>Rent</i>	<i>Own (monthly cost basis)</i>	<i>Own (home value basis)</i>
Very low income	3%	<1%	4%
Low income	14%	2%	14%
Low/moderate income	19%	14%	31%
Moderate income	19%	27%	49%
Middle/upper income	100%	100%	100%

Table 3.9: Percent of affordable housing

Household projections were made based on the population projections and the average number of persons per household. The national, state, and local population per household in 2000 was 2.5 persons per household. This figure was used to project the number of households, which served as a proxy for the needed number of housing units.

The population in Muskegon County is expected to grow 13.3 percent by 2020. Based on 2.5 people per household, that

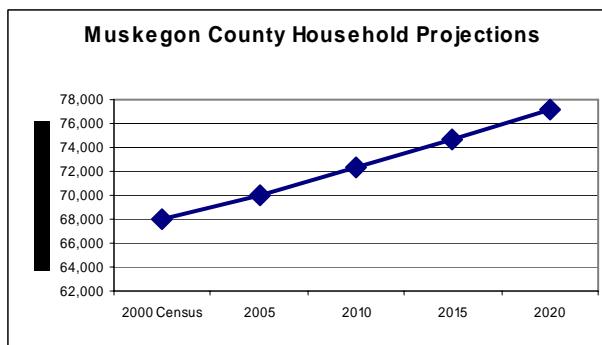


Figure 3.10: Household Projections

would mean that more than 77,000 housing units would be needed in Muskegon County in 2020. This is an increase of 8,600 units over 2000. Meeting the projected housing need will require the construction of approximately 430 housing units per year.

Residential Building Permits

The number of residential building permits issued in Muskegon County decreased in 2002 compared to the level of activity in 2000 and 2001. Countywide 700 permits were issued in 2002, compared to more than 800 each in 2000 and 2001.

In 2002, 26 new multi-family permits were issued for a total of 312 units. These multi-family units accounted for 31.4 percent of the units in 2002. This was a significant increase from the previous two years when 3.9 percent of permits were for multi-family units in 2000 and 9.1 percent in 2001.

Most of the new single family residential permits are outside the central city of Muskegon. In 2002, only 7.8 percent of the

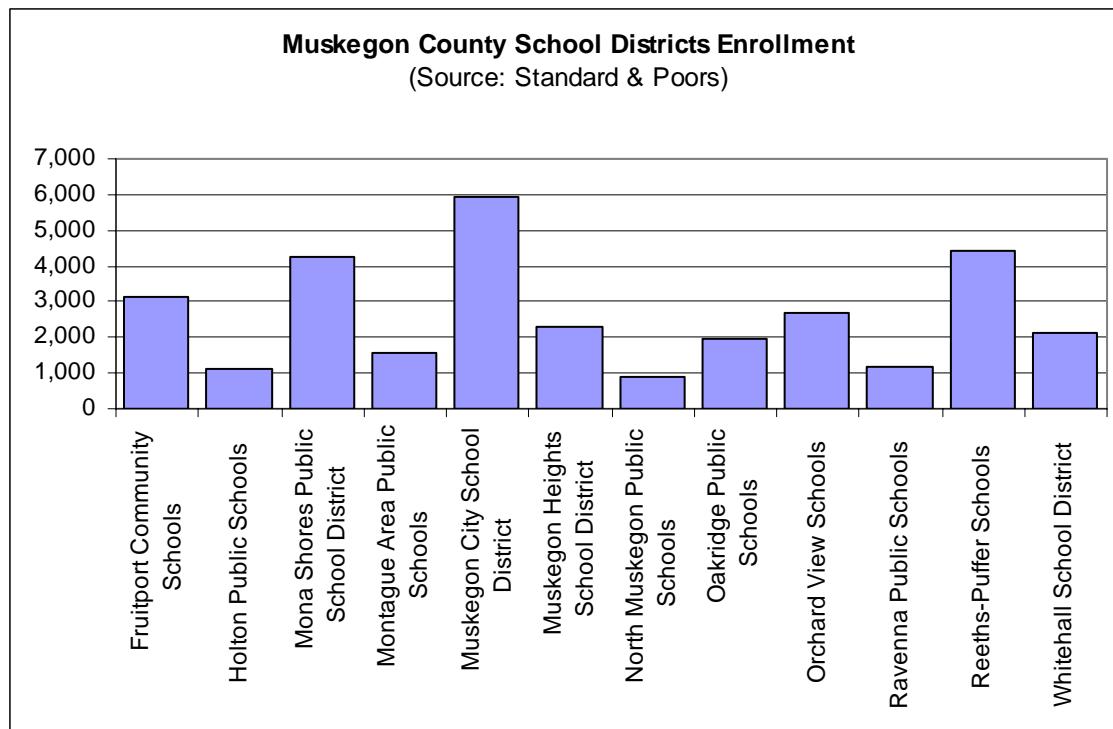


Figure 3.11: School District Enrollment

residential building permits issued in the county were in the City of Muskegon. However, 65.4 percent of the permits issued for multi-family housing were issued in the city.

Education

There are twelve public school districts in Muskegon County. Muskegon City School District is considered to be a mid-sized city school district, while there are six districts considered to be urban fringe districts and five that are rural districts inside the metropolitan area.

Enrollment in the county public schools is 31,586 students. Thirty-eight percent of the students in the county are economically disadvantaged. This is higher than the state average of 30.7 percent. More than fifteen percent of the public school students in the county are considered to be special education students.

The student/teacher ratio in Muskegon county schools ranges from fifteen in Muskegon Heights Schools to nearly twenty-two students per teacher in the Mona Shores Public School District. The statewide average student/teacher ratio is 17.6; five districts in the county have higher student/teacher ratios.

Statewide the average teacher salary is \$54,035. Muskegon County teachers make considerably less on average, approximately \$48,154. Salaries in the county range from an average of \$43,735 in Orchard View Schools to \$50,597 in Reeths-Puffer Schools; all districts in the county have lower averages than the state average.

Educational Attainment

Muskegon County young adults are pursuing higher education. In 2000, 34 percent of those county residents aged 18-24 had completed some college or

an associate degree and four percent had completed a bachelor degree.

Of adults (over age 25) in Muskegon County, 83 percent had completed at least high school (or its equivalent) and nearly 14 percent had completed a bachelor's degree or higher. The county is comparable to the state in terms of the percentage of residents with a high school diploma, but lags the state in residents who have completed at least a bachelor's degree.

It is important to note that the population over age 65 has a lower educational attainment than the working age adults, and this reduces the overall educational attainment level for the county and the state. More than 85 percent of adults between 25 and 64 have completed at least high school, compared to about 65 percent of residents over age 65. The same is true for bachelor's degrees, more than 13 percent of working age adults in the county have obtained a bachelor's degree while less than ten percent of those over age 65 have obtained them. In the over 65 population, women have significantly lower educational attainment than men due to the opportunities available to them as young adults and the culture of the time.

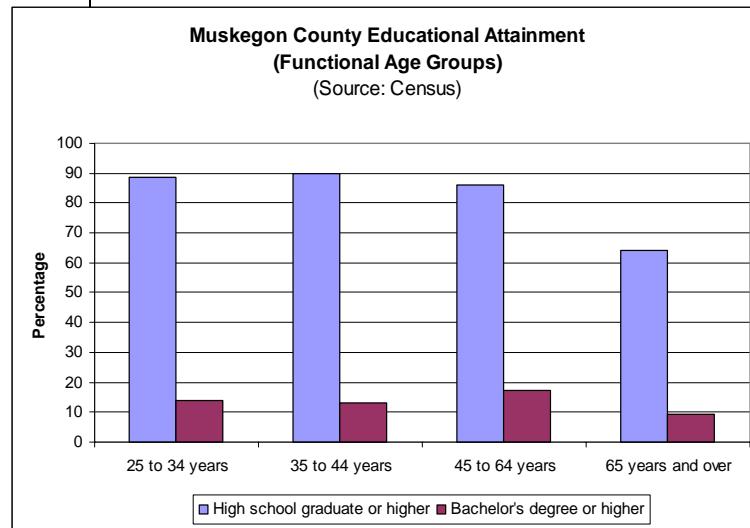


Figure 3.12: Educational Attainment

However, in all age groups, Muskegon County lags significantly behind the state in the percentage of the population that has obtained at least a bachelor's degree. On average, only 15 percent of Muskegon County working age residents have obtained at least a bachelor's degree.

Labor Force

The labor force is defined as those who are employed or who are unemployed, but actively looking for work. The labor force is based on where people live, so it is those individuals who live in the county and are employed, regardless of whether they work in the county or elsewhere.

There is a labor force participation rate of 63.1 percent among adults age 16 and over in Muskegon County. Nearly sixty percent of women over age 16 are participating in the labor force. Sixty-seven (67%) percent of Muskegon County males over age 16 are participating in the labor force. The largest age groups not participating in the labor

force are, not surprisingly, 16 to 19 year olds and those over age 60. Nearly 20 percent of residents aged 65 to 69 are participating in the labor force and more than six percent of those over age 70 are participating in the labor force. This is comparable with state labor force participation of older adults and somewhat lower than national participation rates.

Generally, Muskegon County has a higher unemployment rate than either the State of Michigan or the United States. The local unemployment rate does tend to trend with the national and state economies, however. When the economy is strong in the state and in the nation, it is strong in Muskegon County and vice versa. From 1991 to 1998, Muskegon County's unemployment rate declined from 11.2 percent to 4.4 percent. These were the best economic times in recent memory in Muskegon County. The worst times were in 1985, 1991/1992 and 2003, with 12.6 percent, 11.2 and 10.6 percent, and 10.6 percent unemployment.

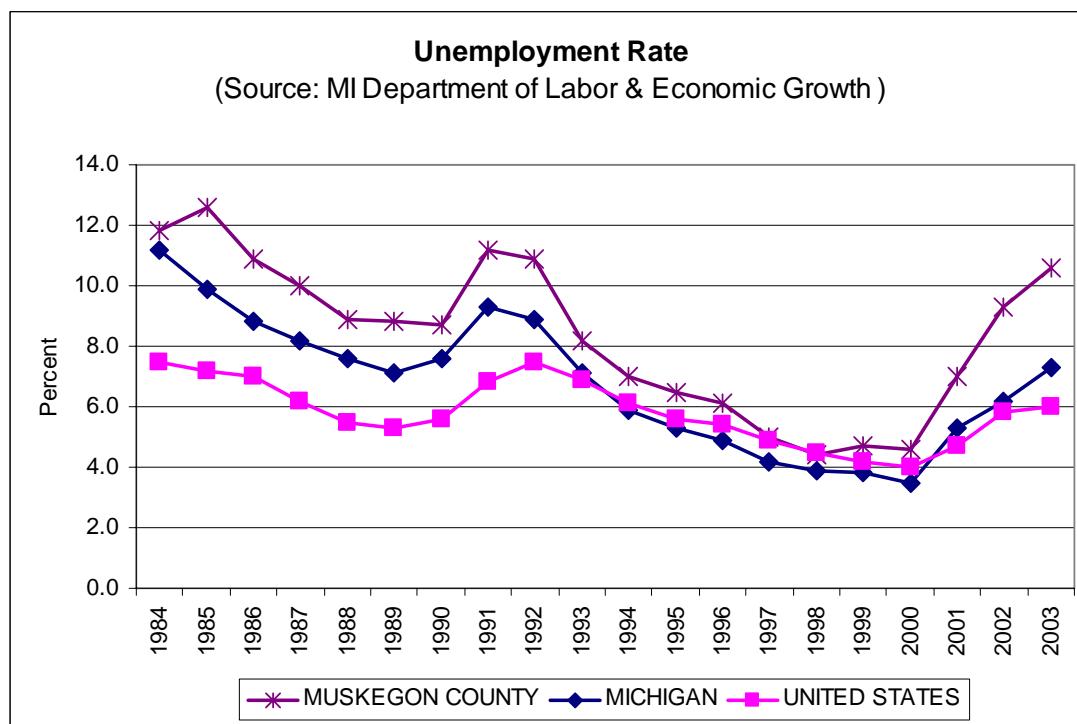


Figure 3.13: Unemployment Rate

The highest unemployment in the county corresponds with national recessions in the mid-1980s, early 1990s, and early 21st century that impacted manufacturing states like Michigan in particular. The time between peak employment and the next peak employment is known as the business cycle. The most recent business cycle covered the years 1989 through 2000.

Unemployment in the state was at 7.1 percent in 1989, peaked (lowest employment) at 9.3 percent in 1991 and then declined to 3.5 percent in 2000. Nationally, the picture is similar. Unemployment was 5.3 percent in 1989, rose to 7.5 percent in 1992, and declined to 4.0 percent in 2000. High unemployment tends to peak earlier in manufacturing dependent states than in the national economy as a whole, explaining why the worst unemployment in Michigan and Muskegon County occurred in 1991, while it didn't peak until 2002 nationally.

Unemployment is a major concern in some areas of Muskegon County. The older, more urban cities of Muskegon and Muskegon Heights, as well as Muskegon Township have experienced high unemployment from time to time. Muskegon Heights is of particular concern since the unemployment in that city has remained above ten percent during the best economic times. In 1991 unemployment reached 23.3 percent in the city, it declined to 10 percent in 1998 and returned to 22.2 percent in 2003.

Community Unemployment Rates			
Community	Unemployment Rate		
	High (1991)	Low (1998)	Recent (2003)
Muskegon City	14.7	5.9	13.9
Muskegon Heights City	23.3	10.0	22.2
Muskegon Township	12.6	5.0	11.9

Table 3.14: Community Unemployment Rates

Other townships are not exempt from high unemployment. Five other townships have experienced high unemployment rates in prior recessions and as of 2003 have not recovered from the most recent recession. Blue Lake Township has had double-digit unemployment for twenty years. As of 2003, the following townships had unemployment rates over 10 percent: Blue Lake, Cedar Creek, Dalton, Egelston, Holton, and Muskegon.

Township	Township Unemployment Rates		
	High	Low	Recent (2003)
Blue Lake	23.9	10.2	22.8
Cedar Creek	17.4	4.1	10.0
Dalton	13.7	4.6	11.0
Egelston	16.2	5.5	12.9
Holton	15.2	4.8	11.7
Whitehall	12.7	3.8	9.2

Table 3.15: Township Unemployment Rates

Employment by Major Industry

Muskegon County is heavily dependent on manufacturing as a source of employment. Nearly 28 percent of jobs in the county were in manufacturing in 2001, compared to 18.9 percent statewide and 13.9 percent nationally.

Other significant employment sectors in Muskegon County include health care and social services (14.5 percent) and accommodations and food services (9.7 percent). Muskegon County has more employment in those sectors than the state or national average.

Muskegon County has not experienced the structural shift in the economy from a manufacturing economy to a service economy as intensely as the state or the

nation. In the 1980s more than 20 percent of jobs in the United States were in manufacturing. Historically, in manufacturing dependent states like Michigan, nearly 30 percent of the jobs were in manufacturing as late as 1989. Industrial counties like Muskegon County had nearly 35 percent of their employment in manufacturing.

By 1997, the economy had shifted away from a manufacturing base to a service base. In the national economy, the service sector accounted for 21 percent of jobs in 1997, compared to 17.7 percent in manufacturing. Statewide manufacturing had declined to one quarter of jobs, while services grew from 27.8 percent to 32.5 percent. In Muskegon County there was a shift similar in magnitude to the statewide and national shift, but manufacturing was still the largest employment sector at 30.8 percent.

In 1997, the US federal government changed the way industries were classified, moving from the Standard Industrial Classification (SIC) system that had remained unchanged since 1987 (then only modified) to the new North American Industrial Classification

System (NAICS). NAICS codes more accurately reflect the products and services available in the modern economy, but they do not correspond well with SIC codes. Therefore, a different system is used in measuring the continued economic shift.

In 1998 approximately 21 percent of jobs statewide were in manufacturing under NAICS, compared with nearly 15 percent nationally. In Muskegon County 28.5 percent of jobs were in manufacturing.

By 2001, at the end of the last business cycle, manufacturing accounted for 27.9 percent of jobs in Muskegon County, compared to 18.9 percent statewide and 13.9 percent nationally.

Targeted industry analysis is a means of evaluating trends in the local economy to identify those industries that are current strengths, emerging strengths, high priority retention targets, and poor performers due to local factors or to limited overall prospects for the industry.

The major components of targeted industry analysis are location quotient and shift-

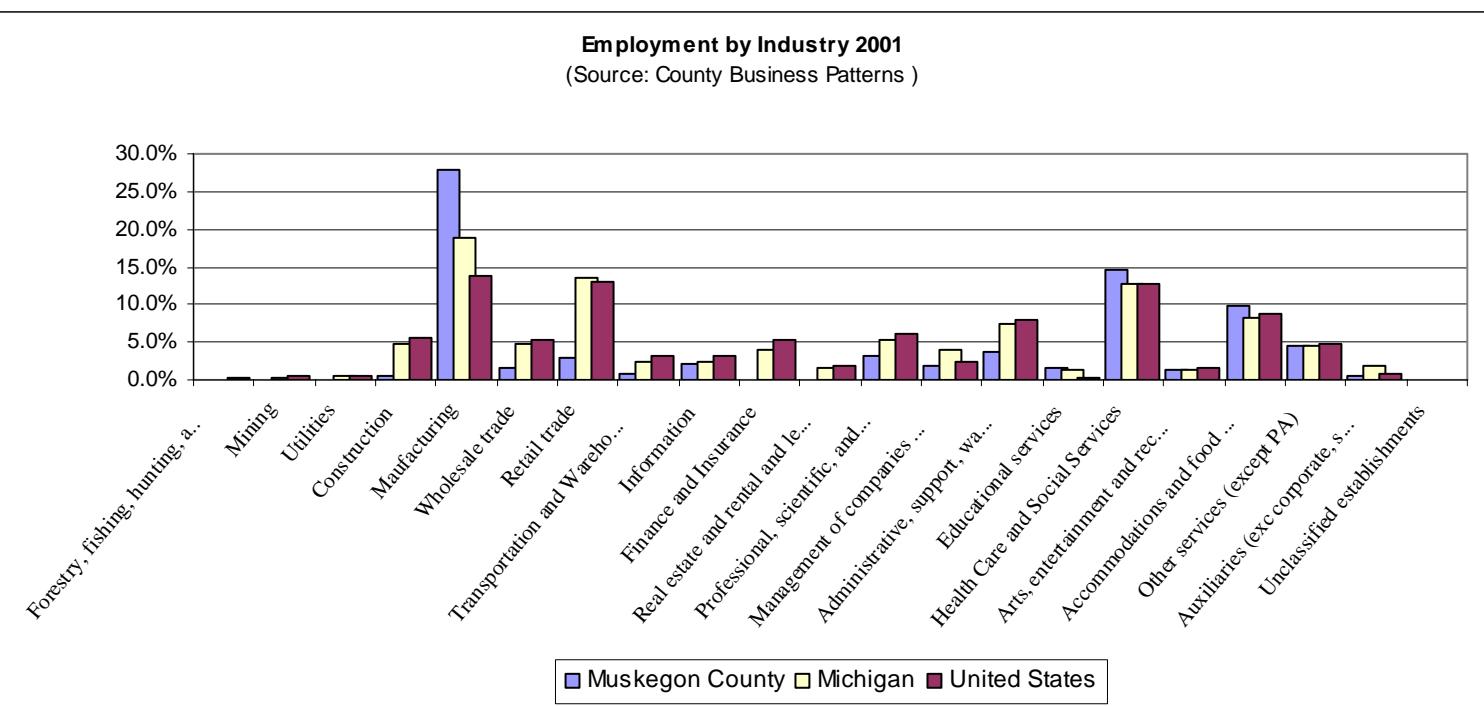


Figure 3.16: Employment by Industry

share. Location quotients reveal whether an industry is a basic (exporting) industry in the local economy. The shift-share examines changed in local employment to determine how much of the change can be attributed to national trends, the industry itself, and local factors.

Due to the change in classification system, the 1989 through 2001 business cycle is analyzed in two periods, 1989-1997 and 1998-2001.

Of basic (exporting) industries in Muskegon County, five were manufacturing sectors that employed a large percentage of people in providing goods for export and were strong performers from 1989 to 1997. These industries were: primary metal industries, miscellaneous manufacturing industries, fabricated metal industries, chemicals and allied products, and rubber and miscellaneous plastics products. Two industries that usually serve only markets also had sufficient employment to be considered basic employers and were strong performers: general merchandise stores and holding/investment offices. Locally two basic manufacturing industries performed poorly from 1989 to 1997: industrial machinery and equipment, and furniture and fixtures. These are of concern because their poor performance is due to local weaknesses. Local industry specializations that lag in performance are considered high priority retention targets. Locally these included eating and drinking places, furniture and home furnishing stores, and health services.

The industries that are not current specializations but performed well are considered emerging strengths.

Poor performance among industries that are not local specializations indicates structural problems in those industries nationally and

they have limited prospects for employment growth.

More recently the local economy is evaluated in terms of NAICS classifications. This section of analysis covers 1998 to 2001, the time when the economy was at its strongest before the recession that began in 2001 (employment data are from mid-March of each year, before the recession began in 2001).

Locally strong performers were found in most industries. Construction sectors were more than meeting local demand. Machinery manufacturing and electrical equipment, appliance, and component manufacturing performed well, as did miscellaneous manufacturing and nonmetallic mineral product manufacturing. The local retail industry had strong employment performance in several sectors. Service industries including information, real estate, and health and social services also performed well. A high-priority retention target identified was the security and commodity contracts sector of the finance and insurance industry.

There were also a number of poor performers. It is likely that attention can better be targeted elsewhere unless these sectors are considered to be of overriding importance to the local economy.

Several sectors in transportation and other services showed promise as emerging industries including transportation support services and air transportation. Poor performers in these other local industries have limited prospects overall and should not be considered as employment targets.

It is important to remember that this analysis only studies the local economy in terms of employment. If a local business has invested in technology rather than employment then their strength will be discounted in this analysis.

Employment Projections

Employment projections illustrate further the direction of the local economy. WMSRDC prepares population projections for each county in their jurisdiction. The 2002-2007 projections were released in late 2003.

Total employment in the county is projected to grow 8.7 percent between 2000 and 2007, creating more than 7,000 new jobs in the local economy. Between 2000 and 2005, the population is expected to grow only 2.89 percent while 5.6 percent job growth is projected. This means that some Muskegon County residents who are unemployed or employed in other counties will likely be able to find work in Muskegon County over the coming years.

Manufacturing employment is expected to stabilize, while wholesale trade, retail trade, and services are expected to increase in employment levels. The service sectors is projected to grow approximately 13 percent above the 2000 employment level by 2007 to more than 26,000 jobs.

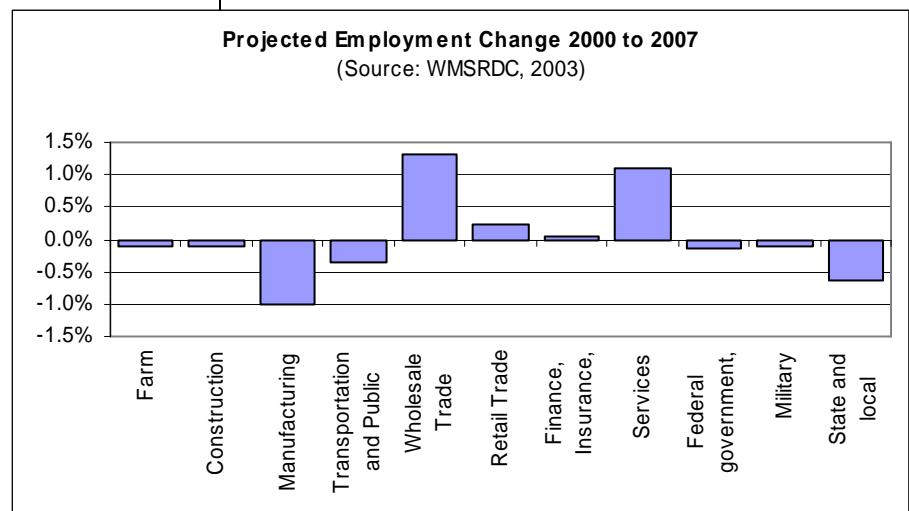


Figure 3.17a: Projected Employment Change 2000 to 2007

Employment Projections by Sector
(Source: WMSRDC, 2003)

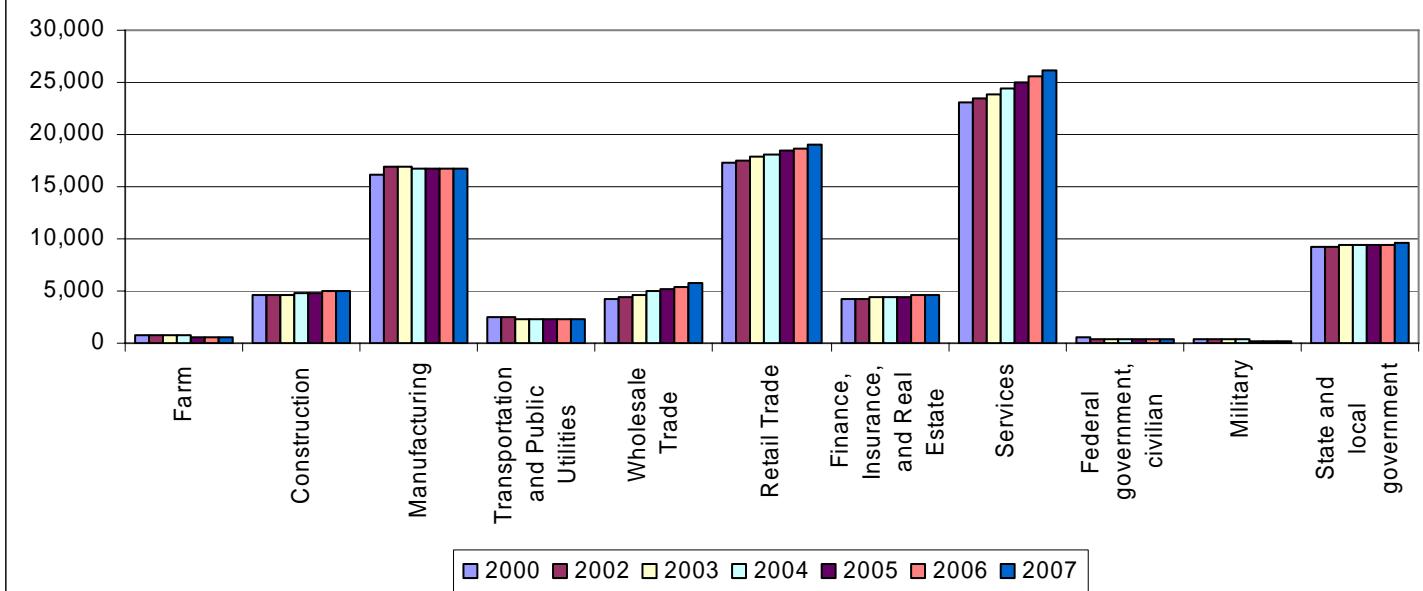


Figure 3.17b: Employment Projections by Sector

Assessment of Industry Development Status, Muskegon County	
A. Local Industry Specializations	
<u>SIC</u>	<u>Industry</u>
Strong Performers	
<i>Construction</i>	
15	General contractors and operative builders
<i>Manufacturing</i>	
33	Primary metal industries
39	Miscellaneous manufacuting industries
34	Fabricated metal industries
28	Chemicals and allied products
30	Rubber and misc. plastics products
27	Printing and Publishing
<i>Retail Trade</i>	
52	Building materials and garden supplies
53	General Merchandise Stores
55	Automotive dealers and service stations
<i>Finance, Insurance, and Real Estate</i>	
67	Holding and other investment offices
<i>Services</i>	
78	Motion pictures
79	Amusement and recreation services
75	Auto repair, services, and parking
72	Personal services
Lagging Performers	
<i>Retail Trade</i>	
58	Eating and drinking places
57	Furniture and home furnishing stores
<i>Services</i>	
80	Health services
Constrained Performers	
<i>Manufacturing</i>	
37	Transportation equipment
Poor Performers	
<i>Manufacturing</i>	
35	Industrial machinery and equipment
25	Furniture and fixtures
<i>Transportation, Communications, and Utilities</i>	
44	Water transportation
49	Electric, gas, and sanitary services
48	Communication

Table 3.18: Assessment of Industry Development Status

Assessment of Industry Development Status, Muskegon County	
B. Other Local Industries	
<u>SIC</u>	Industry
Strong Performers	
<i>Construction</i>	
16	Heavy Construction, except building
<i>Manufacturing</i>	
24	Lumber and wood products
38	Instruments and related products
<i>Transportation, Communications, and Utilities</i>	
45	Transportation by Air
<i>Retail Trade</i>	
59	Miscellaneous retail
<i>Finance, Insurance, and Real Estate</i>	
64	Insurance agents, brokers, and services
62	Security and commodity brokers
<i>Services</i>	
83	Social services
82	Educational services
81	Legal services
87	Engineering and management services
Lagging Performers	
<i>Construction</i>	
17	Special trade contractors
<i>Services</i>	
76	Miscellaneous repair services
73	Business services
Constrained Performers	
(none)	
Poor Performers	
<i>Manufacturing</i>	
32	Stone, glass, and clay products
36	Electronic and other electrical equipment
<i>Transportation, Communications, and Utilities</i>	
42	Trucking and warehousing
<i>Wholesale Trade</i>	
51	Nondurable goods
50	Durable goods
<i>Retail Trade</i>	
56	Apparel and accessory stores
<i>Finance, Insurance, and Real Estate</i>	
64	Insurance agents, brokers, and services
60	Depository institutions
65	Real estate
63	Insurance carriers
61	Nondepository institutions
<i>Services</i>	
86	Membership organizations
70	Hotels and other lodging places



Assessment of Industry Development Status, Muskegon County
A. Local Industry Specializations

<u>NAICS</u>	<u>Industry</u>
Strong Performers	
<i>Construction</i>	
233	Building, developing, and general contracting
234	Heavy construction
<i>Manufacturing</i>	
327	Nonmetallic mineral product manufacturing
333	Machinery manufacturing
335	Electrical equipment, appliance, and component manufacturing
399	Miscellaneous manufacturing
<i>Wholesale Trade</i>	
422	Wholesale trade: nondurable goods
<i>Retail Trade</i>	
442	Furniture and home furnishings stores
443	Electronics and appliance stores
446	Health and personal care stores
447	Gasoline stations
451	Sporting goods, hobby, book, and music stores
454	Nonstore retailers
<i>Information</i>	
511	Publishing industries
512	Motion picture and sound recording industries
<i>Real Estate and Rental and Leasing</i>	
531	Real Estate
<i>Administrative, Support, Waste Management, and Remediation Services</i>	
562	Waste management and remediation services
<i>Health Care and Social Services</i>	
621	Ambulatory health care services
623	Nursing and residential care facilities
<i>Accommodations and Food Services</i>	
722	Food services and drinking places
<i>Other Services (except Public Administration)</i>	
811	Repair and maintenance

Lagging Performers	
<i>Finance and Insurance</i>	
523	Security, commodity contracts and like activity
Constrained Performers	
(none)	
Poor Performers	
<i>Mining</i>	
211	Oil and gas extraction
<i>Manufacturing</i>	
311	Food manufacturing
314	Textile product mills
311	Primary metal manufacturing
334	Computer and electronic product manufacturing
<i>Transportation and Warehousing</i>	
483	Water transportation
486	Pipeline transportation
<i>Information</i>	
514	Information and data processing services
<i>Real Estate and Rental and Leasing</i>	
532	Rental and leasing services
<i>Health Care and Social Services</i>	
622	Hospitals
<i>Arts, Entertainment, and Recreation</i>	
713	Amusement, gambling, and recreation industries
<i>Other Services (except Public Administration)</i>	
812	Personal and laundry services

The industries that are most crucial to local economic growth are those that produce goods and services for outside the local economy, generating an inflow of income. These industries are known as an area's "economic base" or "basic industries."

Current strengths are those basic industries that are strong performers, they are experiencing growth locally and gaining competitive share.

Lagging performers are high priority retention targets. The basic industries are experiencing employment growth locally, but not gaining competitive share.

Lower priority retention targets include constrained performers which are not experiencing growth locally, but are

industries that are gaining competitive share. These industries have limited prospects due to external trends. Poor performers are also lower priority retention targets. These industries are not gaining employment locally, nor are they gaining competitive share. Their prospects are limited due to local weaknesses.



Assessment of Industry Development Status, Muskegon County

B. Other Local Industries

<u>NAICS</u>	<u>Industry</u>
Strong Performers	
<i>Retail Trade</i>	
448	Clothing and clothing accessories stores
<i>Transportation and Warehousing</i>	
481	Air transportation
488	Transportation support services
492	Couriers and messengers
<i>Professional, scientific and technical services</i>	
541	Professional, scientific and technical services
<i>Accommodation and Food Services</i>	
721	Accommodations
<i>Other Services (except Public Administration)</i>	
813	Religious, grantmaking, civic, professional, and like organizations
Lagging Performers	
<i>Educational Services</i>	
611	Educational Services
Poor Performers	
<i>Manufacturing</i>	
323	Printing and related support activities
325	Chemical manufacturing
332	Fabricated metal product manufacturing
337	Furniture and related product manufacturing
<i>Wholesale Trade</i>	
421	Wholesale trade, durable goods
<i>Retail Trade</i>	
441	Motor vehicle and parts dealers
444	Building materials, garden equipment and supply dealers
445	Food and beverage stores
452	General merchandise stores
453	Miscellaneous store retailers
<i>Transportation and Warehousing</i>	
493	Warehousing and storage
<i>Information</i>	
513	Broadcasting and telecommunications
<i>Finance and Insurance</i>	
522	Credit intermediation and related activities
<i>Management of Companies and Enterprises</i>	
551	Management of companies and enterprises
<i>Administrative, support, waste management, and remediation services</i>	
561	Administrative support services
<i>Health Care and Social Services</i>	
624	Social assistance

Industries that are not current specializations (or basic industries) can “plug leaks” in the local economy through import substitution.

Strong performers in this category are emerging strengths. Lagging, constrained, and poor performers have limited prospects.

Tax Rates

The General Property Tax Act of 1893 established property taxes as the main source of revenue for local government in Michigan. The basis for the tax is real and tangible personal property value that is not exempt. Exemptions include: property owned by religious and nonprofit organizations, educational institutions, government property, and certain agricultural property. Exempt personal property includes: inventories, special tools, and air and water pollution control equipment. Homestead property is exempt from the 18-mill basic local school district operating tax.

Beginning in 1995 the property tax base was changed from state equalized value (SEV, equal to 50 percent of the true cash value) to taxable value. The taxable value is capped at five percent growth per year, or the rate of inflation, whichever is less (unless the property is transferred). Once transferred a property's taxable value rises to its SEV. Beginning in 2001, the taxable value of agricultural land that remains in agricultural use after transfer remains capped.

In 1994, Proposal A brought sweeping changes to property tax law in Michigan. The effects of Proposal A include:

- Lower property tax rates on homestead and qualified agricultural land
- Restraints on growth of taxable value
- Reduced differences in school operating mileage rates across districts
- Divided property tax into two groups: homestead (and qualified agriculture) and non-homestead
- Eliminated locally levied school operating taxes on most homestead property
- Allowed school districts to levy up to 3 mills of "enhancement" mileage from 1994 to 1996.

- New 6 mill State Education Tax (SET) levied on all property

Michigan's taxable value is largely concentrated in the Lower Peninsula. The five largest counties (Oakland, Wayne, Macomb, Washtenaw, and Kent) comprised 52.6 percent of the statewide taxable value in 2002. The five largest counties account for 57 percent of statewide industrial real taxable value and 52.5 percent of statewide residential taxable value. In 2002 residential taxable value accounted for the largest share of taxable value in all 83 counties.

Between 1993 and 2001 non-school property taxes increased an average of three percent statewide, while total mills decreased nearly 30 percent. The local school operating and state education tax mileage was reduced by 57.9 percent during that period. The dramatic shift was caused by the changes to state tax law under Proposal A.

In Muskegon County the 1993 tax rate was 58.23 mills. In 2001 the rates were 30.68 mills for homestead property and 51.29 mills for non-homestead property. During the period from 1993 to 2001, homestead property mills decreased 47.3 percent in the county while non-homestead mills decreased nearly 12 percent.

The local 2001 mileage was higher for non-homestead property than the state average, but the homestead rate was lower than the state average. In Muskegon County, the burden of property taxes falls on residential property, as is the case in all Michigan counties. 57.1 percent of property taxes levied are on residential properties while commercial properties account for 22.6 percent and industrial properties account for 15.3 percent. Commercial and industrial properties in Muskegon county bear a smaller percentage of the property tax responsibility than the state average.

Average property tax credits in Muskegon county range from \$259 in Orchard View to \$559 in North Muskegon. The total property tax credits in the county are valued at \$6,994,598.

Tapestry Profile

The Community Tapestry segmentation system from ESRI provides an accurate, detailed description of America's neighborhoods. U.S. residential areas are divided into 65 segments based on demographic variables such as age, income, home value, occupation, household type, education, and other consumer behavior characteristics. These segments are also associated with the type of community in which the segment lives, whether in the urban center, on the suburban fringe, in small towns, or rural areas.

Twenty-five of the 65 segments are represented in the Muskegon County population. The top ten segments in the county are:

- Green Acres (14%)
- Salt of the Earth (12.6%)
- Rustbelt Traditions (11.3%)
- Cozy and Comfortable (7.7%)
- Southern Satellites (6.3%)
- Metro City Edge (6%)
- Midland Crowd (5.3%)
- Home Town (4.5%)
- Modest Income Homes (3.6%)
- Midlife Junction (3.3%)

In terms of urbanization groups, the top five groups in Muskegon County are: Rural (I), Suburban Periphery (II), Urban Outskirts (II), Urban Outskirts (I), and Metro Cities (II). Thirty-two percent of Muskegon County households live in rural (I) areas, 18.7 percent in the suburban periphery (II), 22.7 percent in the urban outskirts (I and II), and 6.4 percent in metro cities (II).

Each of these segments is described below.

Green Acres: A little bit country, these blue-collar baby boomer families with children aged 6-17 enjoy living in pastoral settings of developing suburban fringe areas. These neighborhoods are found mostly in the Midwest. Their median household income of \$60,000 and their median home value of \$163,000 are high compared to that of others in the United States.

Salt of the Earth: *Salt of the Earth* resides in blue-collar neighborhoods in rural areas or small towns. Hardworking, primarily in agriculture, manufacturing, or mining, the labor force is slightly older with low unemployment. They earn a median household income of \$46,300 that parallels the United States median. These married couples have a median age of 39.5 years and own homes with a median value of \$111,200.

Rustbelt Traditions: *Rustbelt Traditions* are the backbone of older industrial cities in states bordering the Great Lakes. For years these residents sustained the manufacturing and transportation industries that drove the local economies. Their median age is 36.1 years. Households are a mix of married couples with a high proportion of single parents and singles without children. Most live in modest, single-family houses with a median value of \$87,500. Their median household income is \$41,400.

Cozy and Comfortable: These older, settled married couples are still working but are looking forward to retirement. Many of them are still living in the homes in which they raised their children – single-family homes built before 1970 with a current market value of \$139,000 and located mainly in suburban areas in the Midwest and Northeast. Most of the population is older with a median age of 40.2 years.

Southern Satellites: Found primarily in the rural South, these neighborhoods are

dominated by a single manufacturing and/or construction industry. Residents also do some farming. Families in *Southern Satellites* own newer, single-family or mobile homes with a median value of \$76,200. The market is a bit older with a median age of 36.9 years.

Metro City Edge: Young singles and single parents live in *Metro City Edge*, older suburban neighborhoods of large cities. The median age is 28.5 years. Half of them own their single-family homes with a median value of \$69,500. The labor force is varied with jobs primarily in the service sector. Median household income is approximately \$30,000.

Midland Crowd: *Midland Crowd* represents Community Tapestry's largest market with more than 10 million people, nearly 4 percent of the United States population. They mirror the United States norm with a median age of 35.9 years and a median income of \$45,700. Their differences are striking: they are found in rural areas that have been growing by 3 percent annually since 2000. Nearly 95 percent of their homes are single-family or mobile homes; one third of the houses were built after 1900.

Home Town: These low-density, settled neighborhoods in the Midwest and South rarely change. *Home Owners* may move from one house to another, but they seldom cross the county line. Over half of the householders own homes with a median value of \$55,300. The local job market offers employment primarily in manufacturing, retail trade, and support services.

Modest Income Homes: Although they earn modest incomes, half of these residents

own single-family homes with a median value of \$48,000 in the older suburbs of metropolitan areas. These multigenerational households focus on family. They are relatively young with a median age of 34.2 years.

Midlife Junction: Phasing out of their child rearing years and approaching retirement, most *Midlife Junction* residents are still working, earning a median household income of \$41,800. Nearly one-third are drawing retirement funds. Few households still have children living at home. Most still own single-family homes, although some are moving into multiunit apartment buildings, giving up home ownership responsibilities. Their median age is 40.1 years.

These ten segments account for 75 percent of the Muskegon County households.

Commuting Patterns

According to the 2000 Census of workers living in the county, 74.9 percent worked in the county. Also 83 percent of people working in the county lived in the county.

All together approximately 30,500 people either enter or leave Muskegon County to work. Approximately 7,300 more people

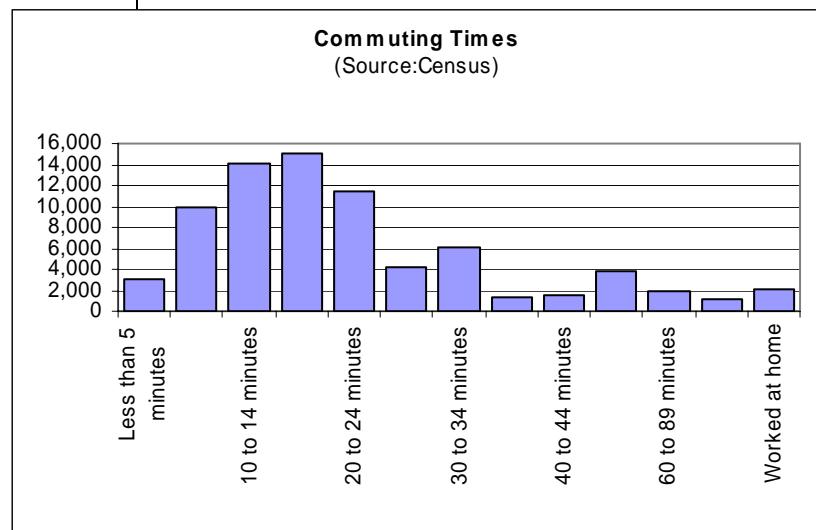


Figure 3.19: Commuting Times

work outside the county than people from elsewhere who work in the county. 15.8 percent of the inflow of workers and 38.9 percent of the outflow is with Ottawa County.

Of the approximately 56,500 Muskegon County residents who also work in Muskegon County, approximately 45,000 or 80 percent work in another part of the county than where they live. Those living in Muskegon slightly favored jobs outside the city while those living outside Muskegon strongly preferred jobs outside the city.

Eighty four percent of workers in the county in 2000 drove a car, truck, or van alone to work. This group alone accounts for 63,303 vehicles on the roads in Muskegon County per day for the purpose of getting to work. An additional 10 percent carpooled.

Most Muskegon County residents enjoyed reasonable commute times of less than 30 minutes in 2000.

Income

From the 1990 Census to the 2000 Census, median household incomes in the county's outer townships rose by 12.8 percent, compared to 10.9 percent in the City of Muskegon. In 2000, the median household income for the City of Muskegon was \$27,929 or 66.6 percent of the median income for Muskegon County households outside Muskegon Township. There is considerable variation between the median incomes in the townships from 1990 to 2000. Blue Lake Township saw an increase of 77.7 percent in real terms between 1990 and 2000, while White River Township realized a real loss of 5.7

percent during the same period. Increases in township income are likely linked to higher income households moving to new residential development in the suburbs.

The 2000 median household income for Muskegon County was \$38,008, an increase of 10.4 percent in real terms over 1990. This is greater growth in real terms than the State of Michigan experienced. The state as a whole experienced a 7.2 percent increase in median household income between 1990 and 2000, with a 2000 median income of \$44,667. This is likely due to the strength of the manufacturing economy in the late 1990s.

For Muskegon County households with income less than \$100,000, the income is distributed quite evenly, although a few percent more households have incomes in the higher ranges than in the lower ranges. Nearly 64 percent of households had income below \$50,000 in 1999 (Census 2000).

Earnings

Muskegon County employees earned average wages of \$31,739 in 2002, a 2.4 percent increase in real terms over the past ten years. In 1992, Muskegon County employees average annual wage was

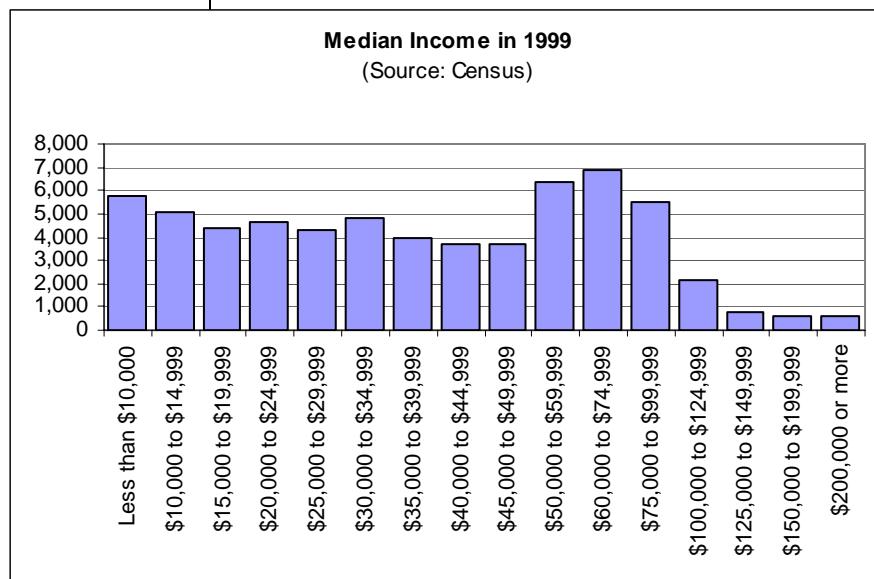


Figure 3.20: Median Income

\$31,006 (adjusted for inflation), or 88.1 percent of the state average. By 2002, Muskegon County wages had fallen to 83.3 percent of the state average.

Neighboring Kent County saw an increase in average annual wages of 8.7 percent in the period from 1992 to 2002, with a 2002 average wage of \$35,239. This is 92.5 percent of the state average. Ottawa County experienced an 8.7 percent increase in average wage over that period, rising to \$33,442 in 2002, or 87.8 percent of the state average. The average annual wage for the State of Michigan in 2002 was \$38,104, an increase of 8.2 percent over 1992 in real terms. The average annual wages for the state were 103.7 percent of the national average in 2002.

Cost of Living

In terms of cost of living, the Grand Rapids-Muskegon-Holland MSA is more expensive than the Flint, Jackson, Kalamazoo, Lansing, and Saginaw areas. However, it is more affordable than the Ann Arbor, Benton Harbor, or Detroit areas in Michigan and the Chicago, Illinois or Milwaukee, Wisconsin area. The median home purchase cost in the third quarter of 2000 was \$107,300 in the Grand Rapids-Muskegon-Holland MSA compared to \$128,500 nationally. Homes in the area appreciated at the same rate as the national average. Cost of living comparisons were made prior to announcement of the new Metropolitan Statistical Areas and are not available for the county alone at this time.

Earnings (2002)

(Source: Indiana Business Research Center)

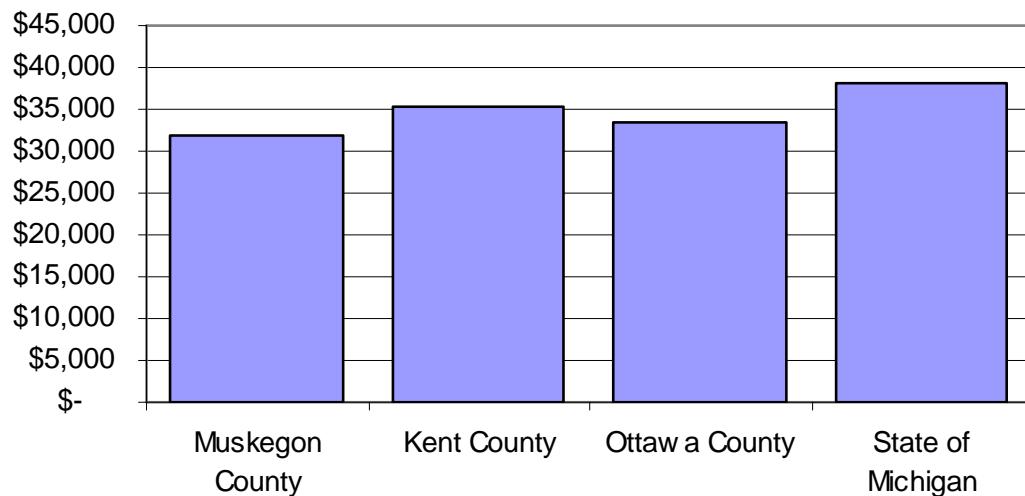


Figure 3.21: Earnings

Tourism

Tourism has a long history of activity in Michigan, based on its abundant natural resources and recreational opportunities. Families (with children under 18) are the primary tourists in Michigan. Lodging with friends or relatives remains the most popular form of accommodation statewide, and the state relies heavily on resident travel for tourism activities. This means most of the tourists are Michiganders from other parts of the state. In western Michigan, the Lake Michigan shoreline is a particular attraction. In 2001, more than 30 percent of the visitor days in the state were in western Michigan and nearly 16 percent of the visitor days were in southwest Michigan (DK Shifflet & Associates).

Why Muskegon County?

Muskegon County has 27 miles of Lake Michigan shoreline, 400 miles of rivers, and 11,400 acres of inland lakes for outdoor recreation and other activities. The Lake Michigan shoreline is accessible at eleven dune filled public parks.

Visitors to Muskegon County Events

<i>Event</i>	<i>Number of Visitors</i>
Summer Celebration.....	620,000
Tall Ships.....	150,000
Muskegon Air Fair.....	122,000
Parties in the Park.....	50,000
Shoreline Spectacular.....	50,000
Unity.....	18,000
Irish Music Festival.....	15,000
MayFest.....	4,000
Miss Michigan Pageant.....	4,000
Trillium Festival.....	3,000
Memorial Day Spectacular.....	1,000
West Michigan Marathon.....	500

The county is also home to a number of state parks, a state game area, and Manistee National Forest.

The county's outdoor recreation opportunities are year round with mild summers for water-based recreation, camping, and hiking. The winter brings approximately 80 inches of snow on average for winter outdoor recreation such as snowmobiling, sledding, skating, hockey, and ice fishing. Autumn brings an array of color as the deciduous trees change color.



There are also a variety of man-made recreational and tourism destinations that make Muskegon County attractive to visitors. The county is home to the Blue Lake Fine Arts camp, which attracts young musicians from around the state and the world each summer. Frauenthal Theatre hosts concerts, dance performances, and national tours of Broadway and off-Broadway shows. It is also home to the Miss Michigan Pageant. Michigan's Adventure Amusement Park is the largest amusement park in Michigan.



Events also generate tourism activity in the county. The Summer Celebration is a ten day event that has developed a tradition of excellence in music performance and other entertainment. Similarly, the Unity Fest brings Christian musicians to Heritage Landing each August. The Muskegon Air Fair also generates excitement, with the Blue Angels included in the program on a bi-annual basis. The Tall Ships Festival is a parade of large old sailing ships from around the world. Other destinations include the USS Silversides, and the Great Lakes Naval Memorial and Museum.

Visitors to Muskegon County

Events and attractions in the county bring a significant number of visitors during the year. In 2001, events and attractions brought more than 4 million visitors to the county. The largest event was the Summer Celebration, bringing 620,000 visitors to Muskegon County. The Air Fair brought more than 122,000 people to the county.

In terms of attractions, Hoffmaster State Park has the largest number of visitors, with 590,000 in 2001. Muskegon State Park (500,000), the county parks (496,261), and Fury Hockey at the L.C. Walker Arena (400,000) also attract significant numbers of visitors.

Out of area visitors to these events and attractions generated 1,760,200 pleasure trip nights for the county in 1996. In the region, only Kent County surpassed Muskegon County in the number of pleasure trip nights generated in 2001.

The visitors to Muskegon County in 1996 generated direct expenditures of \$95,628,000. This is the estimated revenue brought into the county (to local businesses) from tourists.

Visitors to Muskegon County Attractions

Attraction	Number of Visitors
Hoffmaster State Park	590,000
Michigan's Adventure.....	500,000
Muskegon State Park.....	500,000
County Parks.....	496,261
L.C. Walker Arena.....	400,000
Great Lakes Downs.....	160,000
Frauenthal Theatre.....	144,000
Gillette Visitors Center.....	65,000
Muskegon County Museum.....	40,064
Muskegon Museum of Art.....	36,000
Cherry County Playhouse.....	35,000
USS Silversides.....	35,000
Blue Lake Fine Arts Camp.....	15,000
Port City Princess.....	13,500
Hackley & Hume Historic Site.....	9,693
Fire Barn Historic Site.....	2,330
Seaway Run.....	2,000

Table 3.23: Attractions

According to the 1996 MSU study, Muskegon County was capturing 1.6 percent of the tourism market.

Benefits of Tourism to Muskegon County

The benefits of tourism to Muskegon County extend beyond the revenue generated by area businesses. There are jobs that are created due to tourist activity, and wages paid to those workers. Additionally, the county collects a hotel/motel accommodations tax that benefits the county.

The covered employment and wages for 2002 in the tourism related sectors of arts, entertainment, and recreation and the accommodations and food service sector

provide an indicator of the impact of the tourism industry, even though all of the jobs are not solely dependent on visitors to the county (locals dine in restaurants and use entertainment venues as well as tourists). In 2002, there were 1,037 people employed in the arts, entertainment, and recreation sector and 5,869 employed in accommodations and food services sector. The arts, entertainment, and recreation sector had annual average wages of \$14,215 and the accommodations and food service sector had annual average wages of \$9,673.

Muskegon County is one of eight Michigan counties that can collect an excise tax of up to five percent on hotel/motel stays. The tax rate for this tax is five percent and it is collected on hotel and motel room fees. The revenues from the tax can be used for tourism operations and promotion. In 2001, the local revenue from this tax was \$642,102.

<i>Financial Tourism Benefits</i>	
<i>Muskegon County</i>	<i>Local Hotel/Motel Tax Revenue</i>
1995.....	\$410,826
1996.....	\$391,431
1997.....	\$338,684
1998.....	\$560,088
1999.....	\$507,051
2000.....	\$574,335
2001.....	\$642,102

Table 3.24: Hotel/Motel Tax Revenue

Seasonal homes

There is a significant second home, seasonal home, recreation housing market in Muskegon County. According to the 2000 Census, 26 percent of the vacant housing units in the county were vacant for seasonal,

recreational, or occasional use. The number of units specified in that category was 1,379.

Community Facilities

Police, Fire, & Emergency Services

The Michigan State Police is the state's leading law enforcement providing public safety and law enforcement services for Michigan's citizens. Along with the police counterparts at the local, county, and federal levels of government, the Michigan State Police assists in preventing crime, apprehending fugitives, improving traffic safety, ensuring homeland security, providing quality support services, pursue resources for expanded use of technology, and maintaining basic police services for local communities in Michigan. Michigan State Police law enforcement services for Muskegon County are located out of the Sixth District, located in Grand Haven, Michigan.

Muskegon County is served by a county sheriff's department. The county sheriff is an appointed official, and was appointed in 2003. The Department also has an Undersheriff, a Chief Deputy Sheriff, and a Captain. The Patrol Division is the most visible branch of the Muskegon County Sheriff's Office. The Patrol Division provides law enforcement service to over 70,000 people living in unincorporated areas throughout the County. The division has 17 deputies, three shift commanders, and a division commander. The Muskegon County Jail houses 370 inmates managed by 46 full time correction officers. The main jail houses the holding, minimum to maximum security as well as female and juvenile inmates. The Ernest W. Heikkila addition houses work release and minimum security inmates. The jail has a redundant state-of-the-art surveillance and cell door locking system needed to maintain the



many levels of security to ensure employee, public and inmate safety. The Marine Division patrols Lake Michigan and the inland waters during the summer months. The Marine Division handles search and rescues and recoveries in Muskegon County. The Division also teaches young people how to become safe boat operators. Classes are held during the school year in cooperation with local schools. The Division has a sergeant and four seasonal deputies. The fleet of the Marine Division is made up of 7 patrol boats and 1 jet ski including the new Pursuit Enforcement 2470cc. The Sheriff's Office provides security, swears warrants and serves subpoenas for the Muskegon County District, Circuit and Probate Courts. Court Services is responsible for providing inmates for their time in court. The division also transports inmates to the Michigan Department of Corrections.

Muskegon County Emergency Services is the coordinating agency for Muskegon County's preparedness and response to disasters and/or emergencies. Emergency Services directs the implementation of the Muskegon County disaster preparedness activity and is responsible for establishing and maintaining effective control and emergency services planning.

Muskegon County Emergency Services include:

- Muskegon County Local Emergency Planning Committee (LEPC)
- Muskegon County's Hazardous Materials Response Team (HAZMAT)

The mission of the Muskegon County Emergency Services Department, in cooperation with the Emergency

Management Division of the Michigan State Police (EMD/MSP) and the Federal Emergency Management Agency (FEMA), is to save lives and protect property in this County. This will be accomplished by having an emergency plan and program that is developed and exercised according to State and Federal guidelines and which takes into account any unique circumstances within our County.

In cases where the situation is jurisdiction-wide or extremely severe, and Emergency Operations Center (EOC) will be established.

The EOC is capable of operating on a continuous or intermittent basis for as long as the situation requires.

When a disaster or large-scale emergency occurs, a representative of each agency will be notified to report to the EOC. At that time, the entire EOC staff will be briefed on the incident. Those not immediately involved will be released on a stand-by basis.

EOC Locations	
Primary EOC Location	Alternate EOC Locations
Emergency Services Building B 133 E Apple Avenue, Muskegon	City of Whitehall Police/Fire Building Complex
	Muskegon County Road Commission
	Norton Shores City Hall
	Muskegon City Hall
	Area Adjacent to Muskegon County Central Dispatch



The Central Dispatch mission is to serve, without prejudice or favoritism, all of Muskegon's citizens and visitors by providing prompt, accurate and reliable access to the county's public safety agencies.

The Central Dispatch maintains an administrative staff of five, including an Executive Director, Operations Manager, Office Manager, and two Information Technology staff.

Muskegon Central Dispatch takes E-911 calls for the following public safety agencies listed in the chart below.

The Muskegon Police Department is the local law enforcement arm in the city of Muskegon. In the spring of 2004, the Muskegon Fire Department, the Muskegon Police Department, and Muskegon Inspection Services were combined at the administrative level into the Muskegon Public Safety Department. This consolidation places the three departments under the supervision of the Director of Public Safety with a Deputy Director overseeing the daily operations of both fire and inspections.

The Police Services Division consists of the following Bureaus: Patrol, Investigations, and Administration. Each bureau encompasses units of related functions that contribute toward the division's overall goals accomplishment. Primary responsibilities of the division include law enforcement, investigations, and the maintenance of public records. The Police Services Division operates within the context of community policing i.e., forming community partnerships to reduce crime and enhance the quality of life within the city. The police department currently has 91 sworn positions and 11 non-sworn positions.

Emergency Services	
Fire Departments	Police Departments
Blue Lake Township Fire Department # 1/2	Michigan State Police WEMET
Casnovia Township Fire Department # 1/2	City of Montague Police Department
Dalton Township Fire Department	City of Muskegon Heights Police Department
Egelston Township Fire Department	City of Roosevelt Park Police Department
Fruitport Township Fire Department # 1/2	City of Norton Shores Police Department
Holton Township Fire Department	City of Whitehall Police Department
Montague Fire District	Muskegon Township Police Department
Moorland Township Fire Department	City of Muskegon Police Department
City of Muskegon Fire Department # 3/4/5	Muskegon Central Dispatch 911
Muskegon Township Fire Department # 1/2	Muskegon County Sheriff's Department Airport
City of North Muskegon Fire Department	Muskegon County Sheriff's Department Fruitport
City of Norton Shore Fire Department # 1/2/3	Muskegon County Sheriff's Department Admin
City of Muskegon Heights Fire Department	Muskegon County Sheriff's Department Jail
Ravenna Fire Department	
White Lake Fire Authority # 1/2	

Table 3.25: Emergency Services

The Patrol Bureau includes 1 Captain, 3 Shift Lieutenants, 7 Sergeants, 41 Patrol Officers, 11 Community Officers, and 10 individuals in the Parking Office. The Investigations Bureau includes 1 Captain, 2 Sergeant, 12 Detectives, 1 Officer, and a Narcotics Team. Officers working with the Chief of Police include 2 Detectives, 1 Lieutenant, a Community Coordinator and Administrative staff. The Patrol Officers handle day to day emergencies, regularly patrol areas of the City to prevent crime, maintain public safety and order by enforcing local, state, and federal laws and ordinances, and sometimes perform specialized police activity such as criminal investigations, undercover surveillance and other duties.

The cities of Montague, Muskegon Heights, North Muskegon, Norton Shores, Roosevelt Park, Whitehall, and the Muskegon Township all maintain their own police departments, although some of them utilize part-time personnel. These Departments handle day to day emergencies, regularly patrol areas of the local jurisdictions to prevent crime, maintain public safety and order by enforcing local, state, and federal laws and ordinances, and provide other public services.

The total number of full time officers in the County is 193 officers and 25 part time officers. Assuming that the service areas of these Departments are exclusive of one another, the Level of Service (LOS) for personnel for the County is 1.14 full time officers per 1,000 of population. This is below the national standard of 2.0 offers per 1,000 as determined by the Urban Land Institute's 1994 study.

Fire Protection Services & Emergency Medical Services

The City of Muskegon Fire Department operates the largest single department in the County, providing the following functions:

Fire Suppression, Emergency Medical Service, Training, Fire Prevention, Code Enforcement, Fire Safety Education, and Specialized Rescue. The Fire Services Division is responsible for delivery of the services within the City, as well as providing fire prevention and public fire safety education services for citizens and businesses. The Fire Services department currently uses automatic and mutual aid with neighboring jurisdictions to deliver life-safety services to citizens in the most rapid and efficient manner possible. The City of Muskegon Fire Department has 45 full time firefighters, which translates into a LOS of 1.12 firefighters per 1,000 population. This LOS is lower than the recommended 1.65 firefighters per 1,000 as determined by the Urban Land Institute's 1994 study.

The Central Fire Station location is in need of replacement. The current structure has severe structural problems and cannot accommodate newer, larger firefighting apparatus. The Department is currently studying possible locations for the new station.

The cities of Muskegon Heights, North Muskegon, Norton Shores, and the Townships of Casnovia, Dalton, Egelston, Fruitport, Hoton, Muskegon, Ravenna, and White River maintain their own fire services, and much of the service is provided by volunteers. Within these listed fire departments, there are 47 full time firefighters and 224 part-time/volunteer firefighters.

Emergency ambulance services are provided to Muskegon County by two services, Professional Med Team, Inc., (Pro Med) and White Lake Ambulance Service. Professional Med Team, Inc. is a not-for-profit advanced life support ambulance and health transportation service owned by Hackley Health System and Mercy General Health Partners. However, Pro-Med operates



as a self-sufficient company. Pro-Med was founded in 1986 and offers advanced life support, basic life support, and non-emergent transportation services. Pro-Med is the medical communications provider for Muskegon County, responsible for dispatching ambulances in Muskegon County. The service responds to over 14,000 ambulance requests per year and provides over \$55,000 annually in charitable care for patients who cannot afford to pay for service. Pro-Med receives no local

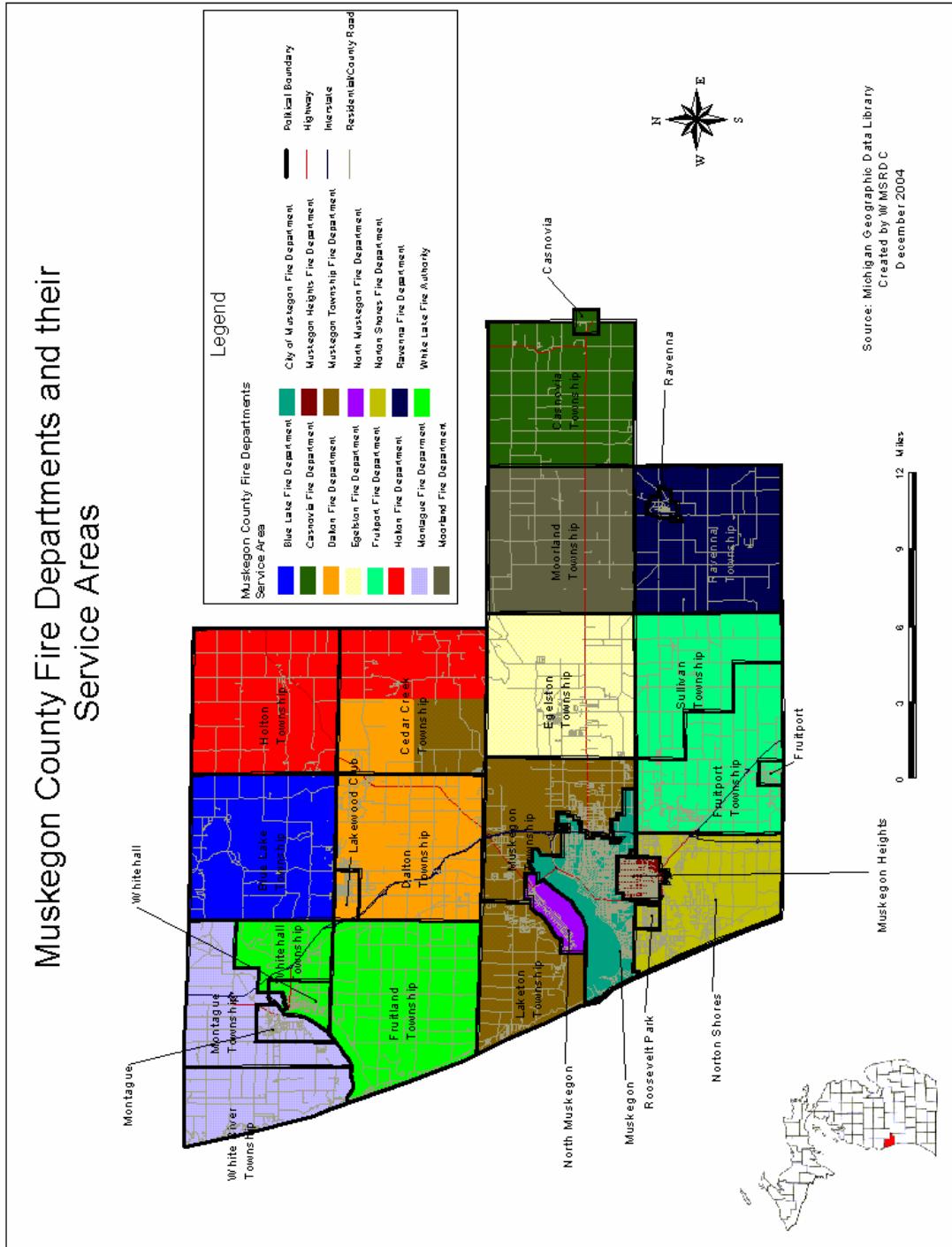
government subsidies or local tax dollars for its service. Pro Med employs 93 people, 15 ambulances and three wheel chair vans.

In addition to Pro Med, White Lake Ambulance Services is a volunteer ambulance service that provides additional support for Muskegon County. The company's staff includes 3 full-time, approximately 20 volunteers, and has four ambulances.

Table 3.26

Muskegon County Fire Department Average Response Time			
Department	Average Response Time (minutes)	Department	Average Response Time (minutes)
Blue Lake	6 – 10	City of Muskegon	3 – 4
Casnova	3.67	Muskegon Heights	3
Dalton	7	Muskegon Township	3 – 5 Scenic Rd. area 7 – 8
Egelston	4 – 5	North Muskegon	4.48
Fruitport	3	Norton Shores	4
Holton		Ravenna	5
Montague	5.12	White Lake Fire Authority	5.49 – 8.39
Moorland			

Muskegon County Fire Departments and their Service Areas



Medical/Health Facilities

Mercy General Health Partners, which includes Mercy Campus and Muskegon General Campus, is the largest Hospital in the County with 302 beds, 2,098 full time employees, and 297 volunteers. Mercy General Hospital is an Osteopathic teaching hospital with medical students, residents, and interns from across the U.S. learning and practicing alongside their physicians. Mercy General Hospital is the leader in the region for many specialty areas including open heart surgery, other cardiac and vascular procedures, orthopedics, and obstetrics.

Hackley Hospital is a 181-bed acute care facility with a wide array of medical services and many of the latest advancements in medical technology. Major medical services include a comprehensive Cancer Center, an award-winning Emergency Department, an 11-suite Surgical Department, Hackley Hospital's Family Birth Place, inpatient Psychiatric Hospital, and Muskegon's largest Occupational Health Center. Hackley Hospital's medical staff includes a wide range of specialists located throughout the community.

Hackley Primary Care, a member of the Hackley Health System, is the lakeshore's largest network with over 40 physicians at 11 locations specializing in family practice, internal medicine, obstetrical care, pediatrics and geriatrics.

LifeCare Hospital is an accredited, 20 beds, specialty acute care hospital conveniently located in Muskegon in the Mercy General Oak Avenue campus. The hospital specializes in the needs of the medically complex patient who requires an extended hospital stay. Specialty programs include:

- Respiratory Program (ventilator management, weaning, decannulation

Wound Program (stage III/IV wounds, complex surgical wounds/grafts, fistulas, post burn care, use of wound VACS) managed by a certified wound care specialist

- Medically Complex Program (IV antibiotics, TPN, multi-system organ failure, dialysis, and telemetry)
- Restorative Rehabilitation Program includes speech, physical, occupational and recreational therapy services for CVA, recent amputation and medically complex patients whose needs cannot be met at a lower level of care).

In addition, four family practices offer excellent care from offices in Montague and Whitehall, including the Lakeshore Medical Center, whose ten physicians support an urgent care center with extended hours, and The Family Medical Practice in Montague, home to one M.D. and a physician's assistant. Both provide a wide range of medical services. Lab and x-ray services, and the care of two physicians and a physician's assistant, are available at the Colby Street Medical Practice. These practices, affiliated with Hackley, and Mercy General Heath Partners Hospital in nearby Muskegon, offer personal care with the advantages of modern technology and equipment.

Other professional care providers include a number of dentists and ophthalmologists practicing in modern offices throughout the area. Physical and occupational health is available in local facilities, as well as massage, behavioral therapy, and speech therapy. Complete skilled nursing services are provided by area practices, as well as the local Visiting Nurses Service. A number of private residences provide specialized and individual senior care. Heartland Health Care, with facilities large enough to accommodate 125 residents, sponsors a well-rounded program, including recreational and therapeutical activities.

Public Utilities

Public utilities play an important role in the growth and management of Muskegon County. Through the delivery of reliable and plentiful water, and the safe and efficient disposal of wastewater, communities in Muskegon County can achieve an improved quality of life for local residents. Utility systems have the potential to aid in the growth of a community by enabling greater densities in selected locations. In addition, and most importantly, public utility systems give the County and communities the ability to provide effective stewardship over such important natural features as surface water and groundwater features within the region.

Public Wastewater & Treatment Systems

The wastewater and treatment system for the County is the Muskegon County Wastewater Management System (See Figure 18). All of the communities in Muskegon County send their wastewater to the Muskegon County Wastewater Management System or have rural septic systems for wastewater. The Metro System currently treats approximately 24 million gallons per day at an 11,000 acre site in Moorland and Egelson Township. The system capacity is 42 million gallons per day (MGD) of wastewater, 73 tons per day of suspended solids, and 65 tons per day of biochemical oxygen demand. The peak daily flow is 28 million gallons per day and is typically reached only once per year.

At the Metro site, the treated waste is collected by an extensive network of agricultural under drainage, with ultimate disposal to both Big Black Creek and the Muskegon River. The collection and transportation network consists of sewers, force mains, pumping stations, and 12

access points where the existing sewage system and water-using industries enter the County system. The interceptor contains 13 miles of reinforced concrete pipe ranging from 16" to 42" in diameter. The final portion of the transportation network is composed of a large pump station with four pumps, having a rated capacity of 56,000 gallons per minute, that transport the combined wastewater 11 miles through a 66" diameter reinforced concrete pipe to the treatment site (Muskegon County, 2002).

The Metro plant has recently completed major renovations on its pretreatment processes, irrigation and drainage systems, a main pump station, a new outfall, and a new rapid infiltration system.

The City of Roosevelt Park owns and operates a sewer collection system that serves the entire City for stormwater. The sewer collection system was installed in the 1940s and is in decent condition. The City recently made the necessary replacements, repairs, and relines of the sewer collection system. This process is ongoing. The City sends their wastewater to the Muskegon County Wastewater Management System. The City of Roosevelt Park treats approximately .75 mgd of the City's own wastewater.

The City of Norton Shores owns and operates a sewer collection system that serves the entire City for stormwater. The City sends their wastewater to the Muskegon County Wastewater Management System. The stormwater collection empties into Mona Lake or the County drain system, which empties into Blake Lake, with the entire system ultimately discharging into Lake Michigan.

Figure 3.28: Muskegon County Sewer Network

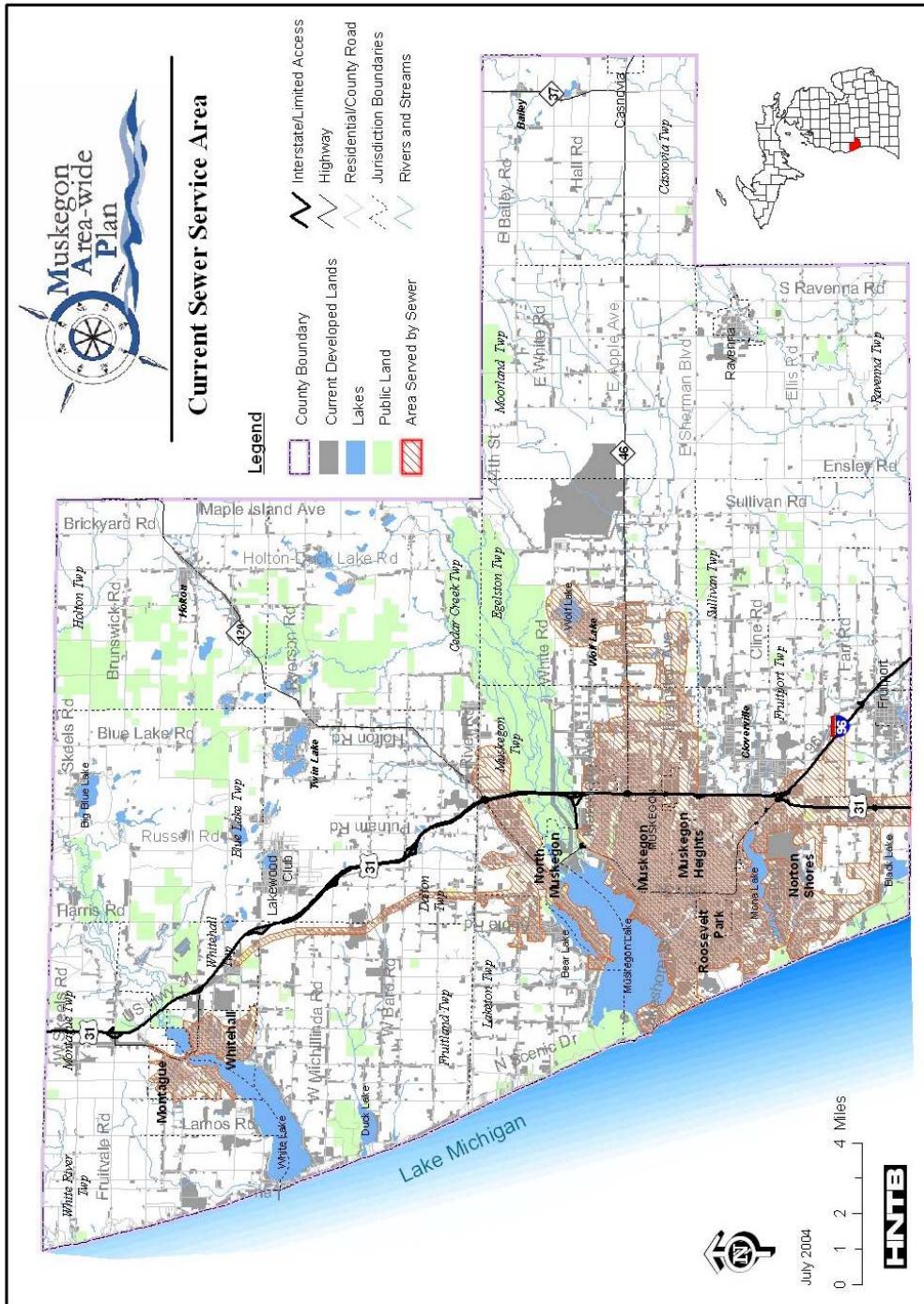
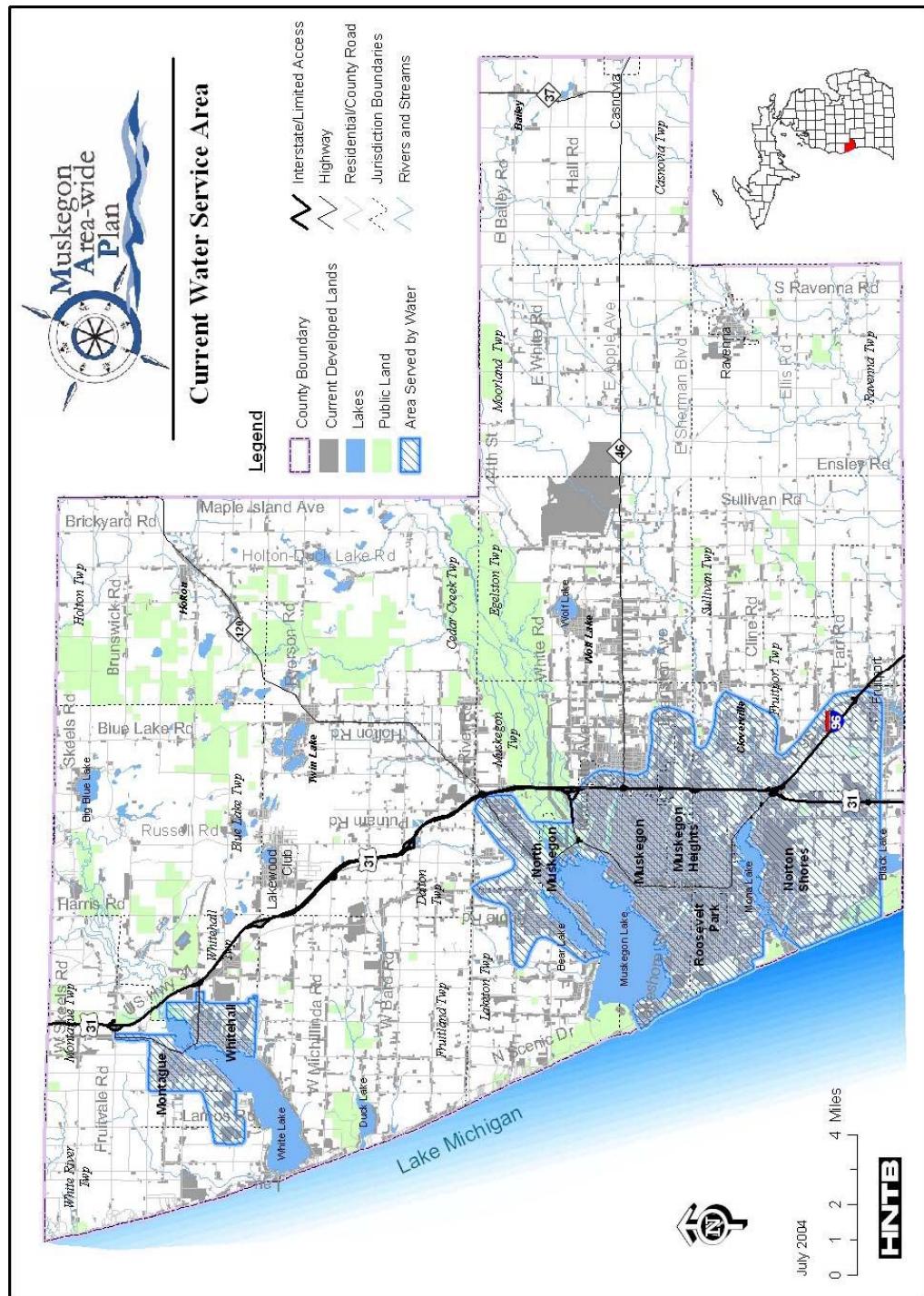


Figure 3.29: Water System



Public Water Supply Systems

Public water supply is the process of withdrawing, treating, and distributing water for a variety of residential, public, commercial, and industrial uses. Residential uses include water for drinking, household activities, and lawn and garden watering. Public uses include fire fighting, street washing, and supplying municipal parks, golf courses, and swimming pools. Commercial and industrial uses include providing water for hotels, restaurants, laundries, office buildings, manufacturers, and industrial complexes. Public water supply systems are the sole source of water for many of these facilities, while others use a combination of public and self-supplied water sources.

The Muskegon Water Filtration Plant is a conventional water treatment plant with a capacity of 28 million gallons per day (MGD). The capacity is currently being expanded to 40 MGD. The average daily flow is 9.245 MGD and the peak daily flow is 20.744 MGD. Current excess capacity is 7.266 MGD (accounting for peak demand), and will be expanded to 19.266 MGD when the expansion is completed in 2005. Customers include not only the City of Muskegon, but also Muskegon Township, North Muskegon, Roosevelt Park and the County North side system. The system draws water from Lake Michigan and the intake pipe extends one mile out at a depth of forty feet.

The Muskegon Heights Filtration Plant is located at the end of Seminole Road in the City of North Shores. It has a capacity of 25.2 MGD. The average daily flow on an annual basis is 6.3 MGD. During the summer the plant treats 12 to 14 MGD, but in the winter it only treats 5 to 6 MGD.

The City of Roosevelt Park purchases its water from the City of Muskegon. The City

of Roosevelt Park owns and operates a water distribution system that serves the entire City. The water system was installed in the 1940s and is in need of replacement. Last year the City completed a reliability study that recommended a 20 year replacement. The City adjusted the commodity rates accordingly and has begun this process. No significant capacity changes are needed other than increasing the minimum water main size, from 6" to 8", and 12" trunk lines. The City pays the same rate as the Muskegon customers with a 1.35 multiplier. The City's average daily demand is 0.455 MGD.

The cities of Whitehall and Montague have separate groundwater supplied water systems. In 1997 a water main was constructed under the White River to supply each other with water under emergency conditions.

The City of Montague has four wells, two elevated storage tanks, and 28 miles of water main. The City of Whitehall has five wells, two elevated storage tanks, and 32 miles of water main.

The City of Montague has a total capacity of 2.45 MGD with a firm capacity of 1.73 MGD. In 2025, Prein & Newhof projects that the city will have a maximum daily demand of 1.92 MGD.

The City of Whitehall has 3.93 MGD total capacity, with a firm capacity of 1.99 MGD. By 2025, the maximum daily demand is projected to be 3.41 MGD.

Both cities are exploring alternatives for expanding their capacity at the request of the Michigan Department of Environmental Quality (MDEQ). Alternatives studied by Prein & Newhof include groundwater wells east of US 31, surface water from Lake Michigan, and supply from the Muskegon County Northside System.

Schools

School performance is of interest to the County, not because of any great impact the Plan has on the quality of schools, but because performance is a significant factor in residential location decisions. In addition, education typically represents the single-largest local public expenditure. People with children place a high priority on residing in a community with quality schools. Many would say that schools represent the most important community facility in terms of home or business relocation decisions. The magnitude and pattern of the County's growth directly impact school needs, including facility size and location, the number of staff needed, supplies, and the level of required investment for education. Muskegon County is broken up into 12 Constituent Districts, 4 Charter Schools and 14 Non-Public Schools. The performance of these Districts is listed in the following Table 3.30.

Public Schools

Fruitport Community Schools

Fruitport Community Schools is a pre-K through 12 public school district located near Hoffmaster State Park. The Village of Fruitport neighbors Muskegon, Spring Lake, and Grand Haven communities and is approximately 30 minutes from both Grand Rapids and Holland. The district operates three elementary buildings, one middle school, and one high school. In the fall of 2003, a bond for 8.4 million was passed for the Fruitport Community Schools. All schools will receive improved athletic facilities, replacement windows, roofs, boilers, floor coverings, classroom furniture, musical equipment, improved technology for classrooms and infrastructure, new signage, security systems for elementary buildings, meeting ADA standards, and many other improvements. The Fruitport Community Schools maintain 16.3 percent

of their current spending as reserves, higher than the county average of 10.9% and about the same as the state average of 16.0%. The district's long-term debt per student is \$3,562, lower than the county average of \$8,684 per student and the state average of \$8,327 per student.

Holton

Holton Public Schools, the second smallest District in the County, is a pre K-12 public school district located in the northeastern part of Muskegon County. The district operates one elementary building, one middle school, and one high school, all located on one campus. In 2001-2002, a bond was passed for the existing Middle School. Future needs are continued financing, student enrollment, improvements to the existing sports facilities, and additional course offerings for students in preparation for college or other interests. The Holton Public Schools maintains a smaller percentage of its spending as reserves, 9.3 percent than the county average, and has a larger amount of long-term debt per student at \$9,173.

Mona Shores

The Mona Shores Public Schools are located in North Shores and Roosevelt Park, located south of the City of Muskegon. The district operates four elementary buildings, one middle school, and one high school. In September of 2003, the District requested a \$1.75 mill levy (\$725,000 annually, \$5.1 million over 10 years) for future quality needs within the District schools. This bond was not passed. No future expansion is currently needed because of declining student enrollment; however, future quality upgrades are needed. Areas of improvement are roofing, parking facilities, technology, safety and security, and curriculum upgrades. The Mona Shores schools maintain a much higher percentage of their spending as reserves than the county average, more than 22 percent is kept as



reserve. The district's long-term debt per student is equivalent to the county average, at \$8,649.

Montague

The Montague Area Public School District encompasses 120 square miles and serves children from the City of Montague, Rothbury Village, Montague Township, White River Township and part of Grant, Otto, and Claybanks Townships. The district operates one elementary school, one middle school, and one high school, all located within the City of Montague.

Muskegon Public

The Muskegon Public Schools of the City of Muskegon encompasses an area approximately 19.3 square miles. It includes all of the City of Muskegon, as well as portions of the City of Norton Shores and Muskegon Township. The school district is unique in that it not only offers a comprehensive preschool through twelfth

grade curriculum to its students, but it also operates the Muskegon Museum of Art and Muskegon Training and Education Center (MTEC). In addition, Muskegon Public Schools provides special education services for hearing impaired students from the other 11 school districts in Muskegon County, as well as a Vocational Consortium program which also serves the area.

The district operates 10 elementary buildings, two middle school buildings, and one high school campus. In the fall of 1999, the district completed a three-year, \$54 million facilities upgrade project that involved renovations and improvements to all school buildings. Improvements included meeting ADA standards, new music and science classrooms, new lunchroom facilities, heating and boiler system improvements, classroom technology and infrastructure, floor coverings, athletic facilities, and other improvements.

Future needs of the District include

Public School Districts (2000-2001 School Year)

School District	Students	Teachers	All Staff	Student/Teacher Ratio	Average Elementary School Population	Average Class Size - Grade 1	Average Class Size - H.S. Math
Fruitport	3,104	175	187	17	464	25	26
Holton	1,112	72	80	15	395	25	27
Mono Shores	4,240	204	214	20	463	21	25
Montague	1,556	90	100	17	726	17	25
Muskegon	5,535	367	398	15	295	20	28
Muskegon Heights	2,339	138	165	16	246	25	24
North Muskegon	901	44	63	20	382	18	25
Oakridge	2,040	108	116	18	367	30	30
Orchard View	2,652	164	182	16	415	22	25
Ravenna	1,203	71	83	16	449	22	25
Reeths Puffer	4,393	244	364	18	383	25	29
Whitehall	2,200	119	138	18	593	24	24

Source: *The School Report* (www.theschoolreport.com)

Table 3.30 Public School Districts

financing and resizing the school facilities for the number of students in the District.

The Muskegon Public Schools maintain much less in reserve than the county average, only 5.6 percent of current spending. The district also has a lower amount of long-term debt per student, \$5,696, than the county average.

Muskegon Heights

Muskegon Heights Public Schools are located south of the City of Muskegon and north of the City of Norton Shores. The district operates six elementary schools, one middle school, and one high school. The District has much lower reserves as a percentage of current spending than the county average, at 7.7 percent. The district also has more long-term debt per student than the county average, \$10,979 per student.

North Muskegon

The North Muskegon Public Schools is the smallest district in the county and operates one elementary school, one middle school, and one high school, which was built in 1932. Last September, a \$14 million dollar bond was passed by voters. This bond will include a facility upgrade project that involves renovations and improvements to all school buildings. Specific improvements include new high school classrooms, new heating and boiler system, classroom technology and infrastructure, windows, electrical, plumbing, and communications. The North Muskegon Public Schools have a much lower level of reserves than the county average, 4.2 percent of current spending. The District has low long-term debt per student, at \$228.

Oakridge

The Oakridge Public Schools operate two elementary schools, and one middle school, and one high school. The Oakridge district's reserves relative to current

spending is lower than the county average at 7.9 percent. The long-term debt per student in the district is near the county average at \$8,438.

Orchard View

The Orchard View Public Schools operate one preschool/kindergarten school, two elementary schools, one middle school, and one high school. Orchard View schools maintain a relatively small reserve compared to current spending at 7.9 percent, but the district's long-term debt per student is very low at \$96.

Ravenna

The Ravenna Public Schools operate one elementary school, one middle school, and one high school.

The Ravenna Public Schools completed renovation improvements to all school buildings during the last couple years. In the fall of 2001, the expansion of existing rooms in the high school and elementary was completed. The elementary tripled in size due to the improvements. No future needs are currently needed at this time. The Ravenna Schools has a very large reserve at 20.9 percent of their current spending. The district also has no long-term debt per student.

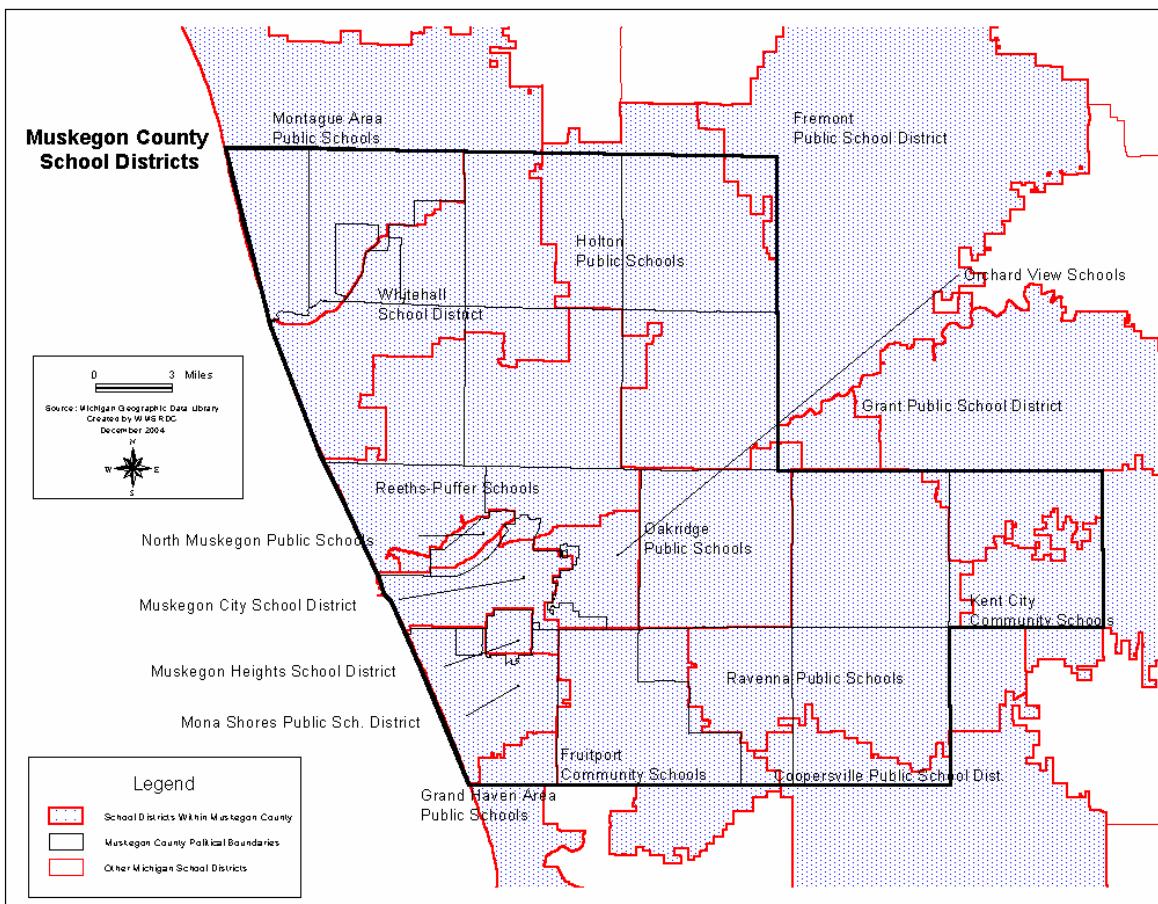
Reeths-Puffer

The Reeths-Puffer Public Schools operate one preschool/kindergarten school, five elementary schools, one middle school, and one high school. In addition, the school district operates two alternative schools and an adult education center. During the 2001-2002 school year, a bond for \$23 million was passed for renovations and improvements to all school buildings. Improvements included meeting ADA standards, upgraded infrastructure including all mechanical, electrical and plumbing, new lunchroom facilities, 11 new classrooms in the middle and elementary schools, floor

coverings, new bus maintenance facility and other improvements. No future needs are anticipated at this time. The Reeths-Puffer district has a relatively low reserve compared to current spending, 5.3 percent. The district also has long-term debt per student that is nearly double the county average at \$16,147.

Whitehall

The Whitehall District Schools operate two elementary schools, one middle school, and one high school. A school bond was passed in 2001 for the construction of a new high school. The new 160,000 square feet high school will be completed this year, with class room size increasing to 900 square feet from 750 square feet. The Whitehall schools reserve is about the same relative to current spending is about the same as the county average at 10.5 percent. The district has double the county long-term debt per student, at \$17,479.



Charter Schools

Charter public schools, or public school academies, as they are known in Michigan, are independent public schools that operate under a performance contract called a charter. Charter schools are made possible by a 1993 Michigan law. It empowers local and intermediate school districts, community colleges, and state universities to sign charters authorizing the schools. These contracts govern areas such as education goals, curriculum standards, assessment measures, governance, and funding.

There are three Charter schools located in the region, and all are located in the City of Muskegon. They include: Tri-Valley Academy serving kindergarten to 8th grade, Timberland Academy serving kindergarten to 6th grade, and Muskegon Technical Academy serving 6th to 9th grade. Within these three Charter schools, the number of students is over 800 who are served by 52 full time teachers and support staff.

Non-Public Schools

Private, or non-public schools, are a school which is owned and operated by an individual, a religious institution, a partnership, or a corporation other than the State, a subdivision of the State, or by the Federal government. They are usually supported primarily by other than public funds and teach the required subjects on each grade level for the same length of time as students must be taught in the public schools.

Within Muskegon County, there are 14 non-public schools and are as follows:

- Greater Muskegon Catholic Schools (3 schools)
- Calvary Christian Schools
- Grace Christian Academy
- Holton Evangelical Lutheran School
- Michigan Dunes Montessori

- Muskegon Christian Elementary School
- Oakcrest Christian Academy
- St. Catherine's School
- St. James School
- Seventh Day Adventist School
- Western Michigan Christian High School
- West Shore Lutheran School

Standardized test scores

Standardized test scores are often used as indicators of school performance. The Michigan Education Assessment Program (MEAP), American College Test (ACT), and the Scholastic Aptitude Test (SAT) are standardized test scores that are collected and compared for Michigan school districts. In terms of the MEAP passing rate, Muskegon county schools as a whole are near the state average of 52.8 percent. Performance varies considerably between the individual school districts. In North Muskegon Public Schools, approximately 71 percent of students passed the MEAP. However, only 20.2 percent of Muskegon Heights students passed. North Muskegon schools also had the highest rate for excellence on the MEAP.

In Michigan more students take the ACT than the SAT. ACT participation statewide averages 68 percent, while SAT participation is approximately eight percent. The ACT is graded on a 36 point scale. The statewide average score is 21. The average score for Muskegon county schools is comparable to the state average. Individual districts average scores vary considerably.

The County and the school districts should continue to coordinate long-range plans to select school sites, establish multiple-use facilities, and ensure that school facilities have adequate utilities, fire protection, police protection, street access and non-motorized access. As the population of the County continues to grow, coordination

efforts will need to be continued in order to maintain a high standard and quality of school systems in Muskegon County.

Higher Education

The state of Michigan has fifteen public universities and twenty-eight public community colleges in addition to the numerous private institutions of higher education. Grand Valley State University (GVSU) in Allendale is the closest main campus for a public university to Muskegon County. GVSU has a current student enrollment of more than 21,000, nearly 18,000 of which are undergraduates. Muskegon Community College, in Muskegon, is one of the state's public community colleges. Muskegon Community College has a current enrollment of approximately 4,400, 65% of which are Muskegon County residents.

Baker College, a private college is also located in Muskegon. It is the main campus for the Baker College System. The Baker College System is the largest independent college in Michigan, with over 25,000 students in more than 80 programs on 12 campuses and four branch locations.

The Stevenson Center, (formerly the Muskegon Center for Higher Education), is a 93,500 square foot building constructed on the picturesque campus of Muskegon Community College. The Center houses a unique academic consortium comprised of Muskegon Community College, Ferris State University, Grand Valley State University, and Western Michigan University. The Center contains 40 classrooms/conference rooms including a computer classroom and laboratory, a large conference room, a large lecture hall, and a science room. A catering kitchen on the second level accommodates food service needs for banquets, meetings, conferences, and receptions. Communication technology advancements allow for a variety of instructional delivery systems. Each room in the facility is wired for voice, video and data transmission. Teleconferencing and integrated distance learning technology is available as well. The Muskegon Community College Graphics Technology instruction and reproduction departments, Media Services Department, and the Television Studio are all housed in the Stevenson Center.

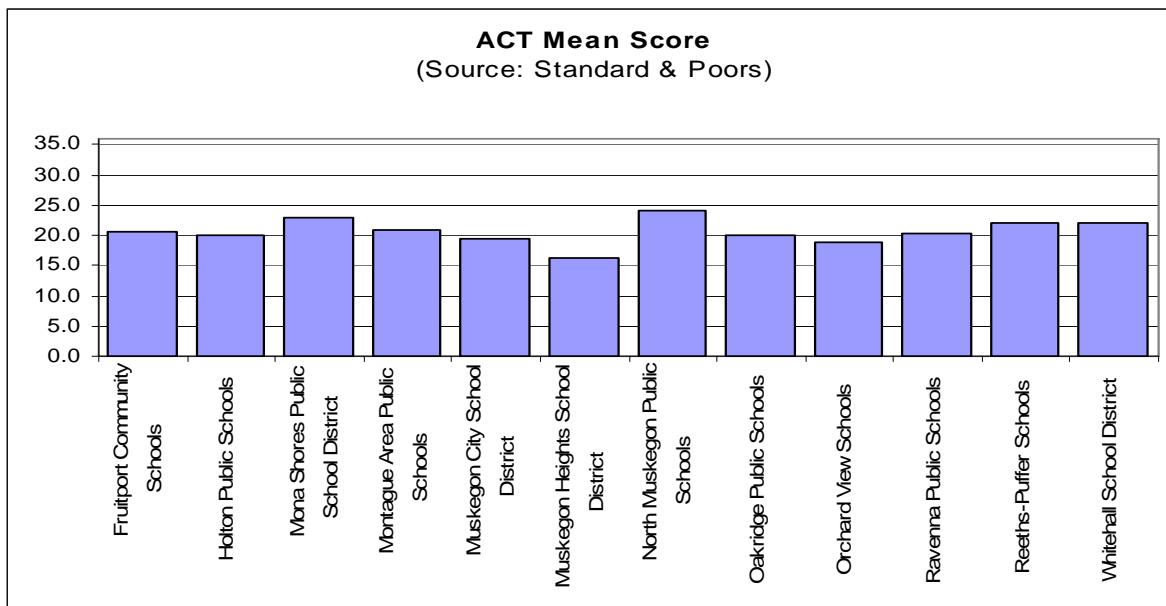


Figure 3.31: ACT Scores

Additionally, Grand Valley State University, Ferris State University, and Western Michigan University have campuses in Muskegon County.

Other colleges and universities within 100 miles include Aquinas College, Calvin College, Cornerstone College, Davenport College of Business, Grand Rapids Community College, ITT, Kendall College of Art and Design, the Reformed Bible College in Grand Rapids, as well as Central Michigan University in Mount Pleasant, Ferris State University in Big Rapids, Grand Valley State University in Allendale, Hope College in Holland, Kalamazoo College and Western Michigan University in Kalamazoo, Lake Michigan College in Benton Harbor, Montcalm Community College in Sidney, and Southwestern Michigan College in Dowagiac.

Libraries

The Muskegon County Library has a collection of 230,000 books and periodicals; in addition, there are 4,800 CDs, records, cassettes and other audio materials, as well as 1,890 video items, such as DVDs and VHS tapes. Internet terminals are available for use by the general public. Staffing consists of 25 employees, of whom 7 are fully accredited librarians, plus volunteers. The system comprises 9 branch libraries, plus one bookmobile. Branch libraries are located in Twin Lake, City of Muskegon, Fruitport, Holton, Montague City, Muskegon Heights, Norton Shores, Ravenna, North Muskegon, and Whitehall. Annual expenditures on the library collection total \$220,000. Patrons make 330,000 visits annually, and check out materials 560,000 times. Thirty-two percent of all check-outs are children's materials.

Hackley Public Library, located in Muskegon, has a collection of 126,000 books and periodicals; in addition, there are 1,980 CDs, records, cassettes and other

audio materials, as well as 340 video items, such as DVDs and VHS tapes. Internet terminals are available for use by the general public. Staffing consists of 19 employees, of whom 5 are fully accredited librarians, plus volunteers. Annual expenditures on the library collection total \$75,000. Patrons make 88,000 visits annually, and check out materials 80,000 times. Twenty-nine percent of all check-outs are children's materials.

White Lake Community Library, located in the City of Whitehall, has a collection of 30,000 books and periodicals; in addition, there are 1,200 CDs, records, cassettes and other audio materials, as well as 660 video items, such as DVDs and VHS tapes. Internet terminals are available for use by the general public. Staffing consists of 5 employees, including one fully accredited librarian, and volunteers. Annual expenditures on the library collection total \$17,600. Patrons make 66,000 visits annually, and check out materials 63,000 times. Fifteen percent of all check-outs are children's materials.