

## **CHAPTER 6: ECONOMIC DEVELOPMENT**

### **SUMMARY**

The economic development of Antrim County is one of the major forces influencing the overall development and future land uses. This development is seen in the changing use of farm and orchard land, forests, lakes and river shore property, and in the population centers. The increase in population to Antrim County impacts land use and the economics of businesses.

This portion of the master plan focuses on economic trends so the recommendations in this plan can assist local efforts in stimulating economic growth and preserving existing jobs. These recommendations are listed in Figure 6-5, “Antrim County Economic Development Goals and Objectives” and are based on the historical and current economic trends as well as the following background information:

- The natural resources in Antrim County, the lakeshores, rivers, and forests along with a favorable growing climate provide a basis for a combined favorable recreational and agricultural economy.
- Agriculture is an important component of Antrim County.
- The combination of metropolitan populations utilizing seasonal homes, rental tourist accommodations, and recreational activities result in seasonal businesses and service needs; with a corresponding seasonal employment situation. This seasonal fluctuation in service business, with peaks in August and February, result in a cyclical economic and employment pattern.
- Even though the value of seasonal business is estimated at over 50 million dollars (according to the Antrim County Economic Development Corporation); it would be beneficial for business to have more year round activity.
- Currently the largest numbers of jobs are in the manufacturing sector, but it will be necessary to further diversify for sustainability.

## **HISTORICAL INFORMATION:** (What we did in the past...)

From 1940 to 1960: While total employment increased only slightly, there were substantial changes in the distribution of employment in the various categories.

- In 1940, half of the workforce was in Agriculture, Forestry, Fisheries, and Mining, which was typical for northern Michigan during this time period.
- The number of persons employed in agriculture decreased by two-thirds in this time period, the greatest loss was in the 1940s.
  - It is important to note that the value of farming as an economic activity did not decrease.
  - In 1945 there were 1,077 active farms and the value of livestock products sold was \$916,269.<sup>1</sup>
  - 1956 there were 676 active farms and the value of livestock products sold was \$1,590,073.<sup>1</sup>
- Manufacturing employment produced a net gain of nearly 500 jobs between 1950 and 1960.
  - In 1947 there were 27 manufacturing establishments with 206 production workers and an economic value of \$697,000.<sup>1</sup>
  - In 1958 there were 28 manufacturing establishments with 622 production workers and an economic value of \$4,762,000.<sup>1</sup>
- Construction and retail trade employment decreased between 1950 and 1960; however they both show a sizeable increase from 1940.
  - Both of these employment groups are related to the tourism industry.
  - The change in the number of workers could be attributable to the seasonal natures of these industries in the 1960s.

The 1990 Census shows that there were 7,332 people in the workforce.

- The highest concentration of workers (25%) was in manufacturing.
- The second highest concentration (18%) was in retail trade.
- Construction accounted for 8% of the workers.

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<sup>1</sup> 1964 Antrim County Comprehensive Plan

**CURRENT SITUATION:** (What we do now...)

The number of employees in an employment group (Figure 6-1) is taken from the 2000 US Census, while the economic value data came from the 2002 US Economic Census; therefore, they are not directly comparative. This information provides an insight on current economic activities and is for general policy making; however it should not be used for specific economic projections.

**Special Note:**

The Economic Census provides economic detail from the national to local level every five years, while the US Census presents population data every 10 years.

The Economic Census shows the total value of the shipments, sales, receipts, and revenue received for products in an industry for one year.

- Although the number of people working in Agriculture is relatively low, the market value of agricultural products sold (before taxes and production expenses) was \$15,854,000 in 2002.<sup>2</sup>
- The Manufacturing industry has the highest number of employees. In 2002, the economic value was \$202,448,000.<sup>3</sup>
- Education, Health, and Social Services had an economic value of \$ 11,829,000 in 2002.<sup>3</sup>
- 11.1% of the employment population is working in the Retail Trade which had an economic value of \$119,375,000 in 2002.<sup>3</sup>
- The 2002 economic value for the Arts, Entertainment, and Recreation was \$6,377,000.<sup>3</sup>
- The 2002 economic value for Accommodation, and Food Service was \$24,043,000.<sup>3</sup>
- Although the above information and data in Figure 6-1, Number of Employees per Employment Group cannot be directly compared, it does show some interesting trends.
  - Manufacturing is a major employment group and revenue source for Antrim County.
  - Agricultural provides a substantial economic revenue source when compared to how many people are in the labor force.
  - Retail trade will continue to be an important economic component.

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<sup>2</sup> 2002 Census of Agriculture, from Northwest Michigan Council of Governments

<sup>3</sup> 2002 Economic Census, from Northwest Michigan Council of Governments

**Figure 6-1  
Number of Employees per Employment Group 2000**

Employment Group	Number	% of Pop.
Agriculture, Forestry, Fishing, Hunting and Mining	342	3.4
Construction	937	9.4
Manufacturing	2,170	21.7
Wholesale Trade	209	2.1
Retail Trade	1,117	11.1
Transportation and Warehousing and Utilities Information	289	2.9
Information	164	1.6
Finance, Insurance, Real Estate, and Leasing	432	4.3
Professional, Scientific, Management, Administrative, and Waste Management Services	492	4.9
Education, Health, and Social Services	1,780	17.8
Arts, Entertainment, Recreation, Accommodation, and Food Service	1,283	12.8
Other Services	459	4.6
Public Administration	344	3.4
<b>Total</b>	<b>10,018</b>	<b>100</b>

Note: All of the employees are residents in Antrim County, however not all of them are employed in Antrim County.

**CURRENT SITUATION:** (The employment trends...)

- Unemployment, according to the 2000 US Census:
  - In 2000, there were 10,705 people in the civilian labor force. 10,108 were employed, while 687 were unemployed for an unemployment rate of 5.6%.
  - It is common for rural communities in Michigan to have higher unemployment rates than the state average.
  
- Employment sectors, according to the 2000 US Census:
  - 76% employees receive their pay from a private firm
  - 13% employees receive their pay from the Government
  - 11% employees are self-employed
  - 1% employees are classified as other
  - These numbers are similar to the 1990 US Census
  
- Commuting, according to the 2000 US Census:
  - The average travel time to work for Antrim County residents is 23 minutes
  - 5,671 employees work and live in Antrim County
  - 1,347 employees live in Antrim County and work in Charlevoix County
  - 1,285 employees live in Antrim County and work in Grand Traverse County
  - 439 employees live in Antrim County and work in Otsego County
  - 395 employees live in Antrim County and work in Kalkaska County
  - The remaining employees work in other parts of Michigan and the United States
  
- The number of employment establishments increased, in recent years, while the total number of employees has decreased.

<b>Figure 6-2 May 2006 Unemployment Rate</b>	
Antrim County	6.3%
Northwest Lower Michigan	5.9%
Michigan	5.8%
United States	4.4%

Source: Northwest Michigan Council of Governments

Map 6-1, Employment Distribution, shows the location of the employers within the County.

<b>Figure 6-3 Number of Employers in Antrim County</b>				
	# of Employment Establishments	Total Number of Employees	Annual Payroll (\$1,000)	Average Pay per Employee
1998	632	5,378	\$105,482*	\$19,614*
2004	652	4,440	\$121,924	\$27,460

\*Adjusted for inflation

Source: US Census and Northwest Michigan Council of Governments

**Figure 6-4  
2004 Employment Establishment Types**

Employment Establishment	# Employment Establishments	Total Number of Employees	Annual Payroll
Forestry, Fishing, Hunting & Agriculture Support	2	*	*
Mining	5	*	*
Construction	123	380	\$11,357,000
Manufacturing	53	1,209	\$48,747,000
Wholesale Trade	11	24	\$933,000
Retail Trade	100	699	\$15,406,000
Transportation & Warehousing	14	72	\$1,531,000
Information	12	31	\$847,000
Finance	29	155	\$4,781,000
Real Estate & Rental and Leasing	22	117	\$2,558,000
Professional, Scientific & Technical Services	48	214	\$7,115,000
Administration, Waste Mgmt & Remediation Services	26	51	\$1,093,000
Educational Services	7	*	*
Health Care & Social Assistance	45	437	\$10,015,000
Arts, Entertainment, & Recreation	14	54	\$1,485,000
Accommodation & Food Service	68	649	\$7,782,000
Other	70	285	\$5,219,000
Unclassified	3	10	\$116,000

\*Employment and Payroll Data was suppressed by the US Census to maintain confidentiality-  
Source US Census and Northwest Michigan Council of Governments

## **FUTURE ECONOMIC PLANS:** (What we plan to do...)

The Antrim County Planning Commission has a well established working relationship with the Antrim County Economic Development Corporation. This partnership advocates a proactive approach toward supporting and creating economic opportunities throughout the County. Using the data in this Master Plan, the Planning Commission will be able to assist the Economic Development Corporation to proactively plan for economic development.

Both groups agree that the long-term viability of Antrim County will be strengthened by utilizing collective strategies, and collaborative partnerships specific to economic and community development efforts consistent with sound planning principles.

In pursuit of economic and community development opportunities, Antrim County will conform to the following economic guiding principles:

- Pursue balanced growth in order to diversify the county's economy.
- Preserve and protect our natural resources, our rural identity, and our scenic beauty.
- Follow appropriate land use and planning principles.
- Recognize the importance of continued input from all sectors of the community at large.

The Economic Development Corporation was established to:

1. alleviate and prevent conditions of unemployment
2. assist and retain local industries and commercial enterprises
3. strengthen and revitalize the economy of the County of Antrim
4. provide means and methods for the encouragement and assistance of industrial and commercial enterprises in locating, purchasing, constructing, reconstructing, modernizing, improving, maintaining, repairing, furnishing, equipping, and expanding in the County of Antrim
5. encourage the location and expansion of commercial enterprises in the County of Antrim
6. more conveniently provide needed services and facilities of the commercial enterprises in the County of Antrim and its residents.

Based on the economic picture of Antrim County, the outlined economic guiding principles, and demographic data, the Economic Development Corporation outlined the following Goals and Objectives for the County. The Antrim County Planning Commission has accepted these goals and will work to support the Economic Development Corporation to implement them.

## Implementation (What should be done next?)

1. Promote a balance of economic growth with preservation of rural climate, scenic beauty, and preservation of natural resources through attracting quality businesses that use sustainable development.
  - a. Attracting quality businesses that use sustainable development
  - b. Supporting farmland preservation
  - c. Supporting businesses utilizing forest products
  - d. Supporting increased tourist business
2. Promote controlled economic growth through appropriate land use policy and regulations, planning, and planning mechanisms at the county, township, and village level through:
  - a. Concentrating development where infrastructure currently exists
  - b. Encouraging appropriate signage throughout the county
  - c. Educating the public on land use and property values
  - d. Identifying and working with the downtown areas throughout the county.
3. Promote retention and expansion of existing business and attract new businesses to create year-round jobs and to diversify the economy through:
  - a. Encouraging inventorying the businesses, infrastructure, and services to identify needs.
  - b. Establishing technology based training center with surrounding counties.
  - c. Encourage collaboration between business, government, and education to provide job training.
  - d. Identifying goods and services that are currently purchased that cannot be supplied locally.
4. Optimize coordination of activities and resources to target economic development throughout the county through:
  - a. Creating a synopsis of government agencies
  - b. Creating a mechanism to promote, direct, and support businesses, visitors and potential re-locators that need area information
  - c. Investing the capitol, technology, and equipment for a county-wide chamber of commerce to prevent loss of economic development and employment throughout the county.
5. Promote and support appropriate public and private infrastructure development necessary for economic development through:
  - a. Ensuring adequate communication facilities exist in the county to meet the requirements of residential, personal, commercial, and industrial applications, especially in the new technologies such as broadband internet and telecoms necessary for economic development.
  - b. Promoting adequate local medical facilities in all population centers of the County.
  - c. Promoting transportation infrastructure development and maintenance to ensure convenient access and transportation to all parts of the County, to minimize traffic problems and congestion, and to facilitate the flow of labor and goods.

- d. Encouraging municipal sewer systems and alternatives to septic systems around lakeshores.
  - e. Ensuring development of navigable waterways, trail systems, and recreational infrastructure to support and complement the existing park system.
  - f. Promoting and coordinating utility development such as gas, electricity, power, and high-speed telecommunications.
- 6.** Promote growth/expansion of value added agriculture opportunities and promote general farm profitability through:
- a. Encouraging state-wide reform of land-use taxation policies, especially as it relates to taxation of agricultural land (“current use valuation vs. highest economic use”).
  - b. Promoting and facilitating the adoption of transfer of development rights and/or purchase of development rights.
  - c. Retaining and promoting farmland.
  - d. Promoting products; implement value-added concepts including on-site produce processing
  - e. Encouraging commercial and business activities concerned with development of renewable agricultural resources.
- 7.** Recognize the importance of and promote year-round recreation and tourism for a stable county economy through:
- a. Encouraging county-wide participation in the Antrim County Community Recreation Plan.
  - b. Promoting coordinated development of all recreational facilities in county, such as systems of trails, waterways, forests, sports arenas and other systems connecting existing parks and recreational facilities.
  - c. Providing adequate year-round recreation and sports facilities to advance county’s position as a good place to visit, raise a family, and to retire.
  - d. Encouraging the well-being of appropriate recreational facilities in Antrim County.
  - e. Developing coordinated, county-wide recreation infrastructure.
- 8.** Encourage the re-use of existing facilities where appropriate through:
- a. Utilizing the Antrim County Brownfield Redevelopment Authority when appropriate and desirable.
  - b. Encouraging preservation, restoration, and re-use of historical structures and facilities.
  - c. Encouraging use of vacated facilities and sites located in areas with proper infrastructure.
  - d. Disposing of blighted facilities and areas.