

Chapter 7

Housing and Neighborhoods



Aerial photography illustrates a community's growth patterns and the evolution of development patterns. This knowledge is beneficial for planning the location of future land uses in efficient patterns that mitigate congestion, incompatibilities and sprawl. In the Township, aerial photography indicates that residential development patterns vary from a dense urban pattern of homes on a rectilinear block system, to suburban residential subdivisions with curvilinear streets and cul-de-sacs, to rural residential dwellings on large lots. These residential development patterns form distinct neighborhoods, each exhibiting its own character and unique qualities. From walkability

and open space, to safety and provision of the proper infrastructure, the Township is charged with providing services to each neighborhood, no matter how different, in a timely and efficient manner.



It is important to understand the types of neighborhoods that are located within the Township to help plan for future growth (or contraction). Located just north of Apple Avenue, between Sheridan and Quarterline Roads, a tight grid pattern containing one-story and two-story homes is one of the oldest sections of the Township. This traditional grid-style of development is typical of pre-World War II neighborhoods. This neighborhood pattern is often very walkable and safe for pedestrians if sidewalks are provided, as the grid can easily connect the residential streets with other activity.

Another prevalent residential form of development is the post-World War II neighborhood, which is generally less dense and often has lower traffic volume because of limited connectivity. An example of this is the neighborhood south of Holton Road near US-31. Paradoxically, these neighborhoods result in greater traffic congestion on main thoroughfares because of limited linkages within and among neighborhoods. Little vehicular traffic establishes these communities as pleasant for a quiet evening stroll, but meaningful pedestrian connections to services, institutional uses or employment are not provided, thereby requiring automobile use for almost every trip.

Rural residential patterns of development are also common in Muskegon Township. The rural residential dwellings are fairly isolated and generally sit on larger acreage parcels. Often found on the edges of the Township, and near the Township's bountiful natural resources, rural residential development patterns are not supportive of walkability. In terms of sustainability, these rural neighborhoods often cost the municipality more in terms of the provision of services (water, sewer, police, fire) than the dwelling or use pays in property taxes on an annual basis. Cost of services studies routinely indicate that



a residential dwelling unit located in formerly wooded or agricultural areas can cost a municipality up to \$1.26 for every \$1.00 in property taxes generated.

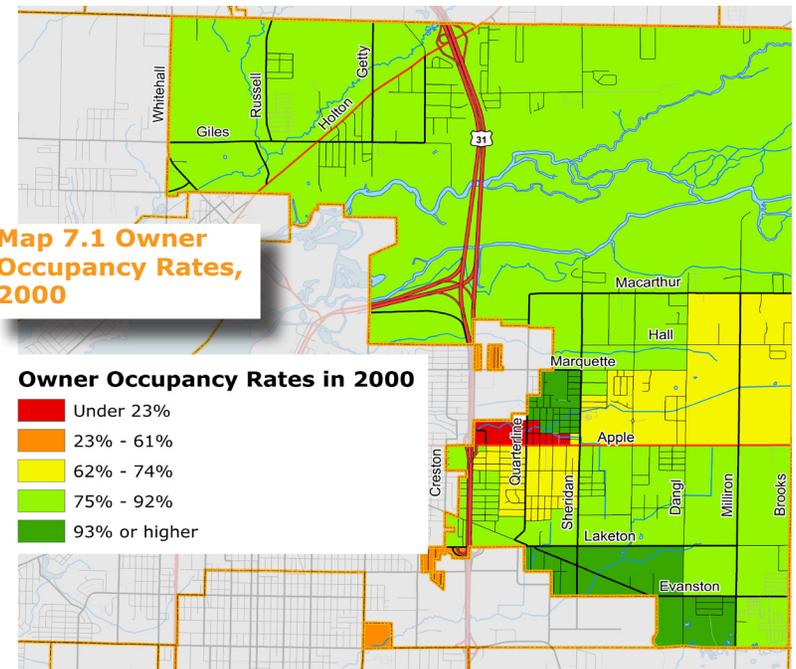
Other Housing Data

The percentage of owner occupied homes is often an indicator of the stability of a neighborhood; and in 2000, most of the Township had owner occupancy rates above 50%. An exception includes the area adjacent to the City of Muskegon. This portion of Muskegon Township is near several higher learning institutions, and college

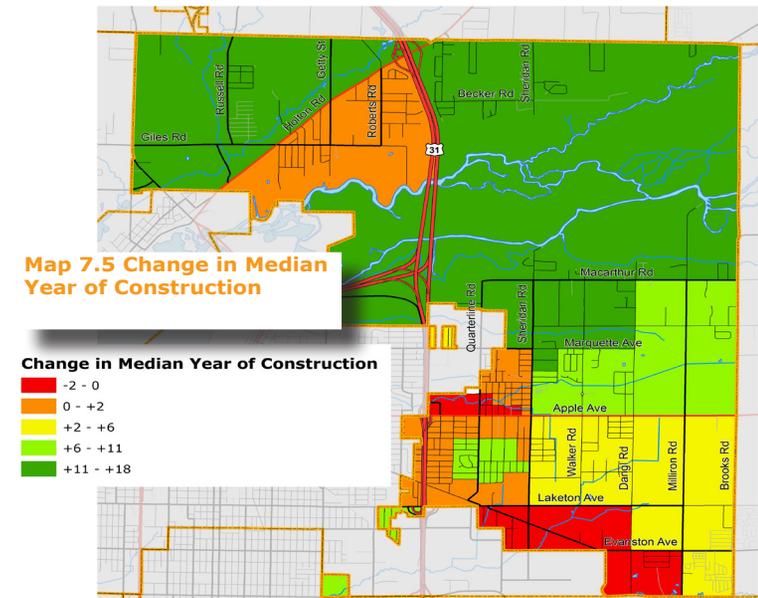
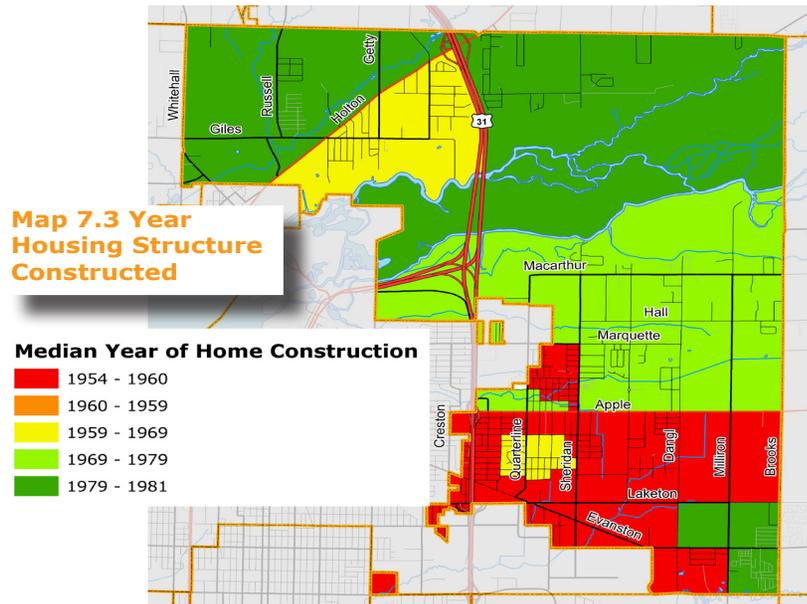
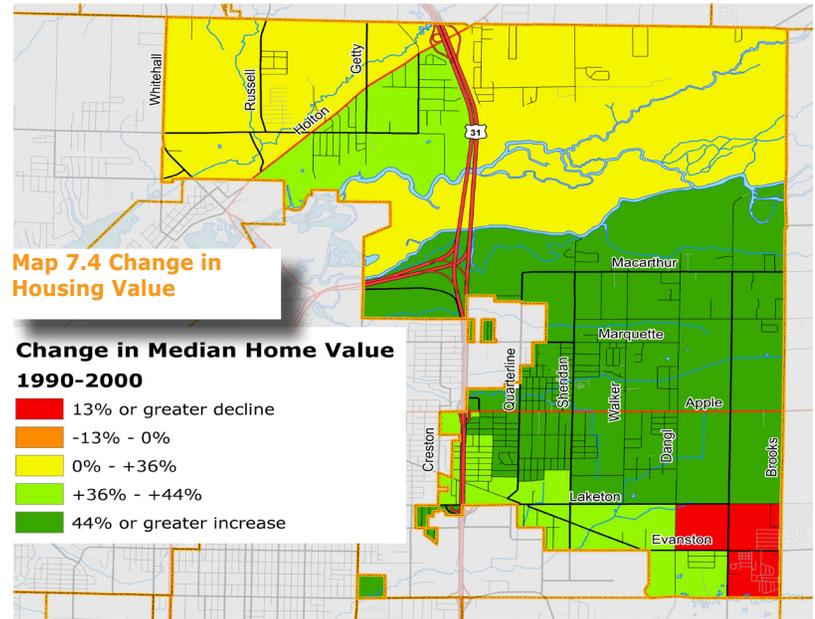
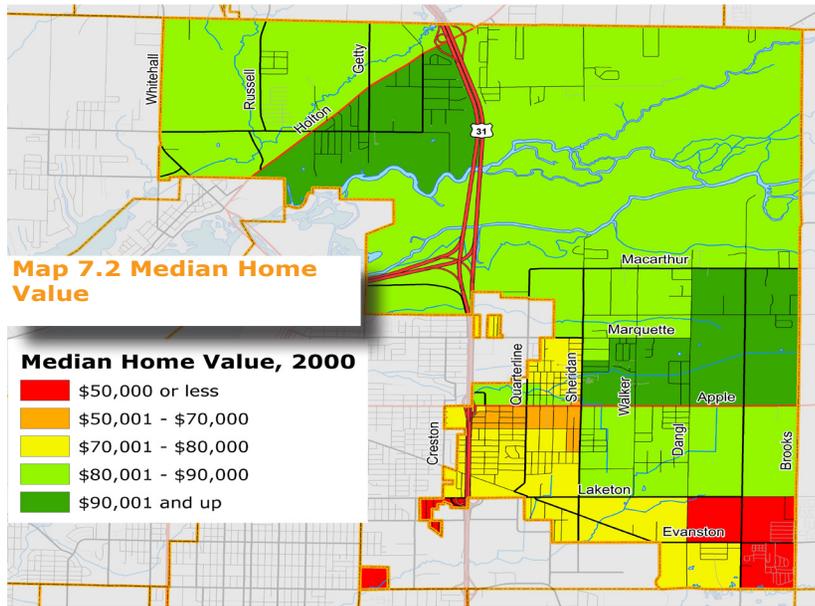


students generate a higher demand for rental housing as a result of their relatively transient lifestyle.

Areas of the Township with the highest owner-occupancy rates are generally less developed and also boast the newest homes. This may indicate that homes in older neighborhoods, in close proximity to the colleges and City, are more likely to be rented. However, these numbers are only a snapshot at a particular time; examining changes over time may help explain patterns and trends.



Between 1990 and 2000, the central portion of the Township exhibited a decrease in the percentage of owner-occupied homes. In addition, a pocket of development in the oldest area of the Township, near the freeway and Apple Avenue, shows the greatest decline in owner-occupancy. Other areas that have shown a decrease include the far southeast corner of the Township. However, soil and groundwater contamination in this segment of the Township from Marathon has resulted in the company purchasing and demolishing homes, reducing

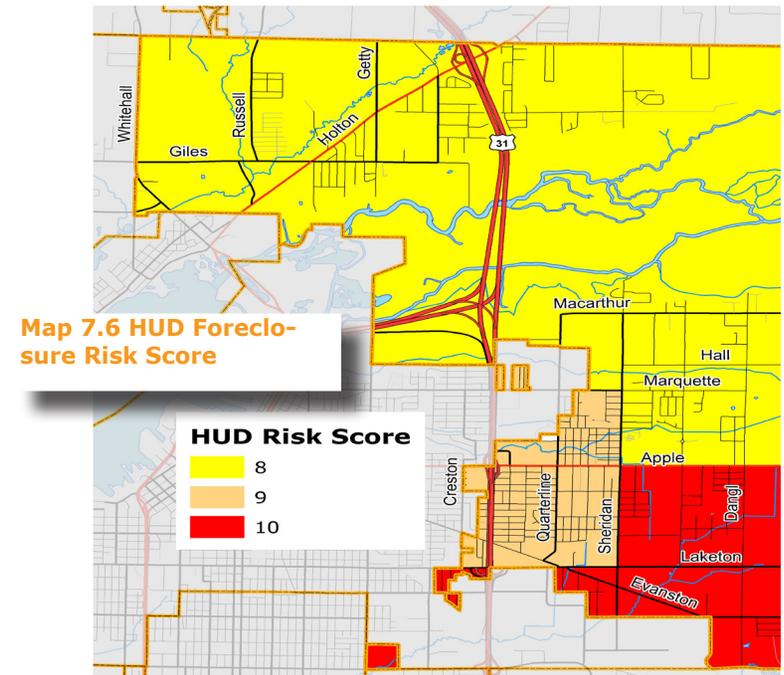


the total number of dwellings in this quadrant of the Township. Overall, the older, more dense areas of the Township showed a decrease in owner-occupancy, while the rural portions of the Township experienced an increase. This could be because of utility extensions, improved road access or an increased desire to move further away from the City.

In 2000, the median housing value within Muskegon Township was \$77,600. This was higher than the City of Muskegon at \$60,200, but lower than the County at \$84,400. Within the Township, the areas with the highest values were in the developed rural areas, perhaps due to a newer housing stock and larger homes. Areas of the Township adjacent to the City of Muskegon and the City of North Muskegon, as well as portions of the Township south of Laketon Boulevard, exhibit the lowest home values due to the age of the home and the size of homes in these areas.

The pattern of home construction can indicate locations in the Township that are likely to experience growth pressures. To analyze growth pressure, Census block data showing the year homes were built can be compared over time. Areas of the Township that show an overall increase over time in the year housing was built might see future growth pressure. Conversely, areas of the Township that show a decrease in average year the housing was built indicate that new homes in this area have either not been built or have been demolished. Consistent with the data showing occupancy rates and home values, the more rural areas in the north saw a concentration of new home construction. The southeast portion of the Township shows a decrease over time in the median year homes were built. This decrease is perhaps due to the recent demolition of homes and non-residential development encroaching into formerly residential areas.

The Department of Urban and Housing Development (HUD) has looked at several variables including vacancy rates, concentration of high risk loans, local unemployment and price declines to determine a “Foreclosure Risk Score.” This score, on a scale of 1 to 10, provides a snapshot of local conditions. The information is presented by U.S. Census block group. According to HUD, foreclosure risk in a neighborhood is high if the risk score is greater than 6.



The southeast corner of the Township has a rating of 10, indicating that foreclosures are most likely to occur within this area. This portion of the Township includes a decreasing residential presence, as non-residential uses encroach into, and ultimately replace, residential areas. This portion of the Township presents the greatest number of land use conflicts as existing residential uses are in an area zoned for industrial development. The areas closest to the City of Muskegon have a rating of 9. These areas also contain the largest number of renter-occupied structures and has seen increased commercial development, primarily along Apple Avenue. The northern half of the Township scored an 8. While still high, these areas appear to be the most stable and contain the greatest number of owner-occupied structures and increased property values over time.

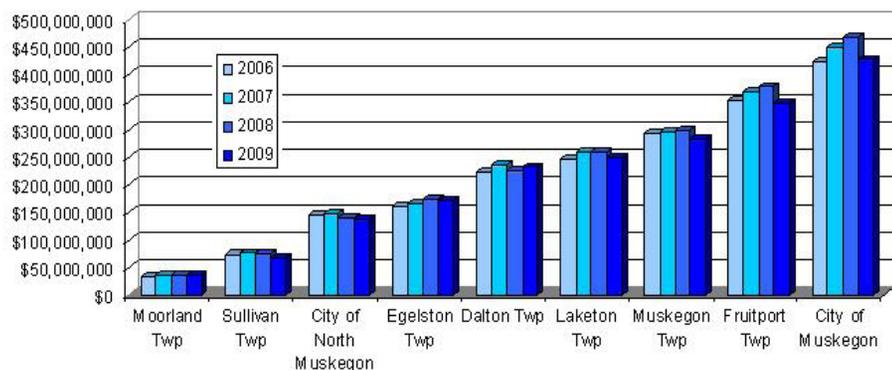
County Equalized Values

Analyzing county equalized values for residential properties is an indicator of community stability and economic health. Equalized residential values over a period of time show trends in economic

conditions, market trends and needs, and are an indicator of the quality of life within a particular municipality. According to the Muskegon County Equalization Department, the average county equalized value for Muskegon Township and the surrounding municipalities between 2006 and 2009 went from \$216,171,656 to \$216,052,972, showing a decrease of \$118,683 or 0.05%. Muskegon Township’s residential county equalized value decreased from \$292,308,400 to \$283,772,000, showing a loss of \$8,536,400 or 2.92%. Of the surrounding municipalities, Muskegon Township showed the greatest loss. Dalton Township, however, experienced a \$9,595,200 gain in residential county equalized value between 2006 and 2009.

In 2008, some municipalities within the State of Michigan opted to use one-year sales data instead of two-year sales data, noting the declining market was not accurately represented in equalized values. Many of these municipalities saw a decrease in residential county equalized value that year. In 2009, the state changed the standards and mandated that all communities only use one-year sales data in their calculations, which brought all communities in line with current economic trends and provided consistent baseline data.

Figure 7.1 County Equalized Values, Muskegon County Assessor



Conclusion

Like many communities in West Michigan, the recession has resulted in an increase in foreclosures, stagnant or decreasing housing values; and a decrease in new home construction. Communities are not only

competing for new residents, but they are also struggling to maintain strong and cohesive neighborhoods.

In Muskegon Township, one benefit is the diverse housing stock and overall affordability of homes for all income brackets. Additionally, the unique natural resources and proximity to major employment centers positions the Township at a competitive advantage for remaining desirable and absorbing new residential growth.

It is important for the Township to continue to offer this broad range of housing opportunities and continue to provide excellent quality of life amenities to attract residents. Additionally, it will be necessary for the Township to respond to property maintenance complaints and violations. Vacant or abandoned homes can become an eyesore and can be dangerous. The Township should work to support residents in neighborhoods experiencing foreclosures or decline to help ensure the community’s long-term viability.

