

# REINVESTING ALONG THE LAKESHORE: OPPORTUNITY ZONES IN MUSKEGON COUNTY, MICH.



Muskegon County is in the midst of a historic transformation from an old industrial town to a vibrant community boasting advanced manufacturing, world-class recreation, a tourist destination and a regional health care center. It is home to five Opportunity Zone census tracts in the cities of Muskegon and Muskegon Heights with a variety of dynamic investment possibilities.

## MUSKEGON COUNTY IS HOME TO:

- The largest kayak manufacturer in the world
- The top rated community college in Michigan
- A Top 10 summer art festival among dozens of major events
- The largest deep-water port on MI west coast
- The Lakeshore destination for state-of-the-art medical services
- An industrial legacy and expertise in metal
- Large, open waterfront properties with Great Lakes access
- Affordable near-water living options
- Miles of open, public sugar-sand beaches
- Abundant water and a world-class wastewater system



# OPPORTUNITY ZONES EXPLAINED



Opportunity Zones are a new federal tax incentive program found in the Tax Cuts and Jobs Act of 2017 to spur private investment and economic activity in specific distressed or low-income census tracts. Muskegon County has five Opportunity Zone census tracts – three in the city of Muskegon and two in the city of Muskegon Heights – as designated by the state of Michigan.

At their core, Opportunity Zone allows for those with federal capital gain liabilities to delay or eliminate their tax burdens by making substantial investments in the designated zones. Capital gain liabilities can be generated by the sale of real property, businesses or stocks and bonds.

Opportunity Zone funds can be set up by financial institutions or groups of individual investors through a “self-certification” process with the U.S. Internal Revenue Service. Using Form 8996 with a federal income tax return, an eligible corporation or partnership can become a Qualified Opportunity Fund.

Qualified Opportunity Funds can receive three types of federal tax benefits by investing in Opportunity Zones. An investor can defer federal taxes on any income that generates a capital gain. Opportunity Zone investments held for a minimum of five years receive a 10 percent tax break and a 15 percent tax break if held for seven years. Long-term investments in an Opportunity Zone of 10 years or longer are permanently excluded from any future capital taxes.

Qualified Opportunity Funds can invest in real estate or businesses located in Opportunity Zones such as interest in real estate developments and infrastructure along with investments in for-profit businesses located in an Opportunity Zone. The funds can be invested in existing businesses and developments if “substantial improvement” is obtained by at least doubling the value of the initial business or development over the course of 30 months.

Finally, Qualified Opportunity Fund investments can be combined with other incentives such as New Market Tax Credits, Low-Income Housing Tax Credits, historic rehabilitation tax credits and other state of Michigan economic development programs. Local incentives available through the cities of Muskegon and Muskegon Heights are also available.

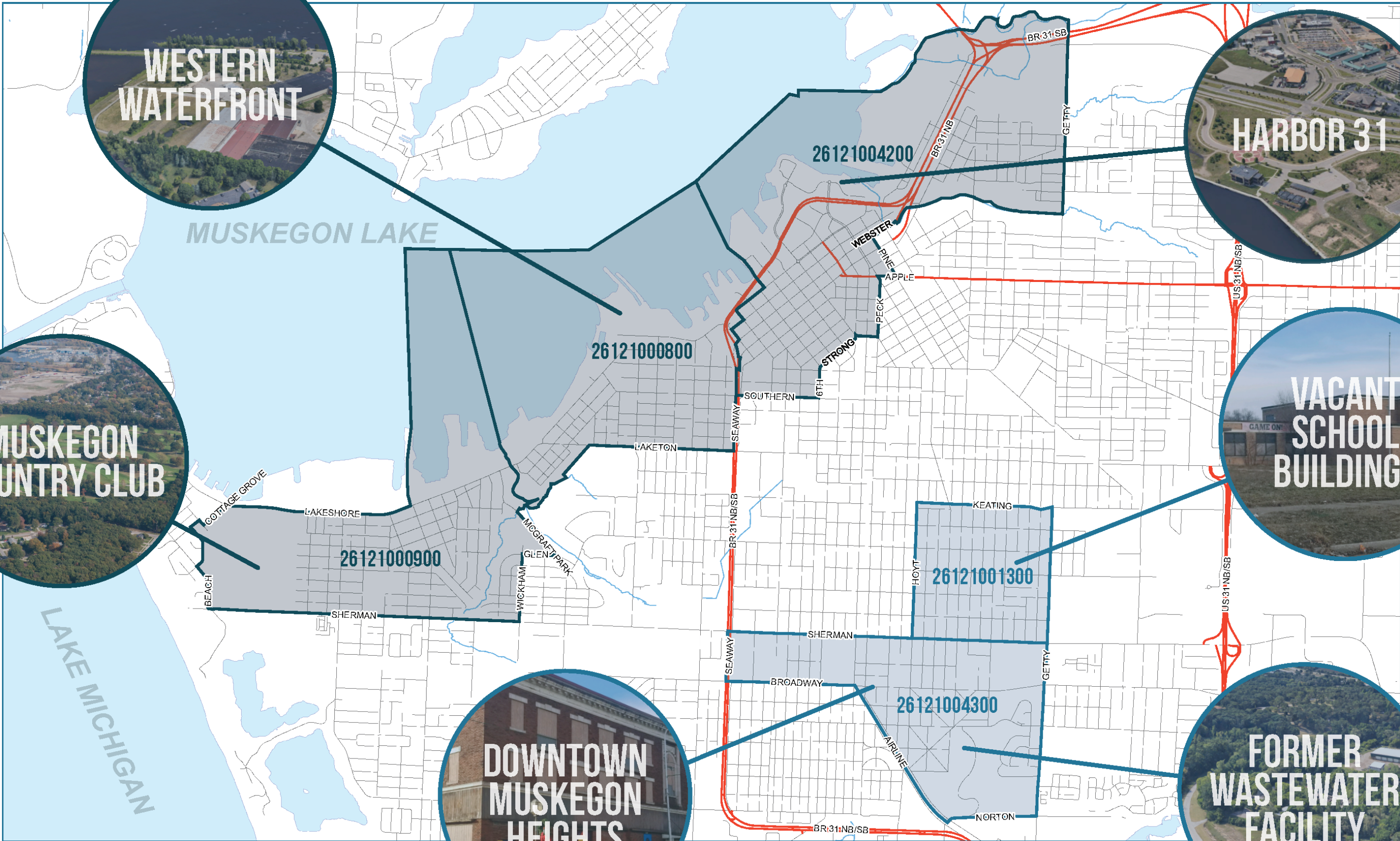
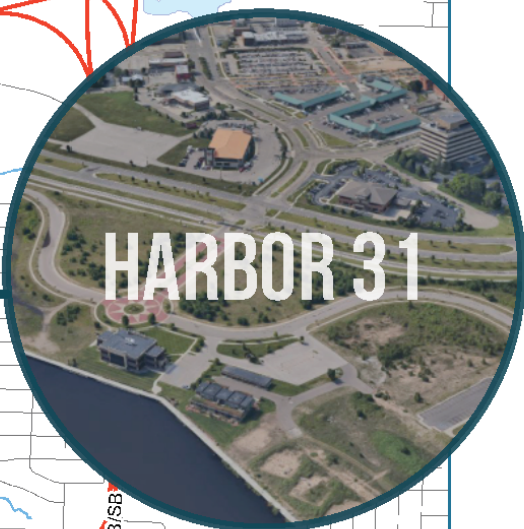


For more general information on Opportunity Zones in Muskegon County, contact:

**Muskegon Area First**  
Interim President/CEO Darryl Todd  
380 W. Western Ave. Suite 202  
Muskegon, MI 49440  
231-722-3751 Email: [DTodd@muskegonareafirst.org](mailto:DTodd@muskegonareafirst.org)



# OPPORTUNITY ZONES MAP





# MUSKEGON LAKE OPPORTUNITY ZONE



Claiming the distinction of “West Michigan’s Shoreline City”, Muskegon is the largest city on the eastern shore of Lake Michigan with a population just under 40,000. In addition to having the largest beach on Michigan’s west coast, Muskegon also contains miles of lakefront along the shore of Muskegon Lake. The city is located 180 miles northeast of Chicago, 190 miles west of Detroit, and 80 miles due east of Milwaukee.

Today, Muskegon is a progressive city and has an appreciation for its significant history while continuing forward growth and movement in creating a new identity for itself. The casual and friendly atmosphere allows the local resident, vacationer, or fisherman to truly kick back, relax and enjoy.

As Muskegon’s industrial past makes way for a mixed-use future, large waterfront sites have become available for redevelopment. Both the Harbor 31 site

and the available acreage at the Western Waterfront are well-positioned to benefit from the area’s natural amenities and reviving downtown.

Downtown Muskegon is in the midst of major reinvestment. Though comprising the core of the city, the removal of a renewal-era, urban shopping mall has made available much vacant land. With a clear vision for the future, Downtown Muskegon is on course to become the hub of the city, county, and beyond.

On the west end of the city, sited near both Muskegon Lake and Lake Michigan, the mixed-use development

opportunity at the Muskegon Country Club delivers a location unlike any other.

For more information please visit the following websites:

[www.shorelinecity.com](http://www.shorelinecity.com)  
[www.muskegonareafirst.org](http://www.muskegonareafirst.org)

## OPPORTUNITIES IN MUSKEGON LAKE AREA

- **WESTERN WATERFRONT MIXED-USE DEVELOPMENT**
- **MUSKEGON COUNTRY CLUB MIXED-USE DEVELOPMENT**
- **HARBOR 31 MIXED-USE DEVELOPMENT**



Grants, loans, and tax abatements are also available. The owner or developer should coordinate with the City of Muskegon to determine which incentives are most appropriate for their development project. Please contact:

LeighAnn Mikesell  
Public Services Director  
933 Terrace Street  
Muskegon, MI 49443  
(231) 724-6702  
[leighann.mikesell@shorelinecity.com](mailto:leighann.mikesell@shorelinecity.com)



# MUSKEGON HEIGHTS OPPORTUNITY ZONE



Muskegon Heights, known as the “City of Friendly People”, is located in the southwest quadrant of Muskegon County, just a ten minute drive from the shores of beautiful Lake Michigan. Our close-knit community is the proud home of just over 10,000 residents as well as national and internationally recognized businesses. Once a manufacturing community, we are excited about the possibility for redevelopment and growth.

The city, while only three square miles in size, contains a number of large and small sites available for redevelopment, along with opportunities for reinvesting in existing buildings.

Large tracts of formerly industrial land, like the past site of the City’s wastewater facility, make possible major redevelopment projects within close proximity to major thoroughfares, rail lines, and local attractions.

Muskegon Heights also contains vacant

school buildings of varying ages. Once embedded in their respective neighborhoods, these facilities offer the opportunity to, once again, serve as community anchors. Redevelopment of old school buildings is not unfamiliar in the community, as the Roosevelt Apartments recently opened in a repurposed school building.



Lining both sides of Broadway Avenue, downtown Muskegon Heights, has seen recent revitalization as new businesses open alongside longstanding establishments. Still, opportunities exist in both underutilized residential and retail buildings as well as vacant properties near the

downtown business district.

For more information please visit the following websites:

[www.muskegonheights.us](http://www.muskegonheights.us)  
[www.muskegonareafirst.org](http://www.muskegonareafirst.org)

## OPPORTUNITIES IN MUSKEGON HEIGHTS

- VACANT SCHOOL BUILDINGS MIXED-USE DEVELOPMENT
- DOWNTOWN MUSKEGON HEIGHTS RETAIL
- FORMER WASTEWATER FACILITY



Grants, loans, and tax abatements are also available. The owner or developer should coordinate with the City of Muskegon Heights to determine which incentives are most appropriate for their development project. Please contact:

Jacob Eckholm, City Manager  
2724 Peck Street  
Muskegon Heights, MI 49444  
Phone: 231-733-8870  
[jeckholm@cityofmuskegonheights.org](mailto:jeckholm@cityofmuskegonheights.org)