



An Economic Impact Assessment of Sanford Lake, Midland County, MI

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Project Purpose

- Assess the economic contributions of Sanford Lake to the surrounding area
- Quantify the direct and indirect economic impacts of the lake (focusing on lake front and back lots with deeded access property values, the local tax base, and recreational expenditures)
- Help inform ongoing public discussions
- Funded by the Sanford Lake Preservation Association and the Sanford Lake Association

Study Limitations

- Does not assess the various funding options or the cost/benefits associated with continued hydroelectric generation at the Sanford Dam

Footnote: Ecological benefits related to restoring natural stream flow regimes in downstream areas are being assessed under the federal hydroelectric operating license

Overview

- Property Tax Impacts – Government Spending
- Sanford Lake County Park Visitor Impacts
- Marina Impacts
- Seasonal Home Visitor Expenditure Impacts
- Direct Impacts on school system capital expenditures*
- Total Economic Contributions of Sanford Lake

* *Excluded from total economic contribution calculation*

Summary and Results

Property Tax Impacts – Government Spending

Impact type	Employment	Labor income	Value added	Sales
Direct effect	3	\$220,053	\$244,843	\$888,360
Indirect effect	2	128,992	186,069	355,141
Induced effect	2	60,809	110,987	184,110
Total effect	7	\$409,854	\$541,899	\$1,427,611

SOURCE: PSC/CEA analysis using IMPLAN model.

Summary and Results

Sanford Lake County Park Visitor Impacts

	Non-boater	Boater	Total recreation
Visitor parties	13,124	2,316	
Expenditures			
Grocery	\$155,048	\$29,928	\$184,976
Restaurant	277,491	16,226	293,717
Auto and RV	166,072	30,466	196,538
Boat	0	34,812	34,812
Fish and hunt	2,346	6,582	8,928
Entertainment	8,913	3,436	12,349
Miscellaneous	144,961	4,015	148,976
Total spending (within 30 miles)	\$754,831	\$125,465	\$880,296

SOURCE: PSC/CEA analysis using IMPLAN model.

Summary and Results

Sanford Lake County Park Visitor Impacts

	Employment	Labor income	Value added	Sales	Sales tax
Direct effect	10	\$197,641	\$306,368	\$501,639	
Indirect effect	1	\$27,930	\$48,402	\$82,059	
Induced effect	1	\$39,378	\$71,910	\$119,251	
Total effect	12	\$264,949	\$426,680	\$702,949	\$21,271

SOURCE: PSC/CEA analysis using IMPLAN model.

Summary and Results

Marina Impacts

	Employment	Labor income	Value added	Sales	Sales tax
Direct effect	15	\$390,753	\$945,910	\$1,523,919	
Indirect effect	2	103,553	149,626	259,094	
Induced effect	2.4	86,293	157,586	261,330	
Total effect*	19.4	\$580,599	\$1,253,122	\$2,044,343	\$76,825

SOURCE: PSC/CEA analysis using IMPLAN model.

Summary and Results

Seasonal Home Expenditure Impacts

Spending on seasonal trips to lakefront homes

Expenditure	Per day expenditures	
	Per party	Total spending**
Grocery	\$25.39	\$181,266.65
Restaurants	12.71	90,688.29
Gas, oil	11.89	84,862.25
Auto repair	\$1.00	\$7,145.14
Boat repair	4.79	34,186.74
Recreation fees	1.76	12,531.47
Hotel, camping	0.37	2,638.20
Local services	0.77	5,496.26
Other goods	15.26	108,935.87
Total	\$73.94	\$527,750.89

SOURCE: Stynes, Zheng, and Stewart 1995. (adjusted for inflation)

* Dollars per day in local area

** Calculated as the per-party, per-day expenditure multiplied by total number of days (7,138). (See Appendix.)

NOTE: Data may not sum due to rounding

Summary and Results

Seasonal Home Expenditure Impacts

Impact type	Employment	Labor income	Value added	Output	Sales tax
Direct effect	5	\$110,765	\$165,575	\$249,692	
Indirect effect	0	12,263	21,200	35,594	
Induced effect	1	21,500	39,274	65,119	
Total effect	6	\$144,527	\$226,049	\$350,404	\$12,355

SOURCE: PSC/CEA analysis.

NOTE: Data may not sum due to rounding.

Summary and Results

Direct Impacts on school system capital expenditures*

- Coleman Community Schools
- Meridian Public Schools
 - Property value enhancements to front- and back-lots generates about \$156,809 for retirement of school debt

* *Excluded from total economic contribution calculation*

Summary and Results

Total Economic Contributions of Sanford Lake

Impact type	Employment	Labor income	Value added	Output	Sales tax
Direct effect	32	\$910,286	\$1,642,089	3,128,800	
Indirect effect	5	\$270,372	\$401,880	\$725,969	
Induced effect	6	\$206,008	\$376,158	\$623,841	
Total effect	43	\$1,386,667	\$2,420,127	\$4,478,610	\$153,912

SOURCE: PSC/CEA analysis using IMPLAN model.