



Benzie County

Housing Inventory



**FRAMEWORK
FOR OUR FUTURE**

A REGIONAL PROSPERITY PLAN

2013 REPORT

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Acknowledgements

This document was prepared as part of the *Framework for Our Future: Tools and Strategies for Supporting The Grand Vision*, a regional resource for local governments, nonprofits, and other organizations working to meet local goals. The *Framework* will include information and tools that can address issues identified by The Grand Vision process, including housing, transportation, land use, energy, arts and culture, workforce and economic development, community health, food and farming systems, and natural resources. The *Framework* includes a special emphasis on social equity, in order to ensure that populations such as those in poverty, disabled individuals, minorities, youth, and others have a voice in the planning process.

The *Benzie County Housing Inventory* was prepared by the Northwest Michigan Council of Governments, with input from The Grand Vision Housing Solutions Network, the public, and community stakeholders. Funding was provided through the US Department of Housing and Urban Development's Office of Sustainable Housing and Communities.



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HOUSING INVENTORY



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Executive Summary

In 2008, residents of the Grand Vision region identified a vision and six guiding principles for future growth and development in the region. One of these guiding principles speaks to the region's need for a diverse mix of housing choices, with affordable options.



This means that all residents – including working families and individuals, disabled individuals, seniors, and low income households – should all have quality housing choices that they can afford, and that these homes should fit in with the region's unique character. These housing choices could include traditional homes on large yards or in the country. It could mean homes on small yards in town, apartments and townhomes, or housing that includes barrier-free features that make homes accessible to those with disabilities. But no matter where the homes are located, and no matter what size, they should meet both the financial and physical needs of residents.

However, meeting those different housing needs can be a challenge for many communities.

- In many cases, the cost of housing makes it unaffordable to many families or individuals.

Shortages of affordable housing in some areas means that families may have to move farther from jobs, schools, or shopping in order to find homes they can afford. Living in homes far from work or school requires long commutes into town that can result in high transportation costs that become a drain on a household's budget – and take time away from family or other activities.

- Lack of infrastructure in many areas leaves many households reliant on expensive energy sources, contributing to high energy costs that further strain household budgets.
- Many parts of the region struggle with deteriorating housing that needs substantial repairs and oftentimes comes with higher heating costs. Deteriorating housing can mean extra costs for repairs and energy,

and can have serious effects on residents' health and quality of life.

- Housing discrimination prevents some residents from accessing decent housing.
- A lack of small homes or accessibility presents challenges to small households, the growing number of seniors in the region, and those with disabilities.

The Benzie County Housing Assessment is intended to provide an overview of the County's housing stock and its specific challenges. This report reviews population changes affecting housing demand, the diversity of existing housing choices, housing affordability, foreclosures and vacancies, Fair Housing issues, and homelessness. The document is based on available data from the US Census, tax records, and other public data sources,

along with input received from the public from public events, focus groups, interviews, and surveys.

It's important to note that this report is not a market study. Rather, housing characteristics are measured for the purposes of planning and strategy development. Findings from this analysis will be used in the development of the *Framework for Our Future Regional Housing Strategy* and the *Framework for Our Future: Tools and Strategies for Supporting The Grand Vision*.

Population Trends and Housing Choices

Population and economic changes are driving housing demand that varies in many respects from trends seen in the area over the previous twenty years.

- Population changes including declining numbers of young families in recent years, combined with a growing senior population, are changing the face of housing demand. Nearly all new population growth between

2000-2010 was among those aged 45 and up, and family households declined by 5% during that period.

- While homeownership remains a high priority for many Americans, rental demand is expected to outpace growth in homeownership in the near future.
- Despite significant numbers of disabled residents, particularly among American Indian and senior populations, there is very limited availability of accessible units throughout the region and within Benzie County.
- Seniors are the fastest growing population group in the region, and the proportion of seniors as a percentage of the population is expected to increase. While there are a variety of options available for senior housing in the region, service providers report that senior housing demand—particularly demand for affordable senior homes—continues to increase as retirees relocate to the area.

- Large lot single family homes are expected to continue to make up a substantial part of the region's housing stock. However, as young families leave the area, and seniors increase as a percentage of the population, the resulting smaller household sizes, along with economic factors, are driving demand for smaller homes.
- Poor quality homes or substandard housing create serious health concerns, negatively affecting our most vulnerable populations – seniors, children, and the disabled. While most of the region's housing stock is in good condition, many homes in the region experience serious physical issues or are deteriorating. These homes may be the only option for many low-income households that can't find safe or adequate homes that they can afford.

Housing Affordability

Low-income households make up an important part of the County's workforce, but many of



these households confront significant challenges relative to housing affordability. Public input emphasized the issue of affordable housing shortages and the impact of these shortages on families and individuals in poverty, and data points to shortages of both rental and homeownership affordable housing.

- Benzie County experiences significant affordability challenges for low and moderate income households. With 3,100 households earning less than \$50,000 per year, only about 1,035 of the County's owner-occupied homes are affordable to those households.
- Extremely low income households (those earning \$20,000 or less per year) confront extreme shortages of rentals that they can afford, forcing them to rent more expensive homes and in turn reducing the availability of affordable housing for other income groups. With about 390 households in this income range, only 179 of the County's rentals are affordable to those households.

- 68% of very low income owner-occupied households are considered to be "cost overburdened" - that is, they pay 30% or more of their income for housing. 89% of very low income renter households are overburdened.
- Significant percentages of future rental households are expected to be earning low or moderate incomes, exacerbating affordability shortages.

Energy and Transportation Costs

Housing affordability is strongly affected by issues such as the quality or condition of a home, its location, and energy usage issues. When considering housing affordability, factors such as a home's location, energy efficiency, transportation costs, and condition all play important roles in calculating the "true cost" or affordability of housing.

- The combined costs of housing and transportation consume 53% or more of a typical Benzie County household's income,

leaving little left in the budget for other basic needs like food and medical expenses. For lower-and moderate-income households, the economic burden is even heavier: moderate-income households in these regions spend 66% of their income solely on the combined costs of housing and transportation. These untenable financial situations can result in crisis situations, with many lower-income residents forced to choose between traveling to work, paying utility bills, making monthly mortgage payments or rent, purchasing necessities like food, or making needed repairs to the home.

- Housing instability arising from energy costs is a reality for many residents of the region. Community Dialogues, Input Expos, and other social equity conversations frequently stressed the challenges associated with energy costs in low income households. Propane costs were of particular concern, as is the limited availability of energy



efficiency/weatherization programs that could help residents address the financial burdens of high energy costs.

night; 88 of those individuals are children.

Fair Housing

- Housing discrimination is a concern for many residents. Groups including the disabled and the Native American population, in particular, report a variety of issues associated with housing discrimination. However, lack of awareness relative to housing rights, along with a fear of retaliation, prevents many residents from reporting alleged discrimination.

Homelessness

- Shortages of affordable housing, housing discrimination, foreclosures and evictions, lack of supportive housing, and housing instability arising from high energy or transportation costs all increase the risk of homelessness. 328 people in the Grand Traverse area are homeless on a given



Data Sources

Unless otherwise specified, data for this document were obtained through the following primary sources:

U.S. Census

The decennial **US Census** is conducted every 10 years to measure population, age, and other basic demographic information for all geographies in the country. All basic population and housing data, including population increases, household size, age cohorts, housing unit totals, vacancy information, and tenure (owner/renter occupancy) used in this report are from the US Census.

American Community Survey

The **American Community Survey (ACS)** is a large, continuous demographic survey conducted by the Census Bureau that will eventually provide accurate and up-to-date profiles of America's communities every year. Questionnaires are mailed to a sample of addresses to obtain information about households and housing units. Questions asked are similar to those on the decennial census long form, along with more detailed questions about household economics and physical characteristics of housing. Estimates for small geographic areas are based on data collected over a 5-year time period, and represent the average characteristics over that time period. All housing data pertaining to income, household financial characteristics, and physical housing characteristics used in this report are from the American Community Survey.

H+T Affordability Index

The **Housing and Transportation (H+T) Affordability Index** was developed by the Center for Neighborhood Technology and the Center for Transit Oriented Development as a project of the Brookings Institution's Urban Markets Initiative. The H+T Affordability Index was developed to offer an expanded view of affordability, combining housing and transportation costs, setting the affordability benchmark at no more than 45% of household income. Data and methodology are available online at www.htaindex.cnt.org.

Framework for Our Future: Reports & Public Input

The *Benzie County Housing Inventory* was prepared as part of the *Framework for Our Future: Tools and Strategies for Supporting The Grand Vision*, a regional resource for local governments, nonprofits, and other organizations working to meet local goals in the six-county region of Antrim, Benzie, Grand Traverse, Kalkaska, Leelanau, and Wexford Counties. Information and tools will be provided to help address issues identified by The Grand Vision process, including housing, transportation, land use, energy, arts and culture, workforce and economic development, community health, food and farming systems, and natural resources. The *Framework* includes a special emphasis on social equity, in order to ensure that populations such as those in poverty, disabled individuals, minorities, youth, and others have a voice in the planning process. As part of the *Framework for Our Future* process, residents and stakeholders provided input on housing issues and concerns through surveys, events, and dialogues. Input obtained through the Framework process was used to inform the *Housing Inventory*. Reports and results from surveys used in this report are available online at www.nwm.org/framework.

Input Expos

A series of Input Expos was held in April 2013, in Antrim, Benzie, Grand Traverse, Kalkaska, Leelanau, and Wexford counties. The Expos were held in an open house format, and featured information, presentations, and resources, along with a variety of opportunities for the public to share ideas and comments on important community issues and the *Framework* project. The goals of the Input Expos were to help residents learn about the *Framework for Our Future* project and the topics of transportation, housing, energy, and land use; and to share ideas through surveys, activities, and online polls.

Community Dialogues

Throughout 2012-2013, human service collaborative bodies in Antrim, Benzie, Grand Traverse, Kalkaska, Leelanau, and Wexford counties discussed community issues including housing, transportation, energy, healthy food, and community health. The Dialogues focused on how those issues affect people living in poverty, minorities, seniors, disabled individuals, and others. Results and findings from those discussions were used to inform this document.

Framework for Our Future Housing Survey

In 2013, The Grand Vision Housing Solutions Network developed and distributed a questionnaire to identify attitudes and experiences around specific housing issues, including community needs, housing preferences, and housing discrimination. The questionnaire was developed and conducted to inform housing plans and reports, including county housing inventories, as part of the *Framework for Our Future: Tools and Strategies for Supporting The Grand Vision*. The *Housing Survey* was released at Input Expos in April 2013, and was also made available and distributed online to residents throughout the region. Surveys were also distributed in hard copy to/by county human service collaborative groups to include a wider demographic.

Population Trends & Housing Choices



In the Grand Vision region, as in much of the nation, population and economic factors are driving trends that vary considerably from housing market activity experienced in previous decades.

Housing type and diversity are important factors in considering whether there are adequate housing choices for the population. Lifestyle patterns and changes create different needs for different parts of the population: the age, income, employment, household size, and other characteristics of residents determine their housing preferences and needs. These in turn affect individual decisions about the price, type, location, and size of the housing they choose to live in, and about whether residents rent or own. For instance, households such as the elderly or disabled may need smaller homes with less maintenance, while family households need larger homes. When the supply does not meet the demand, availability issues arise, subsequently affecting affordability and adequacy.

In Benzie County and the Grand Vision region,

as in much of the nation, population and economic factors are driving trends that vary considerably from housing market activity experienced in previous decades.

Population & Demographic Trends

Between 2000-2010, the United States experienced a series of economic issues that had far-reaching effects on employment and housing demand. Impacts were especially pronounced in Michigan, which struggled through an economic decline that began earlier and lasted longer than the nationwide recession. Michigan's economic challenges resulted in statewide population loss, some of the highest rates of foreclosure in the nation, persistently high unemployment rates, and home abandonment and blight throughout the state. While the most severe problems were

concentrated in urban areas, no parts of Michigan were immune from the effects of the recession, and the Grand Vision region experienced significant changes in its population and housing market that will shift demand for some time to come.

In 2000, the Grand Vision region was experiencing high rates of both population and housing growth. The region's natural resources, scenic beauty, and high quality of life have long made the area a desirable location for second homes, as well as for retirees and families, contributing to substantial population growth through the 1970's, '80's, and '90's. Throughout these decades, counties in the Grand Vision region experienced some of the highest growth rates in the state. Wexford County's population grew by 86% between 1970-2000, while the population of the region more than doubled during that time period (see Table 1). Much of

Table 1. Regional Population Growth, 1950-2010

Data from US Census

	1950	1960	1970	1980	1990	2000	2010
Antrim	10,721	10,373	12,612	16,194	18,185	23,110	23,580
Benzie	8,306	7,834	8,593	11,205	12,200	15,998	17,525
Grand Traverse	28,598	33,490	39,175	54,899	64,273	77,654	86,986
Kalkaska	4,597	4,382	5,272	10,952	13,497	16,571	17,153
Leelanau	8,647	9,321	10,872	14,007	16,527	21,119	21,708
Wexford	18,628	18,466	19,717	25,102	26,360	30,484	32,735
Grand Vision Region	79,497	83,866	96,241	132,359	151,042	184,936	199,687

the growth occurred outside of cities and villages, reflecting the desire for rural lifestyles, while population declined in most of the region’s cities and villages.

However, many of these changes were altered, if not reversed, by the recession. Economic decline resulted in loss of manufacturing jobs, particularly in communities with numerous industries with close connections to the automotive industry. Subprime loans and loss of employment left many residents unable to make monthly mortgage payments, creating high rates of foreclosure and leaving a glut of homes on the market – which in turn led to a decline in housing value, a rise in “underwater” mortgage holders, and reduced housing demand. As the region

contended with these challenges, its historically high growth rates slowed. Between 2000-2010, Benzie County’s population grew by 10%, compared to 31% growth between 1990-2000.

Age

Almost all of Benzie County’s population growth between 2000-2010 was concentrated in age cohorts of 45 years and up. With fewer jobs available, many residents and their families left the area to find employment opportunities elsewhere, reflected by a 23% decline in individuals aged 35-44 in Benzie County. Because this age group is most likely to be part of a household with children at home, the

County also experienced a decline in all age groups between the ages of 5-14 years (see Figure 2). Yet, as younger people and families left the region, the numbers of those aged 45 and older increased. Between 2000-2010, the number of households in Benzie County with one or more people over the age of 60 increased by about 32%.

Some of this growth reflects natural age increases, as the Baby Boomers begin to reach retirement age; while some growth can be accounted for by new residents that moved to the area following retirement.

Ownership and Rental

Ownership and rental trends were affected both by economic trends and age cohort changes. Reflecting population changes, all of the growth in owner-occupied households occurred in age groups above age 45, and the rate of homeownership declined in all age cohorts under 44.

Growth in the number of rental households was higher than the rate of owner-occupied housing growth overall (16% vs. 12%, respectively), with increases in the number of renter households of all age groups above age 25, particularly among those aged 55-64.

These changes reflect both population loss in younger groups and the transition to rentals away from homeownership in the face of economic challenges or foreclosure, as credit challenges, unemployment, or the loss of homes to foreclosure forced many individuals and families to seek rental housing. Further, studies indicate that because of economic uncertainty, poor employment opportunities, an unstable housing market, and rising levels of student debt, many young people remained in their parent's homes rather than moving out to begin new households – contributing to declines in homeownership rates in those age groups.

Household Size and Families

As the region experiences increases in its senior population and decreases in its younger population, a number of family and household trends follow. As individuals age, household size and the number of family households with children both tend to decline, as children leave home for college or to begin their own households. Between 2000-2010, the number of families with children declined in all counties in the region. Benzie County experienced a relatively low decline in the number of family households (5%), when compared with other counties in the region.

Figure 1. Change in Population by Age, 2000-2010

Data from US Census

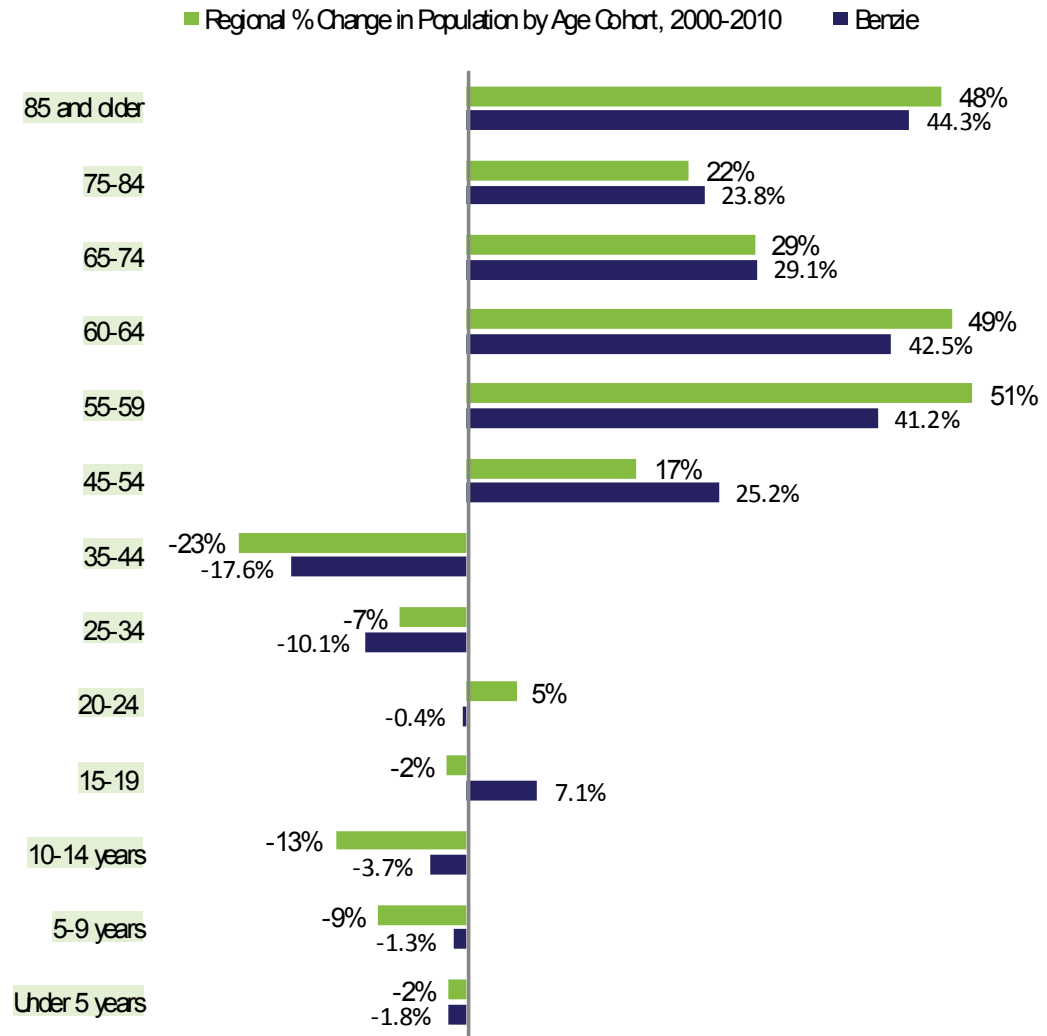


Table 2. Housing Units and Occupancy in Benzie County

Data from US Census

	Total Housing Units	% Change, 2000-2010	Occupied	Vacant	Owned with a mortgage or a loan	Owned free and clear	Owner-Occupied	Renter occupied	% Owner Occupied	% Renter Occupied
Benzie County, Michigan	12,199	18.3%	7,298	4,901	4,048	2,175	6,223	1,075	85.3%	14.7%
Almira township	1,772	34.2%	1,385	387	1,009	249	1,258	127	90.8%	9.2%
Benzonia township	2,086	3.1%	1,186	900	567	410	977	209	82.4%	17.6%
Blaine township	504	16.9%	234	270	101	106	207	27	88.5%	11.5%
Colfax township	394	32.7%	266	128	180	54	234	32	88.0%	12.0%
Crystal Lake township	1,240	18%	438	802	191	174	365	73	83.3%	16.7%
Gilmore township	477	8.7%	360	117	178	116	294	66	81.7%	18.3%
Homestead township	1,220	23.9%	912	308	539	235	774	138	84.9%	15.1%
Inland township	967	33.7%	814	153	527	182	709	105	87.1%	12.9%
Joyfield township	404	19.5%	313	91	170	111	281	32	89.8%	10.2%
Lake township	1,271	14.9%	387	884	159	204	363	24	93.8%	6.2%
Platte township	258	6.6%	165	93	88	59	147	18	89.1%	10.9%
Weldon township	664	37.5%	237	427	115	85	200	37	84.4%	15.6%
Benzonia village	275	8.3%	209	66	100	62	162	47	77.5%	22.5%
Beulah village	375	4.5%	161	214	51	45	96	65	59.6%	40.4%
Elberta village	229	-3.4%	173	56	66	53	119	54	68.8%	31.2%
Frankfort city	942	7.9%	601	341	224	190	414	187	68.9%	31.1%
Honor village	186	21.6%	135	51	57	38	95	40	70.4%	29.6%
Lake Ann village	174	0	118	56	55	34	89	29	75.4%	24.6%
Thompsonville village	245	10.9%	183	62	95	49	144	39	78.7%	21.3%



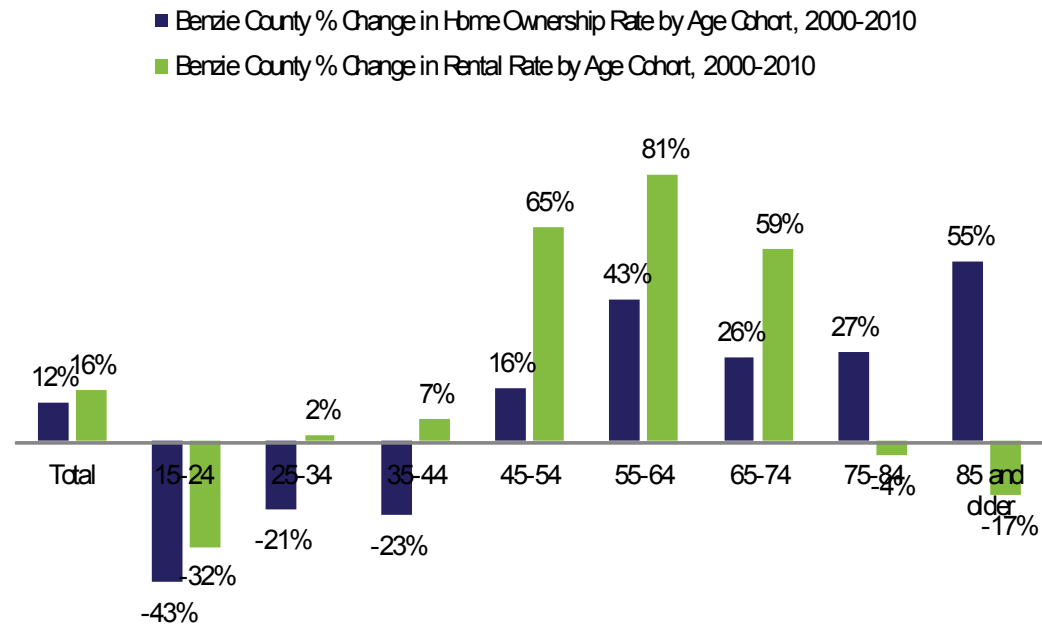
Household Size

As the number of families declined, so too did household size. The average household size dropped by about 4% region-wide between 2000-2010, reflecting declines in family households and increases in single-person households:

- Overall, the number of new households grew by 12% in Benzie County.
- The number of single person owner-occupied households, however, increased by 22%. In contrast, the number of two-person or larger households grew by only 9%.

With smaller households, the demand for housing will outpace population growth, as the number of homes needed to house even the same number of people will increase. For instance, between 2000-2010, while the population of Benzie County grew by only 3%, the number of new households grew by 12% and the number of new housing units increased by 18%. As populations age and household sizes shrink, the demand for housing will continue to increase even when population growth rates decline. However, housing demand will likely be focused more on smaller homes, to accommodate the needs of smaller households, rather than the large single-family homes that

Figure 2. Change in Homeownership & Rental Rates by Age *Data from US Census*



have been the focus of new housing construction in recent decades.

Income

Income levels are a major factor in individual choices about housing, with lower-income households more likely to rent—particularly

when there are shortages of affordable housing. In 2010, the County's estimated median household income was \$44,718. For owner-occupied households in Benzie County, the median income was \$47,803 while the median income of rental households in 2010 was

reported at \$25,054 (2010 ACS 5-year estimate).

Housing Unit Growth

Regionally, growth in the number of housing units between 2000-2010 reflects overall population and economic trends. Like its population, the number of housing units increased significantly in the region from 1970-2000, with declining growth rates following the recession and housing market crash. In both Benzie County and regionally, between 1970-2000, the number of housing units more than doubled, with especially rapid growth between

1970-1980. While growth didn't occur as rapidly in Benzie County between 2000-2010, the number of housing units in Benzie County nevertheless increased by about 18% - the highest rate of housing growth in the six-county Grand Vision region. Growth in housing outpaced increases in population, reflecting smaller household sizes and increases in seasonal housing units. Most growth occurred in rural townships, with the highest growth rates in Weldon (38%), Almira (34%), Inland (34%), and Colfax (33%) townships.

Housing Unit Type

As a primarily rural county, most homes in Benzie County are owner-occupied, single-family detached homes. About 90% of all homes in the Grand Vision region are single-family detached or attached dwellings, while these housing unit types make up about 87% of Benzie County's housing stock. Mobile homes are the second-most common housing type in Benzie County (8%), followed by multi-family housing units with three or more units (3% of housing stock) and two-unit housing structures such as duplexes (1%).

Table 3. Housing Unit Type Growth in Benzie County, 1950-2010

Data from US Census

	1940-1950	1950-1960	1960-1970	1970-1980	1980-1990	1990-2000	2000-2010
Benzie County Housing Units	3435	4201	5154	5869	7509	8557	10312
# New Housing Units Constructed in Benzie County	766	953	715	1640	1048	1755	1887
% Change in Benzie County	22%	23%	14%	28%	14%	21%	18%
% Change in Grand Vision Region	25%	32%	11%	53%	19%	19%	16%

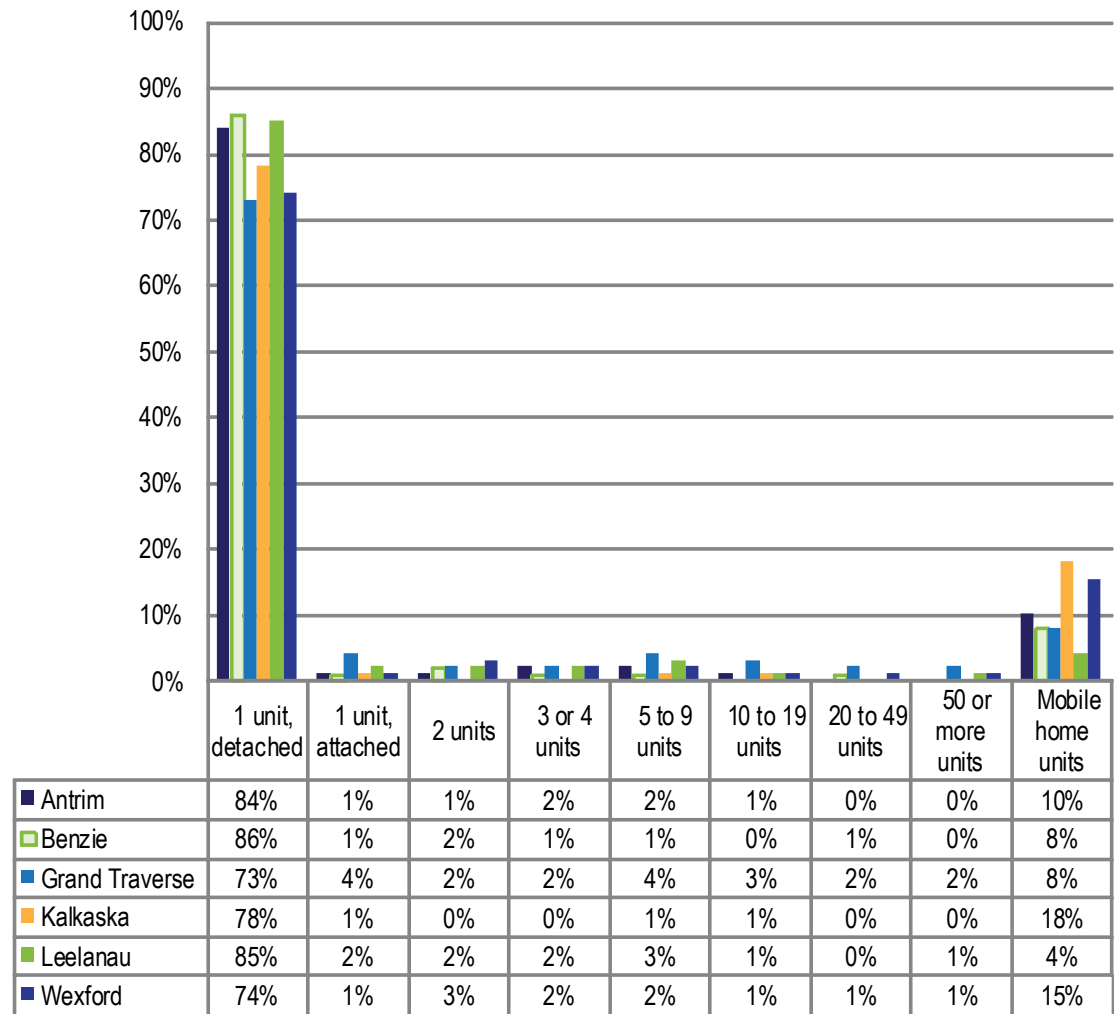
The type of housing unit in which an individual or family lives, however, varies depending on whether households were owner- or renter-occupied:

- Most owner-occupied households lived in single-family detached units (91%), with another 8% in mobile homes.
- Renters were more likely to live in two-family or multi-family units; only about 58% of rental households lived in single-family homes. About 14% of renters lived in mobile homes, and about 9% lived in structures with 20 or more units.

Large multi-family homes or apartments require infrastructure such as sewer and water services, which is predominantly available in cities and villages with sewer and water access. As such, more multi-family homes are located in and around the City of Frankfort and the villages of Benzonia, Beulah, Thompsonville, Elberta, Honor, and Lake Ann. The percentage of rental households in these communities is significantly higher than other parts of the region. In rural areas without infrastructure, rental options are more likely to consist of single family homes or mobile homes.

Figure 3. Housing Unit Type by County, 2010

Data from 2006-2010 American Community Survey



Owner-Occupied and Rental Households

Most homes in the County are owner-occupied, with higher rates of homeownership than both the state and the nation. Nationally, about 65% of households are owner-occupied, and about 72% of households statewide are owner-occupied. In the Grand Vision region, 81% of

households are owner-occupied, while about 85% of Benzie County's housing units are owner-occupied. Again, because multi-family housing units such as apartments are more often located in cities and villages, rural areas are more likely to have higher rates of homeownership.

Future Housing Needs

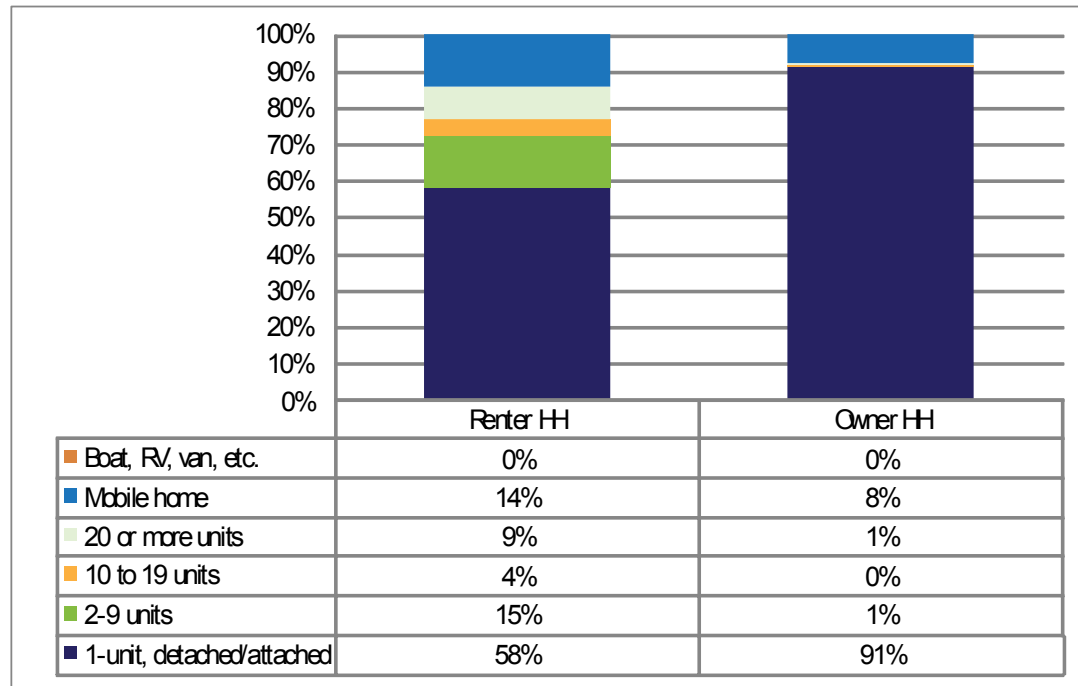
The County's rural, owner-occupied, single-family housing units have driven housing demand for decades, and will continue to be a central element of housing choice in the future. In the 2013 *Framework for Our Future Housing Survey*, 59% of survey respondents indicated that their community needs more single family housing choices.

However, a number of trends have begun to show a shifting demand that is likely to call for a variety of housing options in addition to, or beyond, single-family homes. As the nation's population ages, energy costs rise, and the market shifts to meet the changing needs of young people and seniors, demand for more diverse housing types is expected to increase. Projections indicate that future demand will look more toward smaller homes and multi-family homes, with less of a focus on the large-lot single family homes that make up much of the region's current housing supply (see Section 8, Projected Demand).

In addition to these housing and population trends around various housing types, public input from the *Framework for Our Future* identifies specific needs or issues around certain housing types, including accessible, senior,

Figure 4. Type of Housing Unit by Tenure in Benzie County, 2010

Data from 2006-2010 American Community Survey



supportive, and migrant housing.

Small Rental Units and Small Households

Inherent in the increased demand for multi-family housing and small housing units is a significant need for small rentals. Data shows that the number of single-person rental households is nearly double the number of small rental units (such as efficiencies, lofts, studio apartments, or 1-bedroom apartments):

- While about 441 of Benzie County rental households are single-person households, only 244 rental units are 1-bedroom units or smaller, and three-quarters of rental units in the County are 2-bedroom units or larger.
- Community Dialogues and social equity conversations conducted throughout the *Framework* process also stressed the demand and need for small rentals for one-person households.

The high demand for these units means that many households are unable to access them, and individuals are oftentimes pushed into rental units that are larger – and more expensive – than they need. This demand is likely to increase as the growth both in rental households and in numbers of single-person households – which often include seniors or young individuals –

outpace growth in other household types.

Senior Housing

Local and national demographic shifts are pointing to increasing needs for senior housing. In Benzie County, nearly all recent population growth has been concentrated in older age groups; and the number of households with individuals aged 60 and over has increased by 28% between 2000 and 2010.

As the population ages, communities are likely to experience changes in housing demand. Difficulties with independent living or in remaining in the home are likely to create a demand for assisted living, adult foster care, or other options such as in-home support services. Other housing choices that will be important for an aging population include accessibility or barrier-free housing units and smaller housing units.

Affordability is an important issue for many seniors, particularly for rentals. Benzie County has a number of housing options available for senior citizens, including nursing homes, assisted living, adult foster care, and senior apartments.

Despite some existing senior housing complexes in Benzie County, agencies report that

Table 4. Rental Households and Size of Rental Units

2010 American Community Survey

	# of Rental Households
1-person household	441
2-Person household	271
3-person household	81
4-person household	93
5-person household	102
6-person household	32
7+ person household	16
Total	1036

Unit	# Rental Units
No bedroom	39
1-BR	205
2-BR	381
3-BR	314
4-BR	61
5-BR or more	36
Total	1036

affordable housing options for seniors are a persistent need, with existing supply not enough to meet the need for affordable senior housing options. Agencies also report that senior housing demand continues to increase as retirees relocate to the area. Many retirees move to be near their children; others come in part due to positive press about the region as a desirable retirement destination, with many retirees looking to move to the region, particularly communities that have hospitals or other health care options.

Accessible and Barrier-Free Housing

Accessible housing, or barrier free housing, is a

term used to identify housing units that are accessible to as many people as possible, regardless of disabilities. It includes features designed to meet the needs of individuals with either permanent or short-term disabilities. These features may be included as specifications during design and construction of a home, or homes may be adapted to include them as necessary. Accessibility features vary depending on individual needs, but can include lower cabinets and appliances, wider doorways, grab bars, ramps, and tub seats.

Accessible housing is needed by anyone who is currently disabled or may be in the future, which includes a sizable percentage of the population.

Most individuals are likely to experience a disability at some point in their lives, as even temporary injuries can make normal activities very difficult.

In the Traverse City micropolitan statistical area (Benzie, Grand Traverse, Kalkaska, and Leelanau Counties), about 13% of individuals have a disability. The rate of disability varies by specific population:

- Native Americans and seniors are more likely to report disabilities. About 20% of Native Americans have a disability.
- Seniors are even more likely to have a disability: 33% of those aged 65 and older

Accessible Housing

Accessible housing includes features designed to meet the needs of individuals with either permanent or short-term disabilities. Accessibility features vary depending on individual needs, but may include lower cabinets and appliances, wider doorways, grab bars, ramps, and tub seats. These features may be included as specifications during design and construction of a home, or housing units may be adapted for accessibility.

Accessible housing is needed by anyone who is currently disabled or may be in the future. Most individuals are expected to experience a disability at some point in their lives: even temporary injuries can make normal activities very difficult. As the nation's population ages, accessibility features will become increasingly important in order to allow individuals to remain in their homes. Over half of those aged 75 or older have difficulties with vision, hearing, mobility, or activities related to personal care or independent living, and a quarter of those aged 65-74 also report these difficulties. (*Demographic Challenges and Opportunities for US Housing Markets; Economic Policy Program Housing Commission, Bipartisan Policy Center, 2012*)

have a disability, and nearly half (46%) of those aged 75 or older have a disability (2010 ACS).

High rates of disability among seniors means that as the area's population ages, accessible housing will become increasingly important.

However, there is very limited availability of accessible units throughout the region. While there is not a comprehensive database listing accessible units, data relative to apartment complexes, collected by the Michigan State Housing Development Authority, Disability Network of Northern Michigan, and Goodwill Industries of Northwest Michigan show that only one of four subsidized apartment complexes in Benzie County have units designated as barrier-free (note that this does not include assisted living or nursing homes). According to input from disability advocates, even units identified as barrier free often present accessibility challenges for many disabled individuals, particularly those in electric wheelchairs.

Supportive Housing

Supportive housing refers to housing that is linked to support services such as mental health care, substance abuse treatment, employment or job training assistance, or other services that

support independent living. Supportive housing is made affordable to residents through rental vouchers or housing subsidies.

A number of housing providers work to develop and manage long-term supportive housing, including the Northwest Michigan Community Action Agency, Goodwill Industries, the Cadillac Housing Commission, the Foundation for Mental Health, and Addiction Treatment Services. However, input from focus groups, Community Dialogues, and the public indicates that the number of housing units available is not adequate to meet the demand demonstrated by waiting lists, market studies, and requests for assistance. Shortages and need are particularly emphasized in rural counties like Antrim, Benzie, and Kalkaska counties, which have very limited supportive housing or transitional housing services.

Housing Condition

An adequate supply of the types, sizes, and prices of housing that is needed by residents is necessary to meeting a community's housing needs. However, housing choices that are unsafe, unsound, or of poor quality can threaten housing stability for residents, even if they meet

the price and size requirements of the resident household. Poor-quality, deteriorating, and physically inadequate housing can come with added financial costs and can affect the health and well-being of household residents, particularly when those households include vulnerable members like children and the elderly:

- Inadequate, deteriorating, or substandard housing has been shown to increase residents' exposure to allergens, indoor air pollutants, and exposure to extreme hot or cold temperatures.
- These conditions, in turn, can lead to the development of chronic or infectious diseases and increased mortality rates among some populations.
- Poor quality housing has been found to have an adverse effect on children, affecting factors such as educational attainment. Issues associated with housing in poor condition—such as lack of plumbing or inadequate heating—have also been cited by local agencies as a contributing factor in child welfare referral cases.
- Inadequate housing conditions—which can require frequent or expensive repairs or

affect energy efficiency—impact the affordability of a home and can result in unstable housing situations. Housing condition is thus a critical consideration in affordability and housing choice, and is a concern region-wide.

Fewer than half of respondents in the 2013 *Framework for Our Future Housing Survey* felt that the quality or condition of their community's housing choices met residents' needs (44%), and about 68% of survey respondents indicated that their community needs more housing choices that are of higher quality or in better condition.

Housing condition is of particular concern to lower income residents. 76% of low-income

survey respondents, compared to 68% of total respondents, indicated that higher quality housing is a priority, and Community Dialogues and other social equity findings report that regionally, many families live in unsafe and unsanitary conditions. Often, the short supply of available and affordable housing leaves families with few choices but to live in deteriorating or inadequate homes. This issue is often cited as being of particular concern for renters, with residents and housing organizations reporting that the limited availability of rental choices discourages renters from reporting or addressing substandard housing concerns, in fear that they may lose their rental home and that additional housing may not be available.

Evaluating the condition of a community's housing stock is difficult on a large scale. Most measures of housing condition rely on interior and exterior inspections, or on detailed housing surveys that evaluate various structural indicators on individual properties. However, several studies have identified a number of indicators with significant correlations to housing inadequacy for housing condition. These "proxy measures" include the lack of complete kitchen and plumbing facilities; overcrowding; age; and depreciation, which is an evaluation of the physical condition of a home used by tax assessors to calculate a value for the building. These measures, when combined with other data and input from residents, can help identify

Housing and Health

Because most Americans spend a majority of their time indoors—much of it within the home—residents of poor quality and inadequate housing are more susceptible to problems such as infectious and chronic diseases, injuries, and poor childhood development. Deteriorating paint in older homes can cause lead exposure and poisoning, while water leaks, poor ventilation, dirty carpets, and pest infestation can lead to an increase in mold, mites, and other allergens; which in turn play a role in respiratory conditions such as asthma. Additionally, exposure to extreme indoor temperatures has been associated with increased mortality, especially among vulnerable populations such as young children and the elderly. Radon, asbestos, and volatile organic compounds, meanwhile, have been linked with respiratory illness and some types of cancer. Lower-income households are more likely to experience unsafe housing conditions—and have fewer financial resources with which to address housing inadequacy. (*Where We Live Matters for Our Health: The Links Between Housing and Health*, Commission to Build a Healthier America, Robert Wood Johnson Foundation)

the potential for housing condition concerns in communities.

Kitchen and Plumbing Facilities

Because of difficulties in assessing housing condition on a large scale, many agencies use kitchen and plumbing data that is collected regularly by the American Community Survey to identify housing quality issues and/or inadequate housing. "Complete plumbing facilities" are defined by the US Census and the American Housing Survey as those with hot and cold running water, a flush toilet, and a bathtub or shower. Housing units with two or less of these components are characterized as lacking complete plumbing facilities. "Complete kitchen facilities" include a sink with piped water, a range, and a refrigerator; homes with two or less of these components are considered to lack complete kitchen facilities. The American Housing Survey considers lack of complete plumbing or kitchen facilities as indicators of physical condition issues or substandard quality; and these indicators are important components used by HUD and other agencies in assessing the quality of housing stock and the presence of inadequate housing.

The American Community Survey estimates that in Benzie County:

- 49 occupied housing units lack complete plumbing facilities.
- 38 occupied housing units lack complete kitchen facilities.

Overcrowding

Overcrowding is defined by the American Housing Survey as more than one person per room. The American Community Survey

estimates that about 100 housing units were overcrowded in Benzie County in 2010.

- 82 owner-occupied housing units in Benzie County are considered to be overcrowded.
- 20 rental units are overcrowded.

Age

Most of Benzie County's housing stock is relatively new, with the age of housing structures

Figure 5. Year Structure Built in Benzie County

Data from 2006-2010 American Community Survey

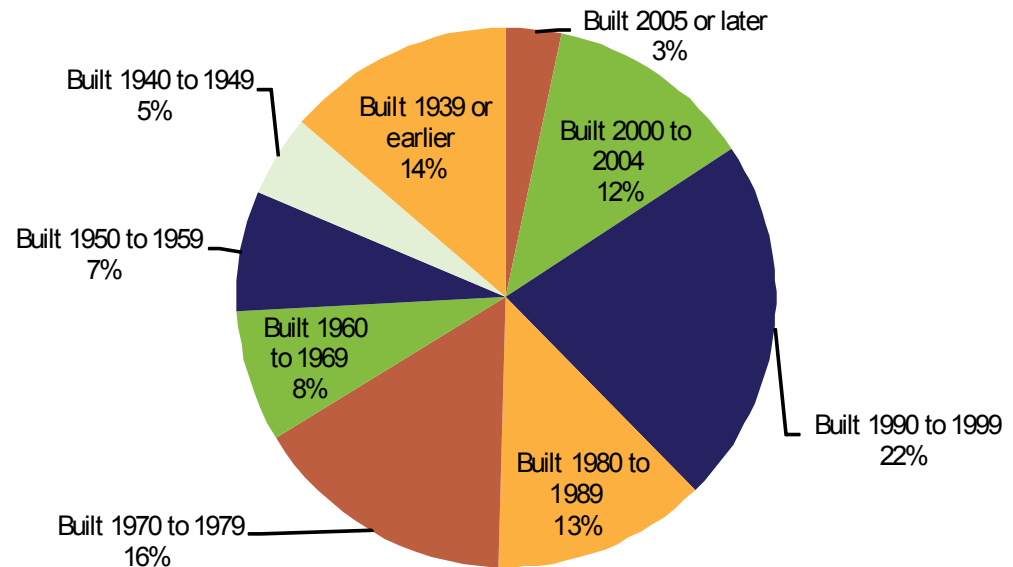


Table 5. Housing Condition & Depreciation Categories

Data from Benzie County Equalization (2011)

Condition	Rating	Description	% of Residential Structures in Category
Excellent	95-100	Building is in perfect condition, very attractive and highly desirable	844-7.1%
Very Good	85-94	Slight evidence of deterioration, still attractive and quite desirable	2973-25%
Good	75-84	Minor deterioration visible, slightly less attractive and desirable, but useful	1907-16%
Average	60-74	Normal wear and tear is apparent, average attractiveness and desirability	2939-24.7%
Fair	45-59	Marked deterioration, rather unattractive & undesirable but still quite useful	2910-24.4%
Poor	30-44	Definite deterioration is obvious, definitely undesirable and barely usable	308 -2.5%
Very Poor	20-29	Condition approaches unsoundness, extremely undesirable & barely usable	0
Unsound	0-19	Building is definitely unsound and practically unfit for use	0

corresponding to the high growth rates in the County between 1970-2000. 68% of the County's housing stock was built since 1970. About 16% of homes were built between 1970-1979, and another 22% were built between 1990-1999.

Depreciation and Construction Class

Data from Benzie County Equalization identifies residential depreciation rates, which indicate the general condition of a structure, with classifications corresponding to descriptions of condition that range from unsound to excellent (see Table 5). It's important to keep in mind that these evaluations are subjective interpretations of the housing stock on the part of assessors and are used to calculate value. Additionally, the evaluations are not an exact assessment or appraisal of the building's quality or condition. However, depreciation data, when combined with other indicators, can be used to identify general trends in the County's housing stock.

Rates of depreciation range from 0-100, with a rate of 100 indicating that the home is in "excellent" condition. Data relative to housing stock in Benzie County indicates that housing stock overall consists of well-maintained homes. The majority of homes 65% are in "good" or

better condition, with an average condition rating.

308 homes—about 3% of the County’s housing stock—were identified as being in “poor” condition, while another 2910 were identified as being in “fair” condition. Both of these categories signal “marked” or “definite” deterioration, indicating potential needs for rehabilitation and repair.

Non-homestead homes represent a significant percentage of the County’s deteriorating housing. 37% of all homes in the County that were categorized as being in “poor” condition were non-homestead properties, meaning that the owner of the property does not reside within the home. In some cases, these homes may be abandoned or vacant; in other cases, the homes may be used as rentals, with a rental income that may not be sufficient to adequately maintain the home.

The remaining 63% of homes that are in “poor” condition are homestead-exempt/owner-

occupied. While these homes may be more affordable, sold as “fixer-uppers” and/or starter homes for first-time homebuyers, maintenance, repair, and rehabilitation needs can prove to be more costly; and ongoing repairs may be problematic for certain households, such as the elderly or others on fixed incomes.



Housing Costs & Affordability

The affordability of a community's housing stock has substantial impacts on the quality of life and success at the individual, family, and community levels.



Shortages of affordable housing have direct and immediate consequences on such far-reaching issues as foreclosure, homelessness, community health, child welfare, economic development, and transportation issues:

- When people pay too much for housing, less money is left over for other basic necessities such as food, transportation, and medical care.
- Individuals or families that are unable to afford the cost of a home are more likely to face eviction or foreclosure. High rates of foreclosure in the past several years have contributed to home abandonment and blight in many communities throughout the nation, which creates a downward spiral effect on local and regional economies, neighboring home values, and overall community welfare. In Benzie County,

between 2007-2011, property values declined by about 15%.

- Evictions can create future difficulties in finding rentals, adding to challenges in housing availability and affordability, and present costly challenges for landlords and rental property owners and managers.
- In some cases, families, individuals, and households that are confronted with foreclosure or eviction face homelessness as a result.
- A number of studies identify the impacts of unstable housing on children. Housing instability has been shown to negatively affect school attainment as well as the health of children. National studies have also shown inadequate housing to be a major factor in the placement and retention

of children in foster care, with as many as a third of foster children separated from their parents because of a lack of access to safe, decent, affordable housing. Further, local agencies report that child abuse and neglect referrals related to housing are increasing, due to situations arising from unstable housing, such as overcrowding, living in unsafe housing, or homelessness.

- When there are shortages of affordable housing in areas that serve as employment or activity centers, such as cities and villages, many working individuals or families move farther into the countryside, where homes are often cheaper. However, because these areas are farther from jobs, shopping, and services, these moves result in longer commutes, which in turn come with higher transportation costs and more

time on the road, leaving less time and money for family. Longer commutes also have substantial impacts on communities' economies, schools, services, transportation, and overall well-being; and residents throughout the region contend with heavier traffic from the longer commutes. When families leave town, schools struggle with unstable enrollment and subsequent budget cuts. Local governments must stretch budgets to extend services. Businesses lose year-round customers, and companies that need housing for their workforce look elsewhere to site their headquarters.

For these reasons and many more, the affordability of a home is one of the most important considerations for most households when deciding where to live. In the Grand Vision region, housing affordability varies widely between communities; but despite variations, affordability continues to represent one of the region's foremost housing concerns.

In the 2013 *Framework Housing Survey*, 85% of survey respondents indicated that their communities need more affordable housing choices. Social equity conversations conducted throughout the *Framework* process emphasized residents' strong and widespread concerns about affordable housing needs. In some areas, housing prices or rents are out of reach of significant percentages of the area's population. In others, home prices or rents may be more affordable, but their condition, location, or energy inefficiency may result in added expenses that ultimately create an unaffordable living situation for their inhabitants. And throughout the region, the cost of housing remains a significant obstacle for individuals or families with low incomes and those living in poverty.

Factors such as price, rents, and values of homes, along with cost overburden and subsidized housing information, help to measure housing affordability. When the cost and value of housing is considered in the context of

household income and other factors such as energy and transportation costs, clear affordability challenges emerge.

Home Values, Costs, and Household Income

The term "affordable housing" means many things to many people. Affordable housing is typically defined as housing that costs no more than 30% of the household's monthly income ("housing costs" typically refer to either rent, or to the combined cost of mortgage principal, interest, and taxes, for owner-occupied homes). As such, the definition of an "affordable home" varies from household to household, dependent on each household's income. A \$200,000 home may be affordable to one family, while another may not be able to spend more than \$80,000 on a home in order to limit their housing costs to 30% or less of their income.

Because housing affordability issues are



predominantly based on the interplay of housing costs and household incomes, housing values and rents are some of the most basic measures of housing affordability. These values and rents are closely tied to community factors such as infrastructure availability, local economies, and shoreline frontage:

- The 2010 American Community Survey reports that the estimated median home value in Benzie County was \$160,200.
- Median gross rent in Benzie County is the second highest in the Grand Vision region, at about \$737 per month.

Comparing housing values and costs to incomes gives a more complete picture of affordability: if home values in a community are not in the financial reach of the majority of residents, the community is considered to have an affordability gap, or affordable housing shortage.

Benzie County's median household income is \$43,123. Incomes vary based on whether the householder is a renter or a homeowner; the

median household income for renters is \$25,054, compared to the median household income of homeowners of \$47,803.

Regionally, there is an affordability gap in all counties between what households can afford and what homes cost. Median incomes and housing values of owner-occupied households are mismatched in the region, with the average home priced at values beyond the affordability of the average household.

In Benzie County, home values and rents are significantly higher than what the average household can afford:

- A household earning the County's median homeowner income of about \$48,000 might be able to afford a home valued at about \$120,000; however, the median home value in the County is over \$160,000.
- Renters, too, experience some of substantial affordability mismatches, with rents in Benzie County over \$100 higher

than what a median-income renter household can afford. The average renter in Benzie County can afford a monthly rent of about \$625; however, the median rent in the County is nearly \$740 per month.

With significant affordability gaps experienced by even median-income households, affordability challenges are even greater for low-income households. Low-income households – generally speaking, those households earning less than the area's median income – make up an important component of the County's workforce, including a number of occupations that are fundamental elements of the County's tourism economy or critical to the safety of the community (see Table 6). However, these households confront significant challenges relative to housing affordability, including, in many areas, shortages of homes that are affordable to rent or purchase. Community Dialogues and other social equity conversations repeatedly emphasized the issue of affordable housing shortages and the impact of these

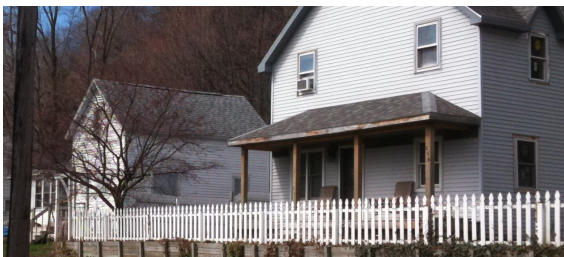


Figure 6. Affordable Housing Costs & Median Housing Costs Grand Vision Region

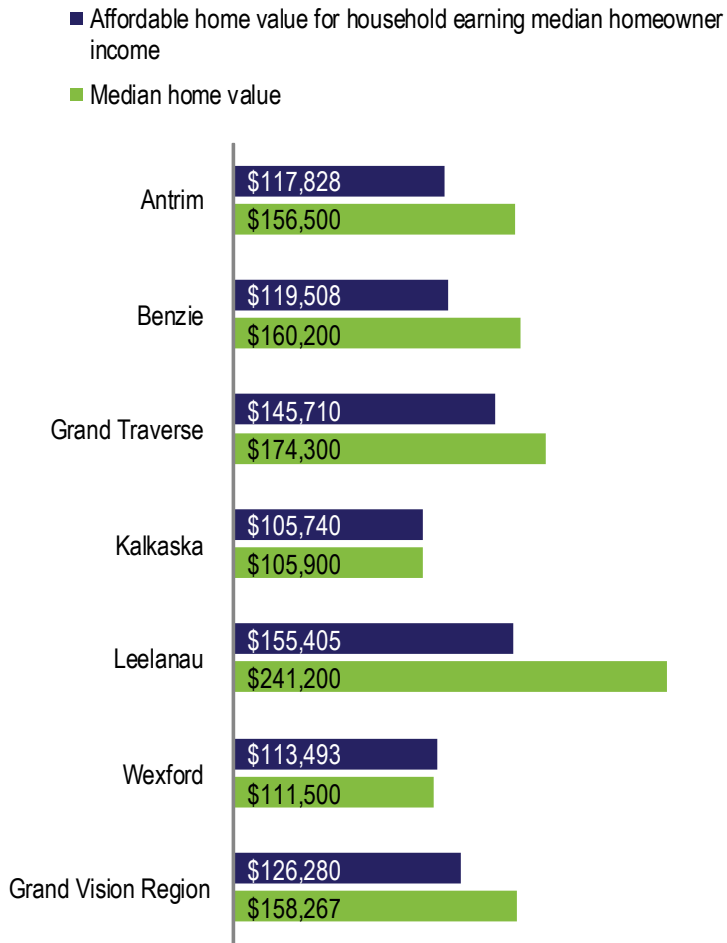
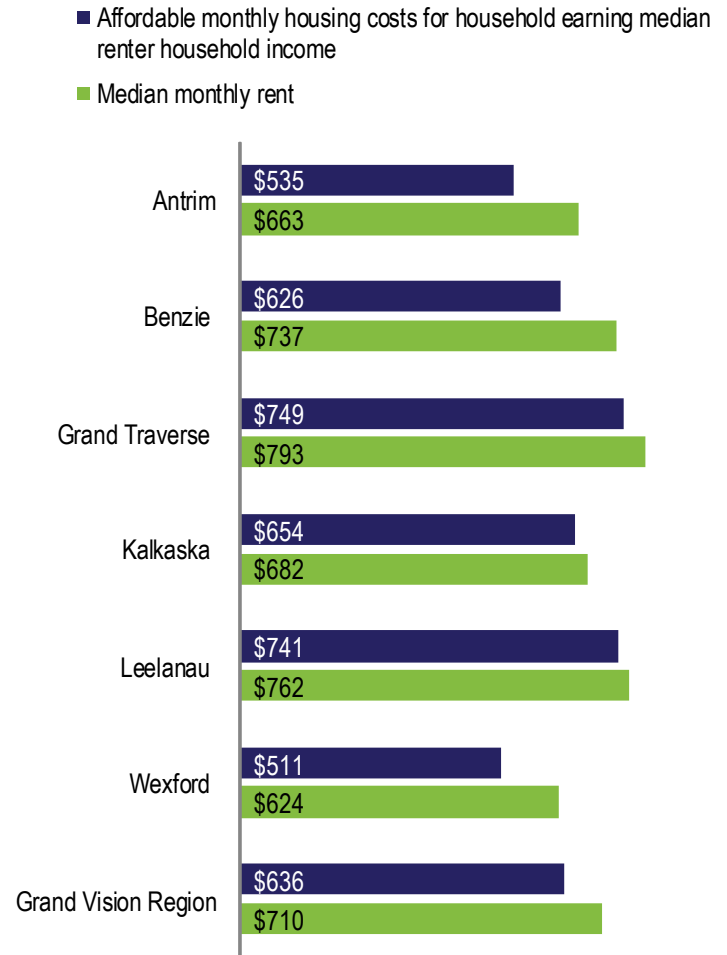


Figure 7. Affordable Rents & Median Rents in the Grand Vision Region



shortages on families and individuals in poverty. Reinforcing these community discussions are data that point to shortages of both rental and homeownership affordable housing, along with substantial financial housing overburden for many households.

When comparing the number of homes that are for sale or rent at an “affordable” value to the number of low-income households:

- About 3300 owner-occupied households in the County earn below \$50,000, compared to about 2100 homes that are affordable to those households.
- For low-income renters there is a significant shortage of affordable rentals. About 700 of the County’s rental households earn \$35,000 or less, while only around 590 of the County’s owner-occupied housing units are affordable to households at that income level.
- Extremely low income households (those earning \$20,000 or less per year) confront extreme shortages of rentals that they can afford, forcing them to rent more expensive homes and in turn reducing the availability of affordable housing for other income groups. With about 390 households in this income range, only 179 of the County’s

rentals are affordable to those households.

Cost Overburden

Shortages of affordable housing leave low- and moderate-income households with several undesirable choices: some households may live in substandard housing, some may move to locations far from work or school, while others end up in unaffordable housing – that is, homes that cost 30% or more of their income. When households pay more than 30% of their income for housing, they’re considered to experience “cost overburden,” which is an important measure of housing affordability. When a household is cost overburdened, less money is available for other necessary expenses, and the household is at higher risk of foreclosure or homelessness.

In the region, the average homeowner spends about 22% of their income on housing, while the average renter pays about 31% of their income for housing. But cost overburden varies considerably based on the income, age, and existence of a mortgage.

- Homeowners with mortgages pay more of their income than those without. About 43% of Benzie County homeowner households with a mortgage pay 30% or more of their income for housing, compared to about 14%

of homeowners without a mortgage.

- For lower-income homeowners, overburden rates are much higher. 68% of very-low-income owner-occupied households in Benzie County pay 30% or more of their income for housing.
- Renters have higher cost overburden rates than homeowners, with 54% of renters paying over 30% of their income for housing. And, as incomes decline, overburden rates increase: for renters earning under \$20,000 per year, the rate is 89%.
- As incomes go up, overburden rates for renters decline; and renter households earning roughly 100% or more of area median income have no incidence of cost overburden. Cost overburden for homeowners, on the other hand, occurs in all income levels.
- Housing cost overburden also varies by age. Younger householders are more likely to be cost overburdened, with over half of young households paying 30% or more of their income for housing. For rental households, cost overburden for all groups above 25 years of age is consistent, while overburden is more likely to decline as the age of the householder goes up. This trend

Table 6. Incomes and Affordable Housing Units

Earnings and occupation data from Bureau of Labor Statistics, 2010; household income and home data from American Community Survey

	Annual Income Range	Approx. Aff Home Price	Approx. Aff Rent	Occupations Earning Annual Incomes Within Income Range	#/% Owner-Occupied Households in Income Range	#/% Affordable Homes	#/% Rental Households in Income Range	# Affordable Rentals
30% AMI	\$0-\$19,999	\$0-\$49,999	\$0-\$499	Hosts/hostesses Dishwashers Food Prep Workers Cafeteria Coffee Shop Counter attendants Auto Service Attendants	781 12%	368 6%	387 37%	179 17%
50% AMI	\$20,000-\$34,999	\$50,000-\$89,999	\$500-\$899	Social service assistants Preschool teachers Teacher assistants Reporters Coaches Medical, lab, & pharmacy techs Paramedics/EMTs Nursing & home health aides Cooks & Chefs Bartenders & Waitstaff Veterinary Assistants Security Guards Janitors/cleaners Childcare workers Hair stylists Retail sales Administrative Assistants Painters Auto Service Techs/Mechanics Farmworkers	1,283 20%	646 10%	318 31%	409 40%
80% AMI	\$35,000-\$49,999	\$90,000-\$124,999	\$900-\$1249	Wholesale & retail buyers Tax preparers Computer support specialists Mechanical drafters Surveyors Substance Abuse Counselors Child/Family Social Workers Teachers Surgical Techs Dental Assistants Protective Service Workers Firefighters Dispatchers	1,268 20%	1,064 17%	159 12%	166 16%

reflects life changes associated with aging such as earning higher incomes and paying off mortgages.

- “Severe cost overburden” is defined as paying 50% or more of income on housing. Households that are severely cost overburdened are at a higher risk for foreclosure or homelessness. In Benzie County, about 26% of all rental households are considered “severely” cost overburdened, slightly higher than the

regional rate of 22%.

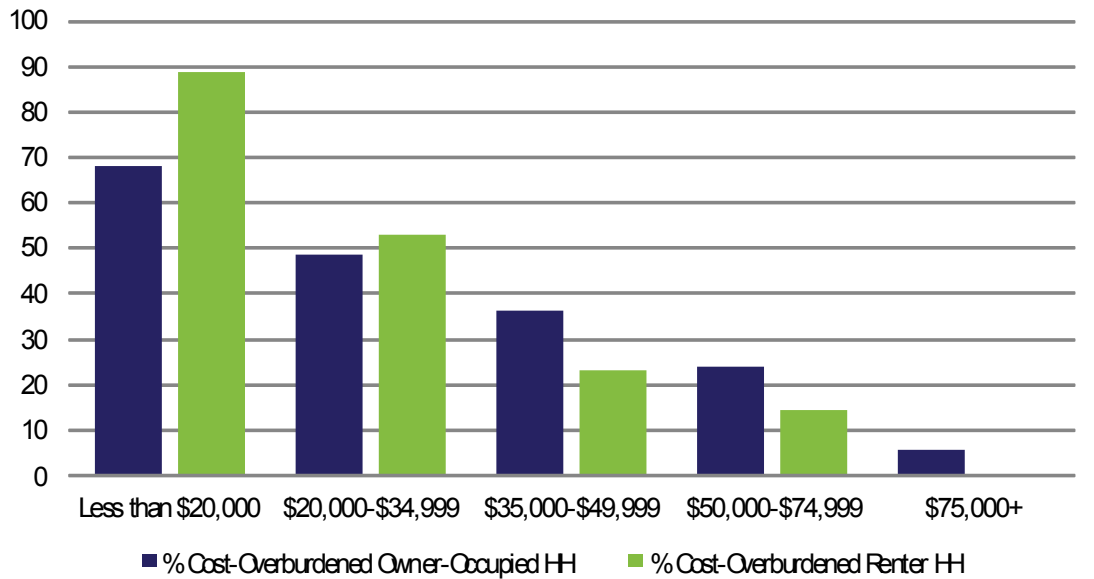
Mobile Homes and Rural Housing Choices

Significant percentages of the region’s extremely low income populations reside in rural areas. These rural communities often provide important family, social, or employment connections to their residents, and affordable housing choices in these rural areas are critical to the region and

to residents. However, a number of factors – including zoning and infrastructure availability – limit the rural housing options available for lower-income households. As such, for many rural areas, mobile homes represent important housing options for both homeowners and renters, and particularly for those earning lower incomes. In Benzie County, the median value of a mobile home in 2010 was approximately \$61,700, compared to the median home value of \$160,200. Lower purchase prices mean that in some cases, purchasing a mobile home may be more affordable than renting a home; and in rural communities where rentals are limited, mobile homes may be the only options for lower-income households. As such, public input shows that lower-income households are three times more likely to feel that mobile homes are a need for their communities than respondents overall: 29% of low-income respondents, versus 9% of total respondents, indicated that mobile homes were needed in their communities. Additional input from low-income residents in the *Framework* process indicated that when families or individuals can’t or prefer not to rent apartments, mobile homes may be the only “single family” option available and affordable to them.

Figure 8. Cost Overburden by Tenure

Data from 2006-2010 American Community Survey



However, Community Dialogues and other social equity conversations noted that while initial costs – either purchase prices or rents – may appear to be low, mobile homes can easily be rendered unaffordable by issues such as deterioration, lot fees, and energy costs. Tax data from three counties in the region indicate that the majority of poor-condition homes are older mobile homes of poor construction quality, which are likely to deteriorate more quickly. Deterioration issues can result in added expenses for maintenance, and in some cases higher heating or electric bills due to poor insulation, ultimately resulting in financial burdens. These higher rates of depreciation also result in subsequent declines in value, which limits the opportunities for households to build equity in the home. Other issues associated with mobile homes include high fees and lot rentals, which are typically unregulated and can quickly raise the cost of housing to an unaffordable level.

Subsidized Affordable Housing

To help meet some of the challenges associated with affordability for lower- and moderate-income households, a number of nonprofits work to build and sell quality homes at an affordable price. In Benzie County, the Benzie County Habitat for Humanity, Homestretch, and the Northwest Michigan Community Action Agency work to

provide affordable ownership opportunities for eligible low-income families. These homes offer quality housing for low-income households that qualify for a mortgage, providing the opportunity to build assets and stability. Long-term resale and affordability restrictions are included as part of the sale. Restrictions ensure that the home will be sold at an affordable price to another income-eligible household, or to the nonprofit itself, which will in turn resell the property to a qualified low-income household.

Several rental assistance programs are also available to low-income households. Some are operated by public housing authorities, while others are privately managed. These subsidized, or assisted, rentals provide low-cost housing for low-income households, seniors, people with disabilities, and individuals with special needs. Subsidized or assisted rental units are required, by regulations attached to state or federal programs or funding sources, to remain affordable over the long term—often through the use of vouchers or other programs that ensure residents are paying no more than 30% of their household's income for housing. Assisted units are available through public housing authorities, nonprofits, and privately-developed properties. In Benzie County, there are about 122 assisted or subsidized housing

Housing Wage

The “housing wage” is an approach to the issue of affordability that asks how much a household must earn in order to afford a median or average-priced housing unit without paying more than 30% of the household's income.

Rental Housing Wage

Median rent: \$737

Annual Rental Wage: \$29,480 per year

Hourly Rental Wage: \$14.17 per hour

Minimum number of hours a minimum wage worker would need to work per week: 77

units that were developed with USDA Rural Development funding, low income housing tax credits, or other funding sources. Another 8 income-based rental units are owned and managed by the Grand Traverse Band of Ottawa and Chippewa Indians for tribal members.

In addition to publicly assisted apartment complexes, privately owned apartments or other rentals may accept Housing Choice Vouchers, provided the properties meet certain state or

Table 7. Subsidized Housing Units, Benzie County

Data from Michigan State Housing Development Authority

Development Name	Location	#Units
Bayview Apts	Frankfort	56
Brooke Apts	Benzonia	18
Diamond House	Thompsonville	12
Gateway Village	Frankfort	36
Total		122

wait at least 6 months. Because housing is such a basic need, these waiting times often force individuals and families to find other options for housing – which can often mean renting and living in substandard homes, which may come with lower rents but create health and safety concerns; “doubling up” with other families, which may result in overcrowding; or becoming homeless.

federal standards. Under this program, a housing subsidy is paid directly to the landlord by an administrative agency on behalf of the tenant. The maximum amount of assistance is generally the difference between the asked-for rent, and 30% of the resident’s monthly income. The resident pays the difference between the actual rent and the amount of the subsidy. Approximately 198 vouchers are administered by the Traverse City Housing Commission on a five-county basis, including Benzie County. Another 309 vouchers are administered by See-Con, an agency based out of Bellaire, for a seven-county region that includes Benzie County.

Both rental and homeownership affordable housing programs encounter a number of challenges in meeting demand for services. Limited funding resources and high demand mean that many households are not able to access housing services, and both rental and homeownership programs have regular waiting lists. The inadequate supply of housing vouchers and long wait lists have consistently been cited as concerns in social equity conversations both by those in poverty and by human service providers. The Traverse City Housing Commission reported that in 2013 there were 400 people on a waiting list for housing vouchers. Typically, seniors on the waiting list can expect to wait about a year for a housing voucher, while homeless families can expect to

Energy & Transportation Costs



Utilities and transportation costs make up a significant percentage of household expenses, and can greatly affect the affordability of the County's housing choices.

The cost, value, or rental price of a home presents only a partial picture of affordability. Housing affordability is strongly affected by issues such as the quality or condition of a home, its location, and energy usage issues, and when considering housing affordability, factors such as a home's location, energy efficiency, transportation costs, and condition all play important roles in calculating the "true cost" or affordability of housing.

Transportation

In many cases, when individuals or households can't afford to purchase or rent a home in one community, they're likely to "drive til they qualify" – that is, move to and commute from

communities with lower housing values. These longer commutes result in higher individual transportation costs and far-reaching community impacts on transportation, services, schools, and businesses.

Transportation costs are the second highest household expense for most Americans, and are closely connected to housing. Because transportation costs depend on how far and how often an individual drives to work, school, or shopping, the location of a family's or individual's home can have a major impact on their budget.

Household transportation costs data from the Housing and Transportation Affordability Index can provide some insight into the distances traveled, and the costs of that travel, in the region.

Vehicle Miles Traveled & Job Access

To measure the distances traveled annually by a typical household, the H+T Affordability Index identifies the average annual vehicle miles traveled. This measure includes commute travel as well as all other daily auto trips, and is closely connected with transportation costs. The typical Benzie County household drives about 26,000 miles per year. Households in and around the City of Frankfort and around Elberta, Beulah, Benzonia, and Honor are reported to have the lowest travel distances in Benzie County (see Map 1).

Some of this mileage is directly correlated to employment opportunities. The H+T Affordability Index measures *employment density*, which refers to the number of jobs available per square

mile in a given area. Areas with high job densities typically have lower transportation costs, as residents have shorter distances to travel to find opportunities to work.

- In Benzie County the highest density of employment opportunities are located in and around Frankfort, Elberta, Beulah, and Benzonia, with lower job densities located in rural areas. Individuals in communities with lower job densities must travel farther for employment opportunities.
- For low-income residents, distances may be

even farther. American Community Survey data indicates that 30% of Benzie County households earning less than \$15,000 per year must commute over 50 miles to work. These travel distances are reflected in commute times, annual vehicle miles traveled, and transportation costs.

Annual transportation costs

Longer commutes and vehicle miles traveled contribute to added wear and tear on vehicles, along with higher rates of gasoline consumption. These in turn translate directly into higher transportation costs, which are calculated by the H+T Affordability Index by two measures: annual vehicle miles traveled costs, and annual transportation costs.

Annual vehicle miles traveled costs are based on annual vehicle miles traveled per household, and factor in only the costs associated with the amount a vehicle is driven—such as gas costs, rather than the fixed cost of auto ownership.

- In Benzie County, about \$4,965 is spent per household, per year, on the costs of vehicle miles traveled.

Annual transportation costs represent the average **total** cost of a household's transportation, including auto ownership costs or payment, maintenance/auto use costs, and

public transit costs for the typical household.

- The average household in Benzie County regions spends an average of \$16,575 on transportation costs per year. This equates to about 34% of an average household's income.
- For moderate income households, the transportation cost burden is even higher. The typical moderate income household spends about 42% of their income on transportation costs.

Transit Access

In some communities, high transportation costs may be mitigated by transit access. However, in large geographies, limited funds, and low residential densities restrict public transit services in rural regions.

- Data indicate that there are no (Census) block groups within the micropolitan regions of Grand Traverse and Wexford-Missaukee that provide access to other block groups within 30 minutes.

Transit service available in Benzie County is primarily focused on dial-a-ride or demand-response service, which allows residents to call the transit agency to be picked up at one location and taken to another. Dial-a-ride

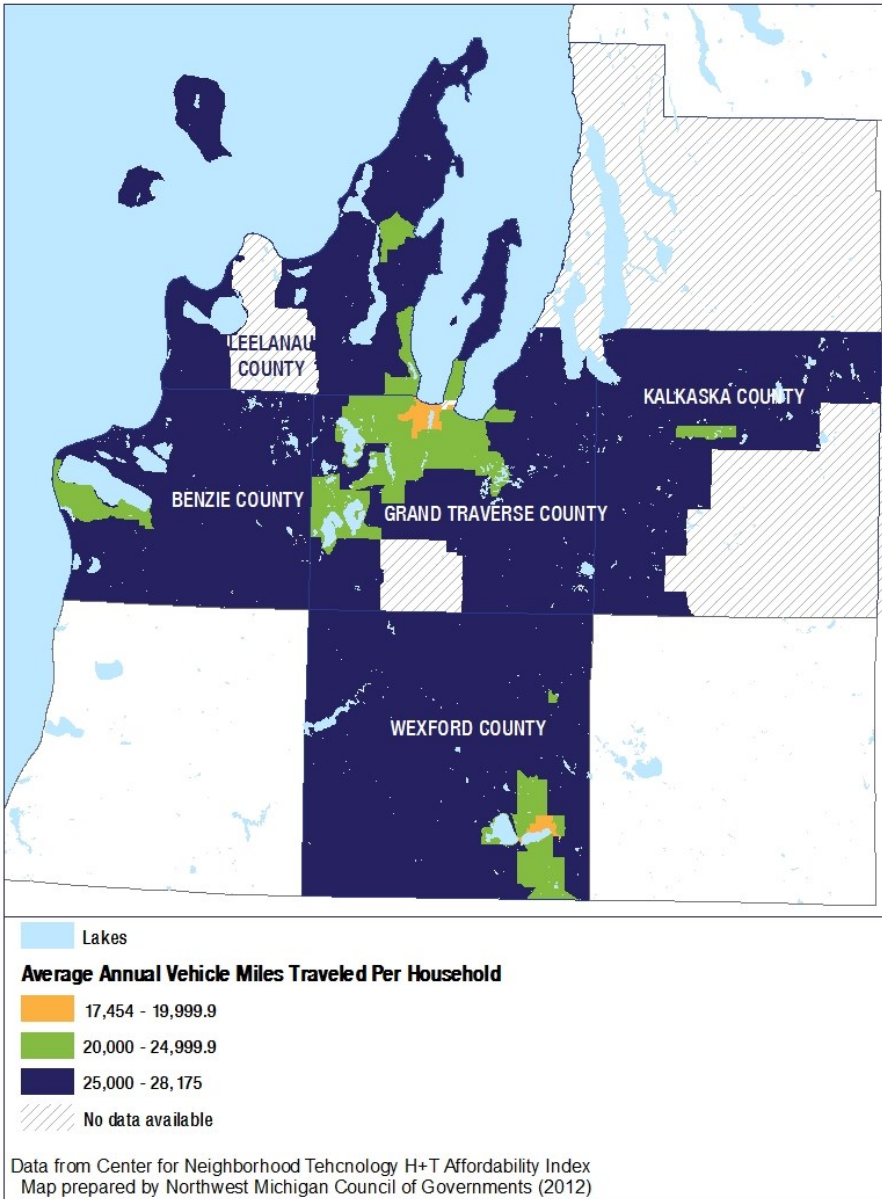
Table 8. Distance to Work by Income, Benzie County

Data from 2010 American Community Survey

	Low Income Worker	Moderate Income Worker	High Income Worker
Less than 10 miles	35%	34%	24%
10 to 24 miles	30%	41%	42%
25 to 50 miles	7%	8%	9%
Greater than 50 miles	30%	18%	25%

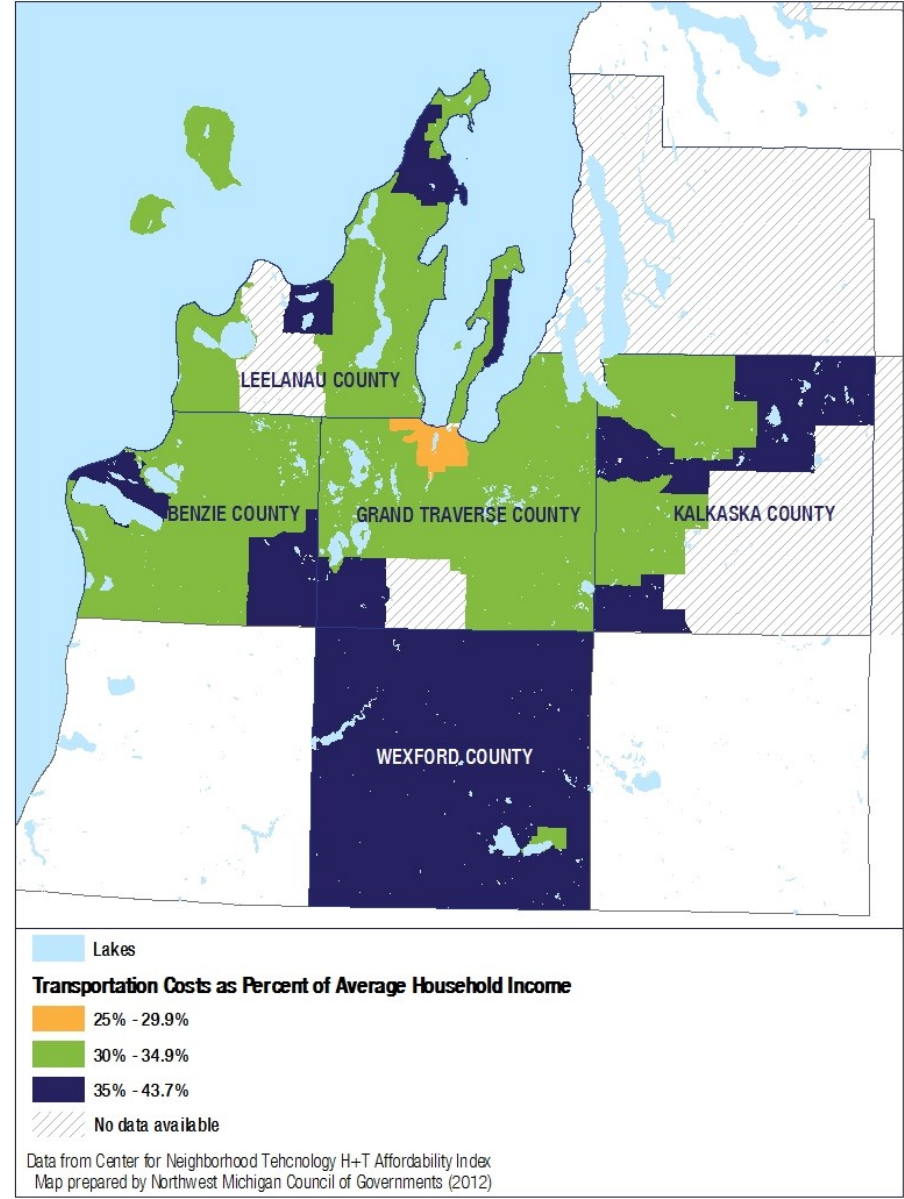
Map 1. Vehicle Miles Traveled

Data from H+T Affordability Index



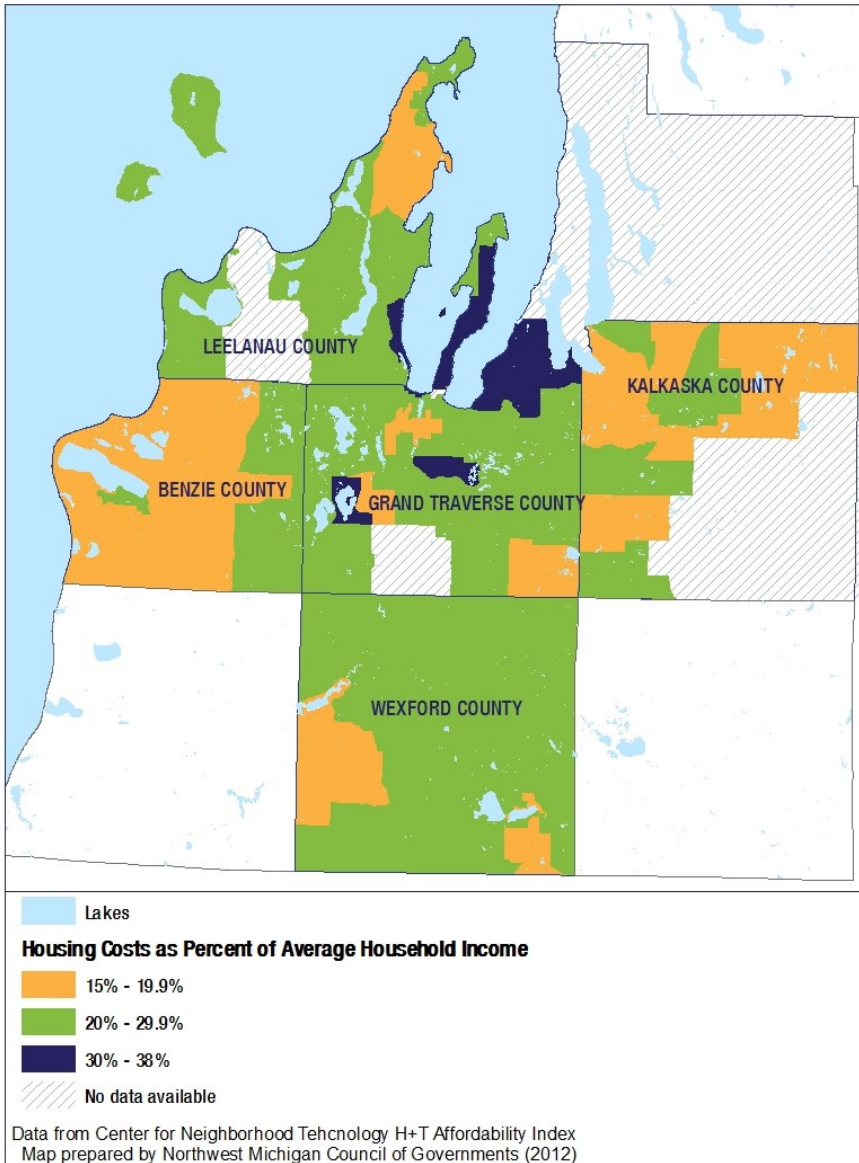
Map 2. Transportation Costs

Data from H+T Affordability Index



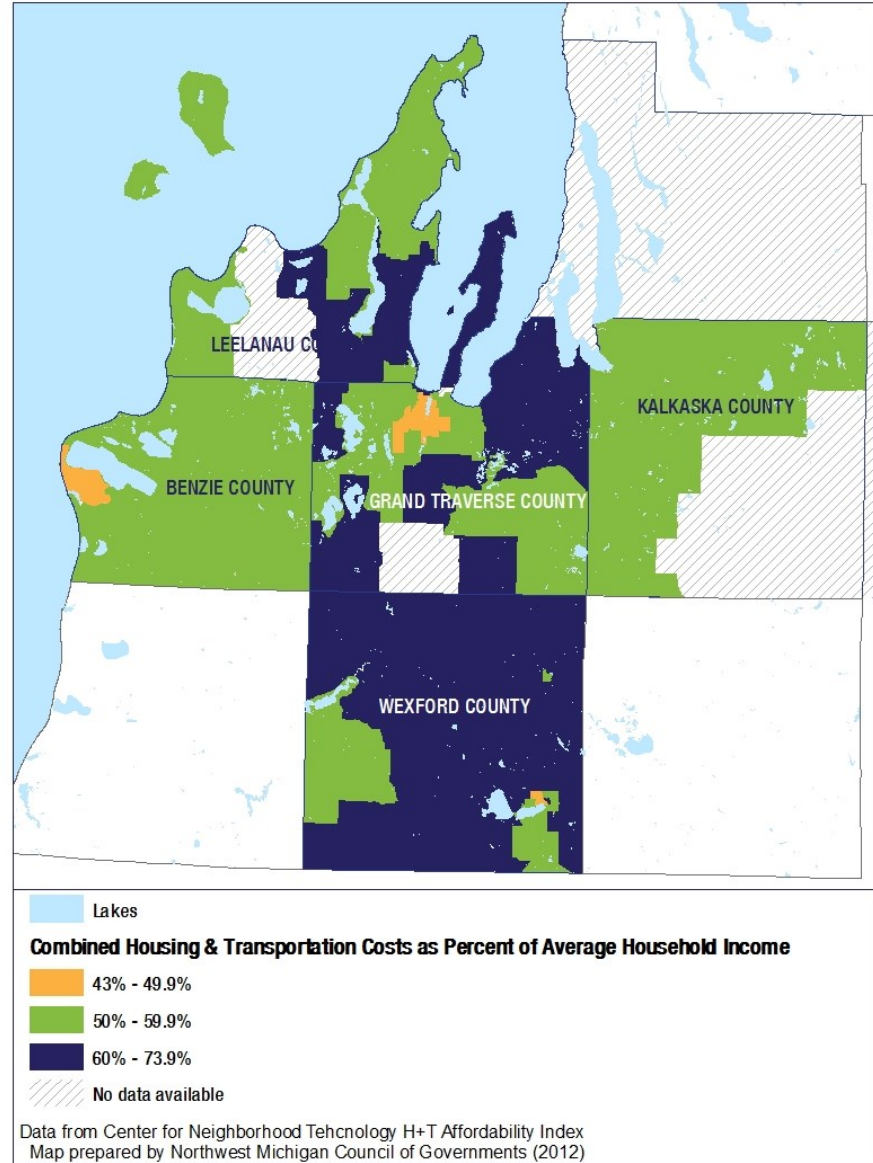
Map 3. Housing Costs

Data from H+T Affordability Index



Map 4. Combined Housing and Transportation Costs

Data from H+T Affordability Index



service, while an important transportation option, typically comes with lengthy service times and requires 24-hour advance notification, making it difficult to access for some residents and many circumstances. Further, a lack of coordinated bus service across county boundaries can create obstacles for transit riders that need to travel to neighboring communities. Cross-county service is critical, as many residents commute across county boundaries for employment, and important medical services, such as cancer centers, may only be available in neighboring counties. Lengthy service times, limited routes, and lack of coordinated routes across counties act as obstacles that prevent or discourage many residents from using the service.

Combined Housing & Transportation Costs

When combined with the costs of housing and other basic needs, high transportation costs create severe financial burdens for many residents throughout the region.

- The combined costs of housing and transportation consume 53% or more of a household's income in Benzie County.
- Moderate-income households in Benzie County spend about 66% of their income solely on the combined costs of housing

and transportation.

These financial situations may result in crisis situations, with many lower-income residents forced to choose between traveling to work, paying utility bills, making monthly mortgage payments or rent, purchasing necessities like food, or making needed repairs to the home. Ultimately, these excessive cost burdens can result in housing instability, with many families forced to confront homelessness or other undesirable options.

Energy Costs

Energy costs, including electric or heating costs, have as much or more of an impact on housing and housing stability as transportation. Annual energy costs depend on factors including weather patterns, energy efficiency factors, and the type of heating fuel used in the home.

- According to the 2012 Energy Baseline Assessment conducted by SEEDS, the typical Benzie County household spends over \$3,400 per year on energy costs (not including gasoline). However, energy costs fluctuate depending on supply and demand issues, and the of weather patterns can dramatically affect how much energy or fuel

is used in the home. Energy costs have increased over the last several years: according to the US Department of Energy, the average cost to heat homes rose about 27% between 2005-2010, while the price of residential electrical service increased by 22%.

- Energy costs vary significantly depending on the type of heating fuel used by a household. The 2013 Energy & Emissions Baseline analysis completed by SEEDS indicates that Benzie County's residential energy costs for propane per household were \$1180 per year per household – over twice the annual cost per household of natural gas (\$549/year).
- Some parts of the region are served by natural gas infrastructure, which is used as heating fuel for just over a third (35%) of Benzie County's households, according to the 2010 ACS. Natural gas access is primarily available in and around cities and villages, and is the predominant heating fuel in communities surrounding Crystal Lake. However, many rural areas lack access to natural gas infrastructure, and residents use a variety of alternative heating sources including propane, wood, fuel oil, and electric heat. While wood and electric heat

are somewhat common heating fuel sources used in rural areas without natural gas infrastructure, propane is the most commonly used heating source in southwestern, north-central, and central

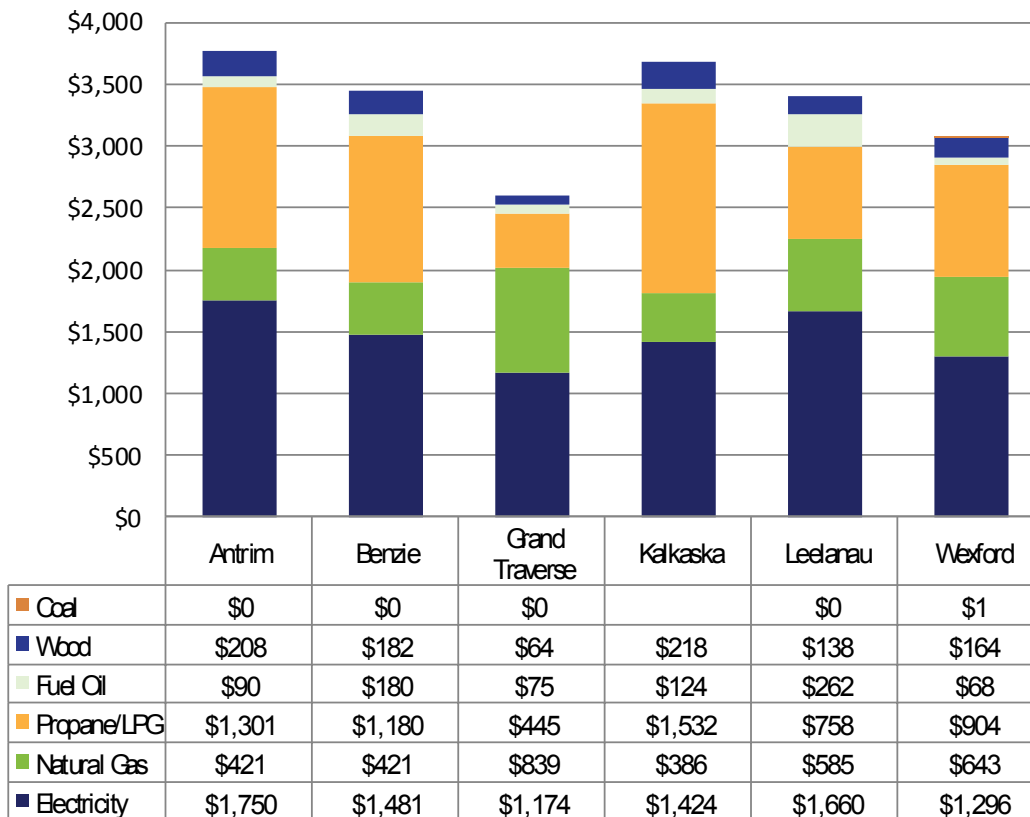
Benzie County (see Map 5).

- Energy costs and price fluctuations have the greatest impact on lower-income households, who spend a higher percentage of their income on household

energy than higher-income households. Projections based on 2005 energy costs identified by the US Department of Energy indicated that households earning below \$30,000 per year were expected to spend 23% of their after-tax income on energy. For households in the lowest income brackets, 44% of their income can go to energy costs.

Figure 9. Residential Energy Costs Per Household, by Energy Type, 2011

Data from Energy & Emissions Baseline, SEEDS, 2013

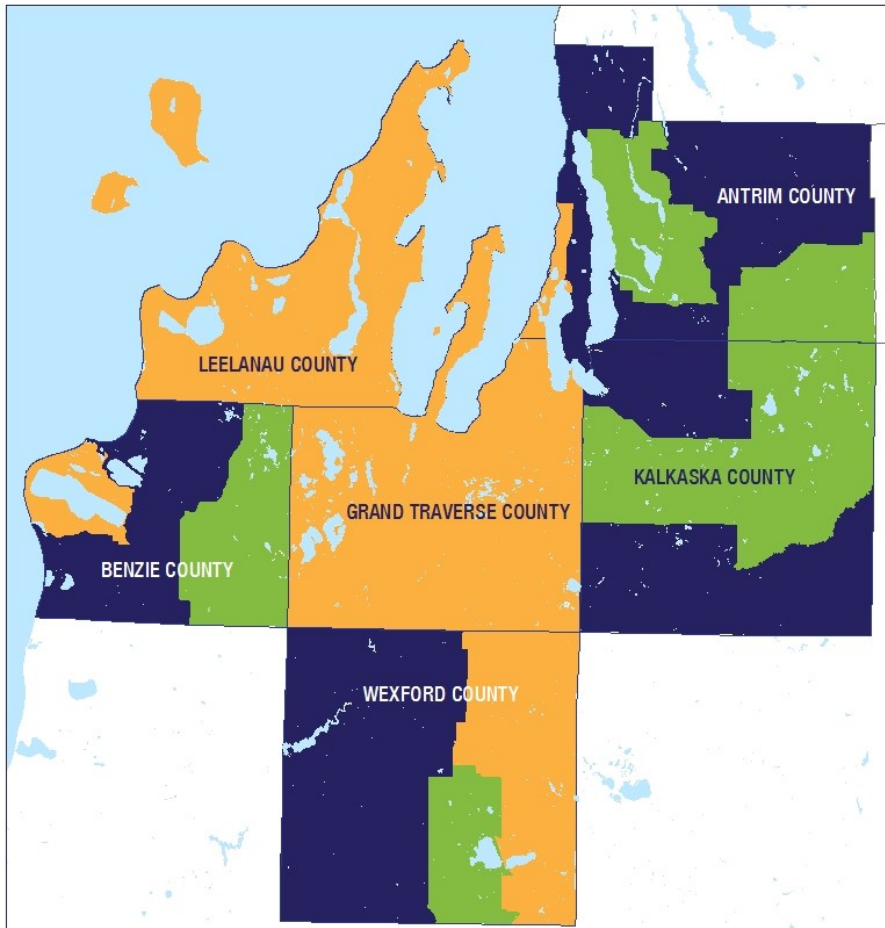


High and unpredictable energy costs reduce the amount of income that can be used for other necessary expenses and can affect households' abilities to maintain stable housing. According to a 2011 survey conducted by the National Energy Assistance Directors' Association, of those receiving assistance through the federally-funded Low Income Home Energy Assistance Program (LIHEAP), many households experienced housing instability due to energy costs. Survey results report that 31% were unable to make their full mortgage or rent payment, 6% were evicted, 4% had a foreclosure, 14% moved in with friends or family, and 4% moved into a shelter or were homeless.

Housing instability, or the potential for housing instability, arising from energy costs is a reality for many residents of the region. In the 2013 *Framework for Our Future Housing Survey*, when asked what additional housing choices were needed in respondents' communities,

Map 5. House Heating Fuel—Bottled Gas

Data from 2006-2010 American Community Survey



Lakes

Percent of Households Using Bottled Gas

0 - 24%

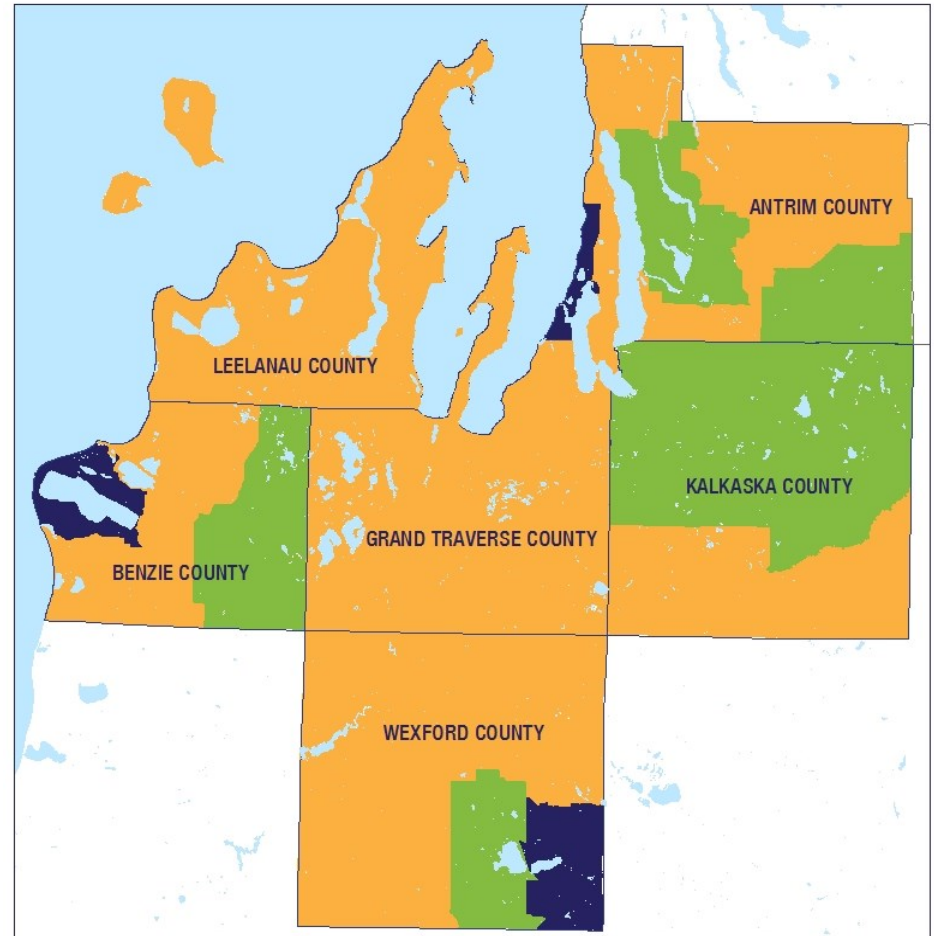
25% - 49%

50% - 67%

House heating fuel data from American Community Survey (2010)
Map prepared by Northwest Michigan Council of Governments (2012)

Map 6. House Heating Fuel—Utility Gas

Data from 2006-2010 American Community Survey



Lakes

Percent of Households Using Utility Gas

0 - 24%

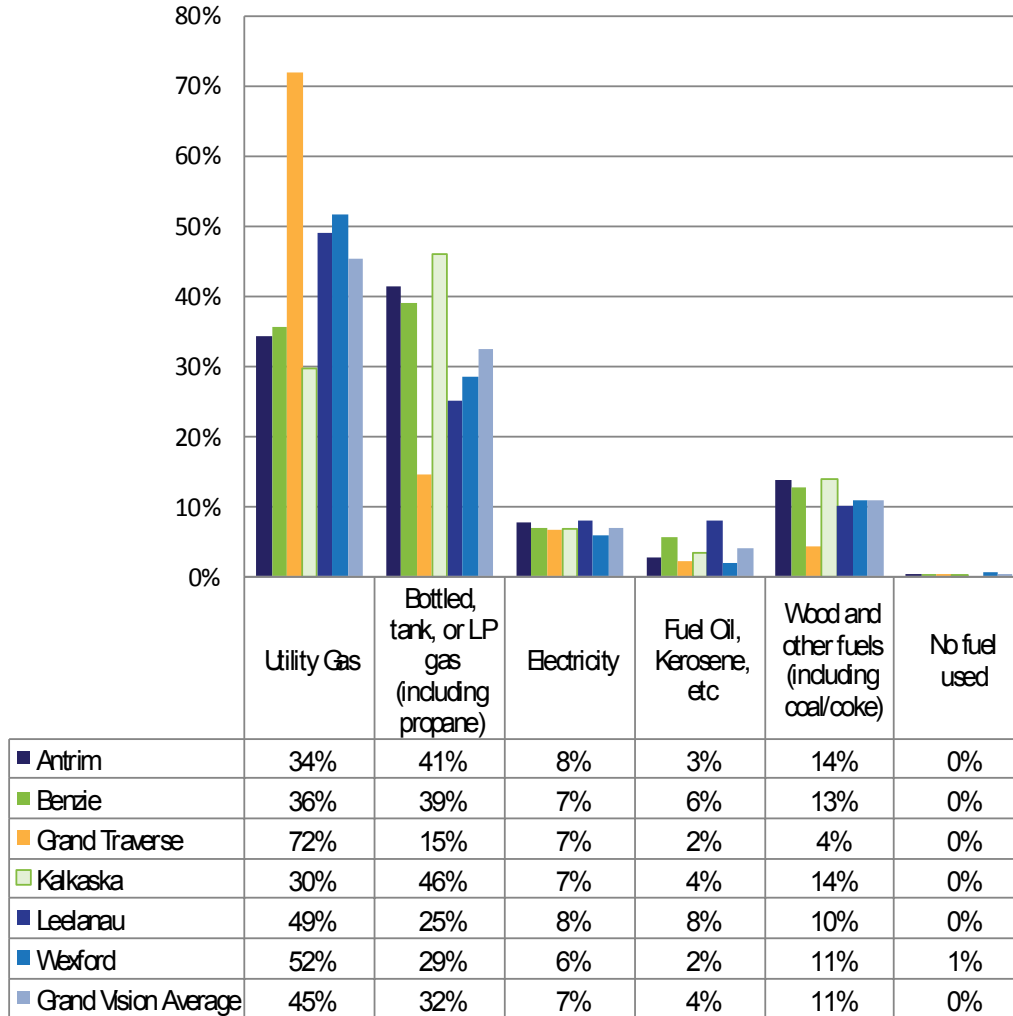
25% - 49%

50% - 90%

House heating fuel data from American Community Survey (2010)
Map prepared by Northwest Michigan Council of Governments (2012)

Figure 10. House Heating Fuel in the Grand Vision Region

Data from 2006—2010 American Community Survey



“energy efficient housing” was one of the most highly prioritized choices for respondents. Additionally, Community Dialogues, Input Expos, and other social equity conversations frequently stressed the challenges associated with energy costs in low income households. Propane costs were of particular concern:

- Costs for propane fuel are unregulated and fluctuate based on the customer’s credit history, location, and other variables.
- The cost of filling a propane tank must be paid up front – a large bill that’s often unaffordable to many low-income residents. Agencies report significant expenditures related to needs for propane tank refills in the winter months.
- Michigan law currently prohibits natural gas providers from turning off heat during the winter for non-payment of bills. However, the legislation does not apply to propane providers, meaning that residents who are unable to pay their propane bill simply won’t be able to have the tank refilled, leaving residents few options during winter months.
- Energy efficiency measures can help in addressing energy costs, and a number of programs are available through state and local programs, including weatherization programs that involve contractors working

with low-income households to better insulate and prepare homes for winter months. However, the weatherization programs have received funding cuts and waiting lists for the program may require a wait of up to 7 years to access services.

Energy Insecurity and Vulnerable Populations

High energy cost burdens have tremendous impacts on health and well-being, particularly for vulnerable members of the population such as seniors, disabled, and children. According to a 2011 survey, 90% of Low-Income Home Energy Assistance Program (LIHEAP) recipients had at least one member of the household that is considered vulnerable to extreme temperatures, including seniors, disabled, or children. 82% suffered from serious medical conditions. Additionally, reports from the American Association of Retired Persons indicated that in part because of “energy insecurity” associated with difficulties in paying energy costs, lower incomes are associated with a greater risk of temperature-related deaths.

Vacancies & Foreclosures

High rates of foreclosures nationwide have contributed to housing problems such as abandonment, blight, and declining property values.

In the late 1990s and early 2000s, increased availability of credit, subprime lending, and rising home values contributed to the creation of a housing bubble that crashed in 2008, setting off a wave of foreclosures and a long-lasting economic recession that continues to the present. High rates of foreclosures across the country have created housing problems including rising vacancy rates, abandonment, blight, and declining property values. In Michigan, foreclosure rates and associated issues were exacerbated by persistently high unemployment rates for much of the last decade. While vacancies and foreclosures in Benzie County were not as severe as other parts of the state, increases in foreclosure activity have nevertheless had an adverse effect on home sales, property values and vacancy rates: between 2007-2011, property values in Benzie County declined by about 15%. The regional and County housing markets are significantly

impacted by other vacant housing issues as well, primarily those associated with seasonal homes.

Vacant Housing Units

In the 2010 Census, about 37% of the County's housing units—4,501 homes—were classified as vacant, representing an increase of about 29% from the 2000 Census.

Between 2000-2010, homeowner vacancies rose from 2.3% to 3.8%. Rental vacancy rates increased as well, from 15.4% to 19.5%.

Homeowner vacancy rates reflected the nation's foreclosure trends. Between 1990-2000, the County's homeowner vacancy rate declined by about 18%. In contrast, between 2000-2010, homeowner vacancy rate increased by 65%.



Seasonal Homes

While some vacancy rate changes may have arisen from foreclosure-related issues, seasonal homes played an important role in vacancies in Benzie County. Seasonal homes constitute the vast majority (82%) of Benzie County's vacant housing units, and make up about 33% of the County's total housing stock. High concentrations of seasonal homes are more often found in communities with significant amounts of shoreline or public land. 60% or more of the total housing stock in Crystal Lake and Lake Townships is made up of seasonal housing units.

The resort and vacation destination character of the region is a major economic driver, and plays a major role in the region's housing market. While new housing construction declined and in

Table . 9Vacant Housing Units

Data from 2010 US Census

	Total Vacant Housing Units	For rent	Rented, not occupied	For sale only	Sold, not occupied	For seasonal, recreational, or occasional use	For migrant workers	Other vacant	Seasonal homes as % of total housing units
Benzie County, Michigan	4,901	263	11	249	37	4,035	14	292	33%
Almira township	387	23	2	35	1	299	0	27	17%
Benzonia township	900	65	2	47	12	739	0	35	35%
Blaine township	270	17	0	6	1	227	3	16	45%
Colfax township	128	4	0	8	4	96	0	16	24%
Crystal Lake township	802	10	0	8	3	757	0	24	61%
Frankfort city	341	52	2	35	0	227	0	25	24%
Gilmore township	117	5	0	6	2	80	0	24	17%
Homestead township	308	14	2	47	2	196	0	47	16%
Inland township	153	12	2	16	4	84	0	35	9%
Joyfield township	91	1	0	7	0	61	9	13	15%
Lake township	884	34	1	15	5	821	0	8	65%
Platte township	93	3	0	2	0	78	2	8	30%
Weldon township	427	23	0	17	3	370	0	14	56%
Benzonia village	66	4	0	11	6	38	0	7	14%
Beulah village	214	24	0	9	1	178	0	2	47%
Elberta village	56	5	0	2	0	35	0	14	15%
Honor village	51	9	0	16	1	15	0	10	8%
Lake Ann village	56	6	1	0	0	49	0	0	28%
Thompsonville village	62	7	0	13	5	20	0	17	8%

some cases halted following the housing crash, new seasonal units continued to be built in the region, making up a greater percentage of new housing units than in previous decades. New seasonal housing units accounted for 30% of the region's total growth in housing units between 2000-2010; in Benzie County, 45% of new housing units built during that time period were seasonal homes. In contrast, between 1990-2000, seasonal homes made up only 2% of new housing units in Benzie County.

Foreclosures

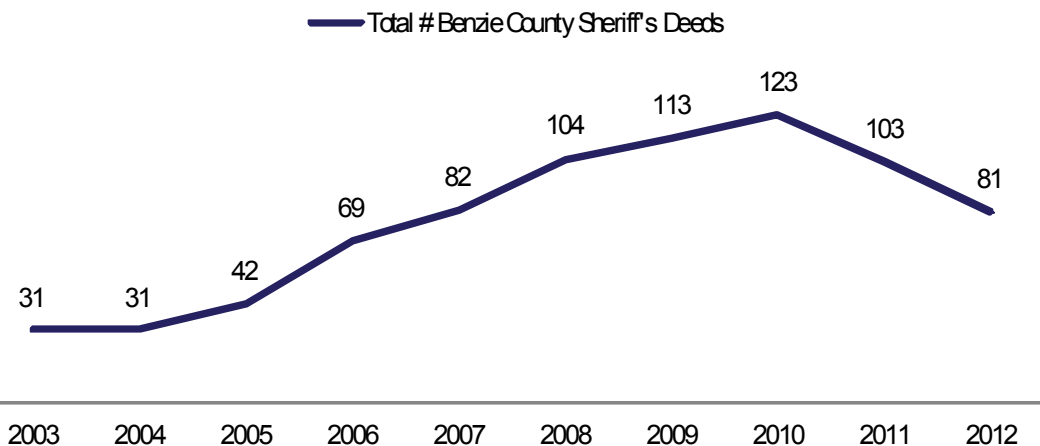
In 2008, rising home values, subprime lending, and rising unemployment combined to set off a wave of foreclosures nationwide, a phenomenon that in turn led to declining property values, high homeowner vacancy rates, and blight in communities throughout the country. In Michigan, the issues associated with foreclosures were exacerbated by consistently high unemployment rates. With homeowners facing few employment options, and with

property values experiencing a rapid decline, the state of Michigan recorded some of the nation's highest rates of foreclosure and vacancies.

While the Grand Vision region didn't experience rates as high as those found in other parts of the state, the region nevertheless experienced dramatic increases in foreclosure beginning as early as 2006. County data doesn't identify *all* mortgage defaults, but County registers of deeds provide information relative to the number of recorded sheriff's deeds, or completed foreclosures, in each county (note that mortgage defaults that haven't completed the foreclosure process are not included in the sheriff's deed counts).

Figure 11. Benzie County Sheriff's Sales (Foreclosures), 2003-2013

Data from Benzie County Register of Deeds



- Benzie County's foreclosure rates began to increase significantly as early as 2005, and peaked in 2010—one to two years later than most counties in the region. By 2010, the number of recorded sheriff's deeds foreclosures was nearly three times the number recorded in 2005.
- While the number of sheriff's deeds have declined since 2010, 2012 rates remain higher than 2005 numbers. Since 2005, over 700 sheriff's deeds have been recorded in Benzie County.

Nationally, statewide, and regionally, high numbers of foreclosures were located in communities with high numbers of subprime loans, such as adjustable rate mortgages, which are considered to have a higher risk of default. Nationwide reports indicate that low-income households – low-income minority households, in particular – with poor credit were targeted for subprime loans, a phenomenon that contributed substantially to the housing bubble and subsequent crash. Data from the Low-Income Housing Coalition (LISC) for 2004-2006, the height of the housing bubble, identifies the number of high-cost loans or “subprime” mortgages as percentages of all home purchase loans in a given Census tract.

- Mirroring national trends, many Census tracts with high percentages of risky home loans were located in or near communities

that have higher-than-average unemployment rates, poverty rates, percentages of low-income households, seniors, and single-parent households. Census tracts in Cadillac and western Wexford County, western and southern Kalkaska County, and eastern Antrim County had the region’s highest rates of subprime loans in 2006, subsequently affecting foreclosure rates in these areas.

- To better identify neighborhoods that were “hard hit” by foreclosures, the Tract Foreclosure Need Score was established for NSP3, the Neighborhood Stabilization Program (NSP) offered by HUD in 2010 (see sidebar below). The Need Score identifies communities with high numbers of foreclosed and/or vacant homes within neighborhoods that have the highest

concentrations of foreclosures, delinquent loans, and subprime loans. Each Census tract received a score from 1 to 20, with higher numbers indicating greater need. To be eligible for the NSP3 funding through the Michigan State Housing Development Authority (MSHDA), a neighborhood score would need to be at 17. All areas within the region were considered ineligible for funding to address foreclosure issues. NSP3 Need Scores in the region ranged from a low of 2, in Leelanau County, to a high of 16 in southeastern Antrim County, western Kalkaska County, and western Wexford County (see Map 8).

Buoyed by a strong seasonal home market and strong demand for shoreline and waterfront homes, the region’s housing market is recovering in many areas and for many markets.

Neighborhood Stabilization Program

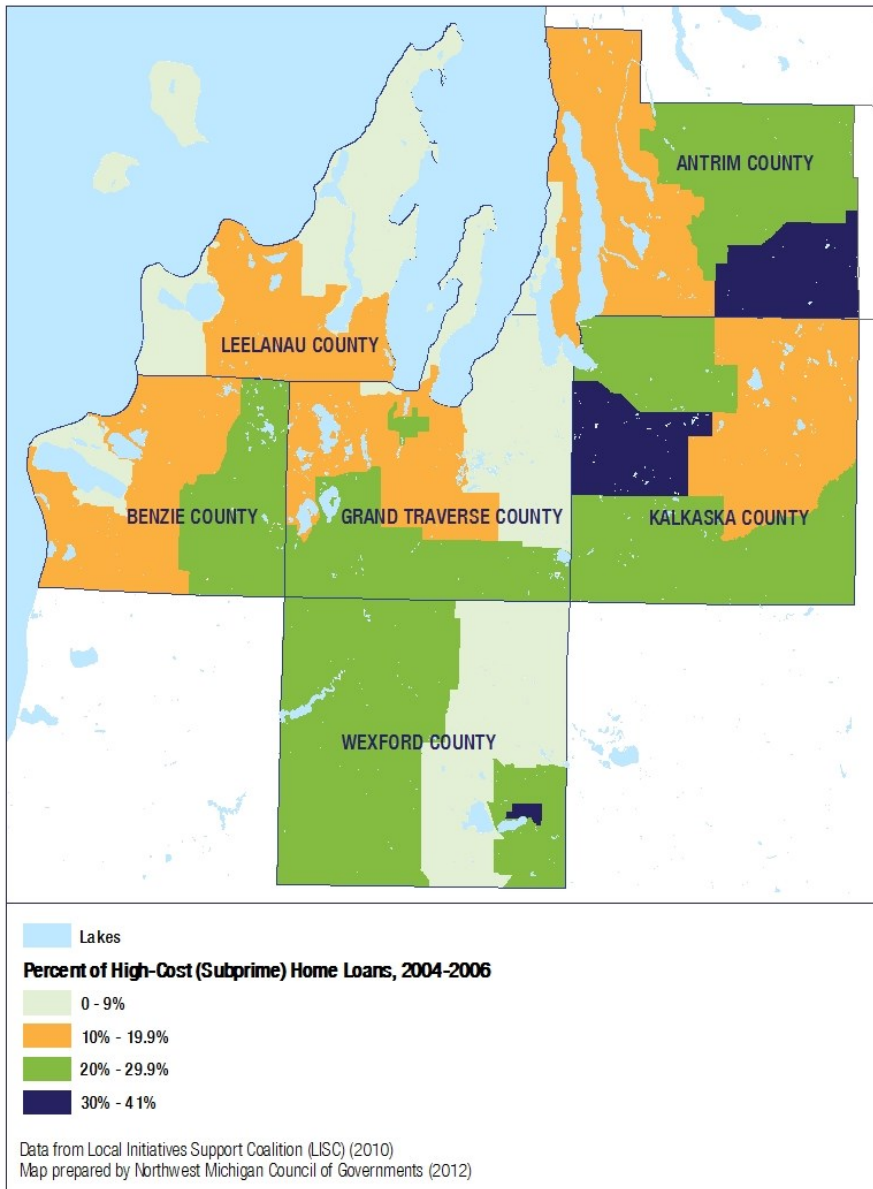
The Neighborhood Stabilization Program (NSP) was established to stabilize neighborhoods whose viability has been and continues to be damaged by the economic effects of properties that have been foreclosed upon and abandoned. Since the program was established in 2008, funding has been reauthorized twice, in 2009 (NSP2) and 2010 (NSP3). NSP funding has been used in communities nationwide to buy, restore, and resell foreclosed properties, often to low-income households. NSP funding is awarded in Michigan by the rate of foreclosures per Census tract. No Census tracts were eligible for NSP3 funding in the Grand Vision region.

However, county officials and other stakeholders in some communities report that many homes remain vacant, contributing to issues such as deterioration, blight, and declining property values. In some cases, squatters have used foreclosed and abandoned homes for unauthorized temporary housing, exacerbating difficulties with deterioration and resale. In other communities, however, sales of foreclosures have been reported to be increasing.



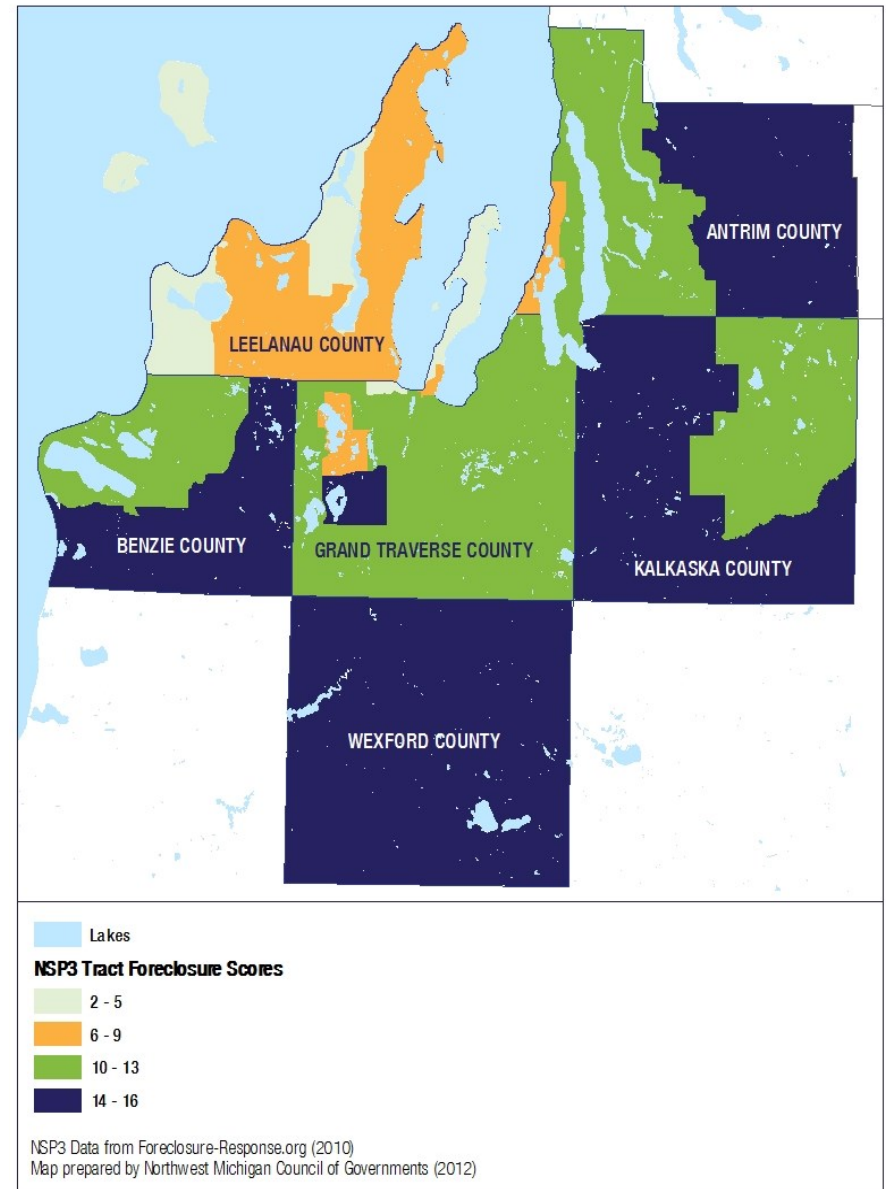
Map 7. High-Cost (Subprime) Loans

Data from Local Initiatives Support Coalition



Map 8. NSP3 Need

Data from Foreclose-Response.org



Housing Discrimination

While Fair Housing law prohibits housing discrimination based on age, gender, race, ethnicity, religion, family status, or disability, discrimination remains an obstacle for some individuals and



Fair Housing law prohibits discrimination in the sale, rental, and financing of homes based on race, ethnicity, age, familial or marital status, and disability. Housing discrimination can take many forms, including practices such as:

- Discriminatory lending
- Zoning that prohibits certain housing types
- A refusal to show, sell, or rent available housing
- Intimidation or harassment on moving to a neighborhood

Data was collected for the Grand Vision region on Fair Housing violation complaints reported to fair housing enforcement agencies including the Michigan Department of Civil Rights (MDCR), HUD, and Fair Housing Center of West Michigan between 2007-2012. Reports show that disability status discrimination constituted nearly three-quarters of complaints, followed by racial and

familial status discrimination (see Figure 12).

However, many housing discrimination cases go unreported for a variety of reasons. To determine the extent of perceived housing discrimination in the region, additional information on Fair Housing-related issues was collected via surveys, interviews, and focus groups.

The *2013 Framework for Our Future Housing Survey* asked respondents to indicate whether they had ever been discriminated against when seeking housing, and asked for further details about where the discrimination occurred, who discriminated, whether the discrimination was reported, and why discrimination may not have been reported:

- About 48 respondents answered that they had been discriminated against when seeking to buy or rent housing, in their

opinions. In contrast to data relative to Fair Housing discrimination complaints, the predominant factor in discrimination reported by survey respondents was age, with nearly half of those answering that they had experienced discrimination indicating that the alleged discrimination based on age. The second most common perceived discrimination factor was familial status, with over a quarter of respondents citing family status discrimination, followed by marital status, gender, and disability.

- Most survey respondents reported that the discrimination occurred at an apartment or other rental unit (29% and 31%, respectively). 19% of the discrimination experiences occurred at a bank or with a mortgage lender, and 8% with a real estate agent or at an open house.

- Over half of respondents indicated that the discrimination came from a landlord or property manager, while just under a quarter reported that a mortgage lender was responsible for the discrimination.
- Most instances of discrimination were reported to have occurred in Grand Traverse County (note that this reflects higher percentages of respondents to the housing Survey, along with higher population and higher numbers of housing units in Grand Traverse County).

- While substantial numbers of respondents recognized discrimination, far fewer reported it to an enforcement agency. 11% reported the discrimination to the office or company that conducted the alleged discrimination, while 3% each reported it to a fair housing group or government agency.
- The vast majority of those answering that they had been discriminated against did not report the discrimination. Comments in this section reflected that respondents “didn’t know where to report,” “thought the situation

was unfair but within the realm of law,” or that they reported it to individuals in local government. Those who didn’t report indicated that they didn’t feel that reporting would make any difference (36%), they didn’t know where to report (17%), weren’t sure of their rights (12%), were afraid of retaliation (7%). Another 35% included comments indicating that they weren’t sure if it was true discrimination or didn’t want to work with someone who discriminates.

These answers reflect findings noted in the

Figure 12. Basis of Alleged Discrimination in the Grand Vision Region, 2008-2012

Data from Michigan Department of Civil Rights, HUD, FHCWM

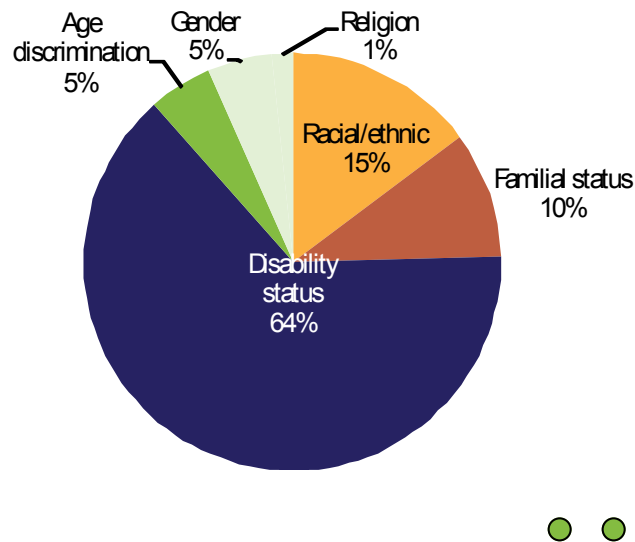
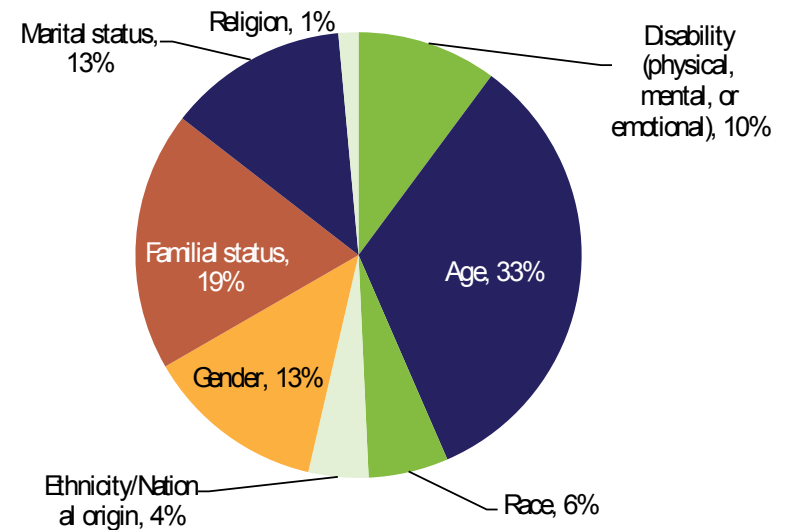


Figure 13. Survey Responses Regarding Discrimination in the Grand Vision Region

Data from 2013 Framework for Our Future Housing Survey



Michigan Analysis of Impediments to Fair Housing, which reports a finding that “large numbers of housing consumers and housing providers are unfamiliar with fair housing laws and fair housing services.” In many cases, particularly those relative to advertising on the part of small, privately-owned rentals, Fair Housing violations may result from lack of awareness of Fair Housing law. *Housing Survey* results indicated that a majority of those experiencing housing discrimination didn’t report the alleged discrimination because they weren’t sure where to report, or weren’t sure of their rights.

The lack of reporting creates some obstacles in assessing the degree to which the region experiences housing discrimination. However, Community Dialogues and stakeholder interviews report that several populations experience regular instances of housing discrimination.

Disabled population

The majority of housing discrimination complaints filed with enforcement agencies allege discrimination based on disabled status. According to Community Dialogues and interviews with service providers, housing discrimination, in various forms, is a persistent

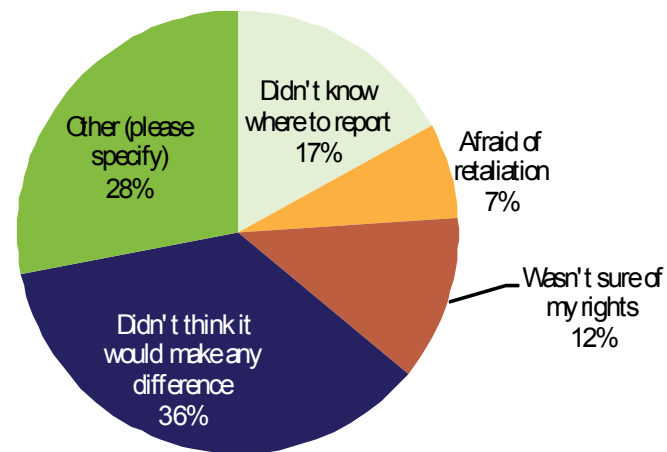
challenge for disabled individuals.

According to interviews, two primary issues are involved in disability status discrimination: therapy animals and accessibility. Often, landlords or property managers are unwilling to allow or accommodate therapy animals. Also, many rentals are inaccessible due to issues such as parking, door widths, and bathroom fixtures. While Fair Housing law requires that landlords and property owners make “reasonable accommodation” for accessibility

needs for disabled individuals, there is oftentimes a lack of awareness on the part of either the landlord or the prospective tenant. Other issues associated with discrimination based on disability status include:

- Individuals with a “hidden” disability, such as mental health issues or progressive illnesses like MS, are often reluctant to expose the disability. However, once the disability is made known, disabled renters have reported experiencing harassment

Figure 14. Reasons for Not Reporting Discrimination in the Grand Vision Region
Data from 2013 Framework for Our Future Housing Survey



from property managers, landlords, or even other tenants. Harassment can take various forms, including bullying. In some cases property managers have been reported to enforce different or more stringent rules for disabled individuals than those for other tenants.

- Many disabled individuals are reluctant to report housing discrimination because of fear of retaliation. Shortages of affordable and accessible housing compound the problem: if the tenant loses their housing, other accessible options are limited.
- Education and awareness of Fair Housing law, and how it applies to their specific situations, are significant obstacles for both renters and property owners/managers.

Native Americans

For Native Americans living on tribal lands, tribal governments have their own internal structures and processes for housing, including housing discrimination issues. However, Native Americans living outside of reservation lands are protected by State and Federal Fair Housing Laws. For those individuals, housing discrimination can present significant challenges in accessing housing. According to a 2003 national study of housing discrimination against Native Americans in urban areas in three states,

“the level of discrimination faced by Native Americans in the rental markets of the three states is greater than the national levels of housing discrimination experienced by African American, Hispanic, and Asian and Pacific Islander renters. Discrimination is most observable on measures of availability. That is, white testers were significantly more often told an advertised unit was available, told about similar units, and told about more units than similarly qualified Native American testers inquiring about the same advertised unit.”

The Grand Traverse Band of Ottawa and Chippewa Indians reports that discrimination is experienced by tribal members living in areas outside of reservation lands, and is reported regularly to the GTB Housing Department. Discrimination is reported to occur in several forms:

- Some tribal members indicate that landlords or property owners state that they are unwilling to rent to tribal members.
- Others report that property owners will hold tribal members to different standards or conditions in rental applications. For instance, work history or credit scores may be used to deny applicants, while these factors may not be considered in other

rental applications.

Other populations

Community Dialogues and survey results pointed to issues experienced by groups that are not protected by Fair Housing law. In particular, recently released parolees, especially sex offenders, have a difficult time accessing housing. Returning citizens often lack the resources to afford monthly rent or housing payments: securing employment is a challenge as well for convicted felons. Additionally, many rental complexes, including those that provide state or federal subsidies, often screen applicants out based on criminal history. Criminal background checks are standard practice for many area rental units. Many landlords do not risk renting to individuals with criminal backgrounds, out of fear for public safety and/or to avoid stigma associated with renting to former prisoners, especially in communities that experience the “Not In My Backyard” phenomenon.

For parolees that are able to secure a rental unit, they risk encountering discrimination from other tenants or neighbors that find out about their past convictions. This discrimination may jeopardize their housing situation and place the offender at risk of homelessness.

Homelessness

Severe housing instability can result in homelessness, which has extreme, far-reaching costs, both for those experiencing homeless and for the community as a whole.



Homelessness is often the result of many factors. Housing instability – caused by factors such as unaffordable housing, high energy or transportation costs, substandard housing, or housing discrimination – may result in the loss of housing through eviction or foreclosure, eventually leading to homelessness. Compounding housing instability issues are a host of other factors that can cause or contribute to homelessness, such as alcohol or other drug abuse; divorce, separation, or other personal relationship issues; discharge from a hospital; discharge from jail or prison; domestic or family violence; disability – including mental health conditions, chronic illnesses or medical conditions, or physical or developmental disabilities; and loss of income or unemployment.

Homelessness has impacts and costs that extend beyond the individual and throughout the

community. In some communities, the financial costs of homelessness have been shown to be higher than the costs of providing permanent affordable or supportive housing for formerly homeless individuals:

- Individual costs of homelessness include health costs and impacts, along with personal losses that can have generational impacts.
- Homeless children face major risks to safety, health, and well-being. Homeless children are less likely to attend school, leading to lower educational abilities and skills, in turn creating diminished long-term prospects for employment and a high quality of life.
- The social stigma of homelessness, along with the accompanying challenges of poverty and the lack of stability, lead to long

-term social, health, and economic disparities that can create generational obstacles for families.

- Homelessness both causes and results from serious health care issues, such as addiction, psychological disorders, and other ailments that require long-term, consistent care. Homeless individuals are reported to have higher rates of both chronic and acute health problems, and experience great difficulty in controlling or treating conditions such as diabetes, hypertension, addiction, and mental health disorders. As such, studies also show that longer and more frequent hospitalizations occur with homeless individuals.
- While it's sometimes necessary for short-term crises, emergency shelter is costly

when compared to permanent housing. The cost of an emergency shelter bed funded by HUD's Emergency Shelter Grants program is approximately \$8,067 more than the average annual cost of a federal housing subsidy (Section 8 Housing Voucher); and a 2010 HUD study found that the cost of providing emergency shelter to families is generally as much or more than the cost of placing them in transitional or permanent housing

- People who are homeless spend more time in jail or prison, which is extremely costly: the typical cost of a prison bed in a state or federal prison is \$20,000 per year.

Because homelessness is by nature an ever-changing situation, it's difficult to identify exact numbers of individuals in homelessness. A "point in time" count is required by the US Department of Housing and Urban Development (HUD) and is conducted by stakeholders every year in January. Every homelessness service provider in the region is asked to conduct a "census" of the homeless population served by their organization on a single day. In 2013, in the Grand Vision region, approximately 465 individuals were homeless, according to the point in time count. About 27% of those individuals were children under the age of 18.

What is Homelessness?

According to the US Department of Housing and Urban Development (HUD), a person is homeless when he/she resides in one of the places described below:

- In places not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings (on the street).
- In an emergency shelter.
- In transitional or supportive housing for homeless persons who originally came from the streets or emergency shelters.
- In any of the above places but is spending a short time (up to 30 consecutive days) in a hospital or other institution.
- Is being evicted within a week from a private dwelling unit and no subsequent residence has been identified and lacks resources and support networks needed to obtain housing.
- Is being discharged within a week from an institution, such as a mental health or substance abuse treatment facility or a jail/prison, in which the person has been a resident for more than 30 consecutive days and no subsequent residence has been identified and the person lacks the resources and support networks needed to obtain housing. For example, a person being discharged from prison after more than 30 days is eligible only if no subsequent residence has been identified and the person does not have money, family or friends to provide housing.
- Is fleeing a domestic violence housing situation and no subsequent residence has been identified and lacks the resources and support networks needed to obtain housing.

Rural Homelessness

Rural communities face a number of challenges in addressing homelessness. The region is served by several homelessness providers with limited funding that is spread over a large

geography, and emergency shelters are unavailable outside of Cadillac and Traverse City. In the Grand Vision region, emergency shelter is only available in Grand Traverse and Wexford Counties, and transitional housing, while available in other counties, is extremely

limited. With few services available in their home counties, individuals experiencing homelessness in Antrim, Benzie, Kalkaska, and Leelanau counties have serious difficulties in meeting basic needs. Input Expos, Community Dialogues, and focus groups indicated that the lack of services for homeless individuals is a challenge for many residents in the region that need to stay within their home county, where they have employment or family and friend support. Comments indicate that homeless

individuals must often choose between refusing services or relocating to Grand Traverse County or Otsego County for shelter. Input also indicated that limited shelter availability for families leaves many homeless families reluctant to seek services, in part because of fears that their families will be separated.

Table 10. Homelessness in the Grand Vision Region

Data from the 2012 Point In Time Count, Grand Traverse Area Continuum of Care/Wexford County Continuum of Care

	Grand Traverse Area Continuum of Care <i>Antrim, Benzie, Grand Traverse, Kalkaska, Leelanau Counties</i>	Wexford –Missaukee Continuum of Care <i>Wexford & Missaukee Counties</i>	Total
Men, women, and children temporarily living in an emergency shelter, transition housing or hotel, or couch surfing (bouncing from home to home)	328	137	465
Children under age 18 who are homeless	88	39	127

Future Housing Demand

Affordability issues are expected to continue to affect residents of Benzie County and the region in the coming years.



Housing market fluctuations, demographic trends, and changing preferences are creating higher demand for rentals nationwide, leading to rent increases. And, while home prices fell for several years following the housing market crash, prices in many parts of the region are recovering, and home prices are at or above pre-crash prices in some areas. Rising demand, rents, and home prices will present particular challenges to households earning low or moderate incomes.

Rental Trends and Demand

Incentives such as the mortgage deduction and first time homebuyer credit have historically been used to encourage families to move toward homeownership, but rental housing is expected to make up an increasingly important part of the nation's housing stock. Long-term effects of the nation's foreclosure crisis, growing numbers of

seniors and small households, mobility needs, and the tightening of the credit market for home loans have created increased rental demand nationwide:

- A 2012 study by the Joint Center for Housing Studies of Harvard University shows that the number of renter households nationwide could grow by 360,000 to 470,000 annually between 2010 and 2020, increasing the number of renter households by a total of 3.6 million.
- According to a 2012 study by the Demand Institute, new rental households will include former homeowners, young adults, and new immigrants:
 - Homeowners that lost their homes to foreclosure may be prevented from purchasing homes until their credit or finances improve, and will

require rental housing until they're able to purchase a home again.

- Additional rental demand is projected to come from young adults who are moving out from their parents' homes, and from those who are not yet ready to buy homes due to economic uncertainty, higher unemployment rates, student loan debt, and the need for mobility in searching for jobs.
- In the face of rising rental demand, a 2011 report (the ULI Terwillger Center for Housing) indicated that difficulties in obtaining construction financing contributed to a significant decline in new multifamily rental development; while existing rental

units continue to be lost to obsolescence and demolition. With this increased demand, vacancy rates are dropping and rent prices are increasing. An increase in demand without new supply creates limited rental availability, which in turn impacts affordability, particularly for low-income households.

Limited options for rentals, combined with increased rental demand for a changing population, could exacerbate affordability issues. Nationwide studies indicate that demand for rentals will ensure that rents stay at or above current levels.

In the Grand Vision region, growth in rental households and declining vacancy rates

indicates that the regional demand for rentals is increasing. Between 2000-2010, the number of rental households in the region grew by 20%, compared to only 8% growth in the number of owner-occupied households. This is in stark contrast to the previous decade, when homeowner households grew by 36% in the region, compared to only 6% growth in rental households. Rental demand is expected to continue to outpace homeownership demand in the Grand Vision region over the next 20 years. Analysis was conducted by Fregonese Associates, Inc. on projections developed in 2006 by the University of Michigan to show estimates of future rental demand.

- In Benzie County, total rental households

are expected to increase by about 67% by 2035, with about 700 new rental households projected for the County.

- Need and demand for affordable housing will remain critical, as 63% of total households will be earning incomes below \$35,000 per year. The increase in renter populations overall, and particularly within this income group, will exacerbate existing affordability challenges for low-income renters. Demand is projected for another 348 rental units to meet the needs of this income group through 2035.

Ownership demand

While home prices fell for several years following

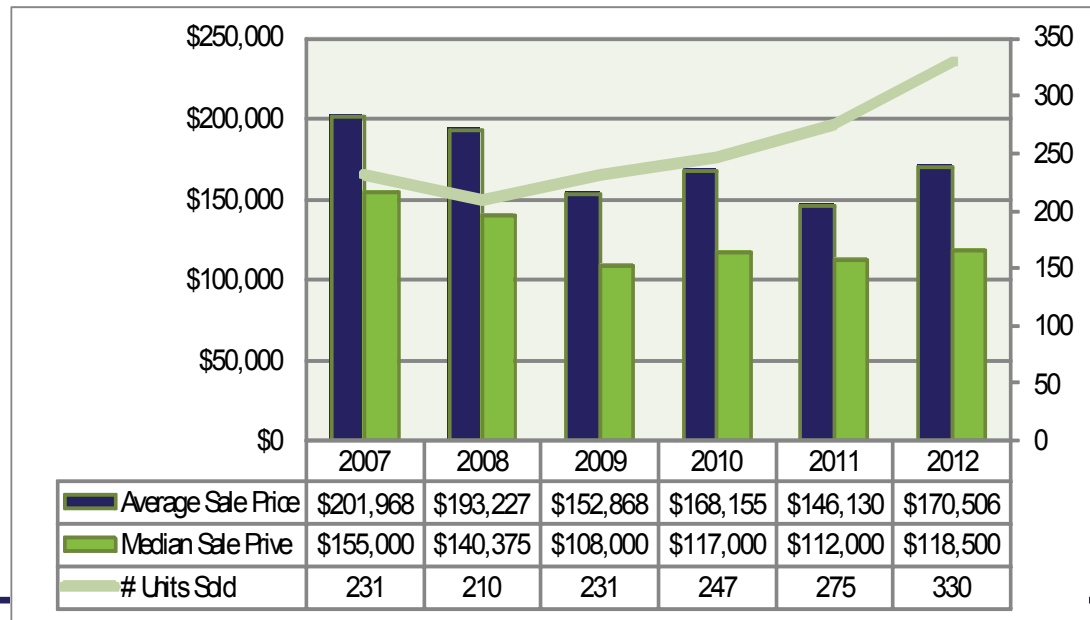
Table 11. Projected Rental Housing Demand, Benzie County, 2035

Data from analysis by Fregonese Associates, Inc.

Rental Households at Income Level								
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2010)	276	480	191	33	37	12	7	1,036
Households at Income Level (2010)	259	446	159	129	25	15	3	1,036
Projected Households at Income Level (2035)	416	687	318	219	46	40	11	1,737
Target Units Needed to Meet Projected Demand by Income	140	208	128	186	9	28	4	701

Figure 15. Benzie County Home Sales and Prices, 2007 –2011

Data from Traverse Area Association of Realtors



the housing market crash, prices in many parts of the region are recovering. In some areas, particularly in communities with large amounts of shoreline and large proportions of seasonal homes, home prices are at or above pre-crash prices; and prices and sales are rising throughout the region, including Benzie County (see Figure 15). Projections indicate that as the overall economy improves, home sales and ownership rates will improve even further. And,

despite increases in rental demand and changing preferences, national surveys, including one conducted by the Demand Institute in 2012, indicate that homeownership is still an important goal for many Americans:

- Over 80% of Americans feel that buying a home was the best long-term investment that they could make.
- 73% of those planning to move in the next three to five years indicated that they intend

to purchase their home when they move.

Fregonese Associates, Inc. analysis and projections of the region’s ownership housing indicate that nearly 2,500 additional owner-occupied households will exist in Benzie County by 2035—an increase of about 19% from current household estimates.

- Affordability will remain an issue in the future, with significant numbers of new households earning low and moderate incomes. 56% of total households will be earning incomes below \$50,000.
- To ensure adequate options for new moderate-income homeowners, demand may exist for an additional 1,079 ownership units that are affordable to households below \$50,000.

A number of trends have begun to show a shifting demand that is likely to call for a variety of housing options in addition to, or beyond, single-family homes. As the nation’s population ages, energy costs rise, and the market shifts to meet the changing needs of young people and seniors, demand for more diverse housing types is expected to increase—as is the demand for homes in walkable or urban areas. Housing preferences of both younger and older generations have shifted towards homes located

within walking distance to a variety of amenities, services, recreation, jobs, and shopping.

Benzie County Housing Demand

Projections for Benzie County and the Grand Vision region indicate that future demand will look more toward smaller homes and multi-family homes, with less of a focus on the large-lot single family homes that make up much of the region’s current housing supply:

- Large-lot single-family housing types are expected to account for about a quarter of the nation’s housing demand, while attached homes (such as townhomes) and small lot single family homes will account for about 75% of the nation’s housing demand.

- National studies indicate that the size of the average American home will shrink, as many Americans look to downsize their homes, due to economic pressures such as delayed retirement or stagnant wages. Many individuals at or near retirement age are looking to downsize: 50% of those aged 50-64, and 66% of those aged 65 and older, who are planning to move in the next few years indicated that they wanted a smaller house.

A “Balanced Housing Profile” developed by Fregonese Associates Inc. in 2012 analyzes Benzie County housing trends in comparison to the national housing market. The profile shows that future housing preferences in Benzie

County will continue to be focused on large lot single-family homes; however, small-lot single family homes are projected to grow at a faster rate, ultimately making up a slightly larger proportion of the housing stock than they do now. Findings of the balanced housing profile indicate that:

- Benzie County has a higher proportion of single family housing units (including single family units with lots over 1/6 acre in size) than national averages.
- About 46% of the County’s housing stock currently consists of small-lot single family homes, townhomes, and multifamily homes; by 2035, these housing types are expected

Table 12. Projected Owner-Occupancy Housing Demand, Benzie County, 2010-2035

Data from analysis by Fregonese Associates, Inc., 2012

	Households at Income Level							Total
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	
Occupied Housing Stock Affordable at 30% of Income (2010)	1,291	1,951	1,124	1,259	550	103	52	6,330
Households at Income Level (2010)	570	1,494	1,268	1,428	837	532	201	6,330
Projected Households at Income Level (2035)	692	2,008	1,547	1,750	1,108	360	74	7,539
Target Units Needed to Meet Projected Demand by Income	599	57	423	491	558	257	22	1,209

to make up about 49% of the County's housing choices (see Figure _).

- More demand is projected for small lot single-family homes than large-lot single family homes. An additional 655 large lot

2035, compared to a projected demand of about 807 small lot single family homes during that time period.

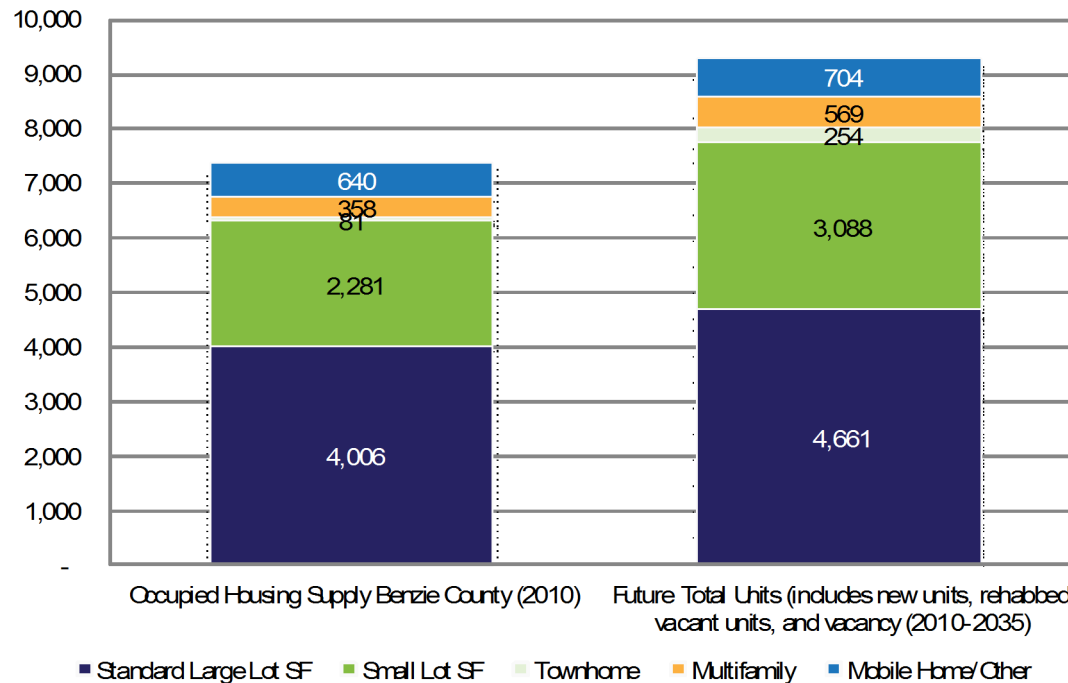
- Demand is projected for an additional 173 townhome units, 211 multifamily units, and

Responses to surveys conducted in 2012 and 2013 tend to reinforce these projections. The 2012 Grand Vision Values Survey found that about half of Benzie County residents (53%) would be willing to live in neighborhoods with smaller yards and some apartments or condos if they could walk or ride a bike to shops, jobs, schools, and parks. Additionally, in the 2013 Framework for Our Future Housing Survey, majorities of respondents expressed support for more diverse housing types in walkable locations:

- 63% of survey respondents agreed that their community needs more apartments or multi-family homes. 59% said that more single family homes are needed.
- 81% or more of survey respondents indicated that communities need additional housing choices in locations close to jobs, schools, services, and shopping, while 78% answered that more walkable homes are needed. 77% said that more housing is needed in areas close to activities and entertainment. In contrast, about 30% of respondents indicated support for more housing choices located in rural areas.

Figure 16. Balanced Housing Profile, Benzie County, 2010-2035

Data from analysis by Fregonese Associates, Inc., 2012



single family homes are projected through

64 mobile homes.

Appendix: Sources and Data



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