



The Grand Vision Housing Solutions Network  
A Citizen's Guide to  
Housing Solutions

# Grand Vision Housing Solutions Network

## Participating Organizations

Acme Township Planning Commission  
Antrim County Habitat for Humanity  
Antrim County Housing Commission  
Citizens-at-large  
City of Traverse City  
Foundation for Mental Health  
Goodwill  
Grand Traverse Area Community Living Corporation  
Grand Traverse Area Continuum of Care  
Grand Traverse Area Habitat for Humanity  
Grand Traverse County Planning & Development  
Homestretch Housing  
Kalkaska County MSUE  
Leelanau REACH  
Leelanau County Planning & Community Development  
Michigan Land Use Institute  
Michigan Prisoner Re-entry Initiative  
Michigan State Housing Development Authority  
Northwest Michigan Community Action Agency  
RED Management  
Rotary Charities  
Salvation Army  
Senator Carl Levin office  
Senator Debbie Stabenow office  
Traverse Area Association of Realtors  
Traverse Area Poverty Reduction Initiative  
Traverse City Downtown Development Authority  
Traverse City Housing Commission  
USDA  
Whitewater Township  
Women's Resource Center

# Introduction

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For years, communities throughout Northwest Michigan have been struggling with shortages of housing that's affordable to low- and moderate-income households. A gap between the region's high housing values and relatively low incomes means that many families are being priced out of our cities and towns and pushed into the countryside—away from jobs, schools, and shopping. These moves mean longer commutes, which in turn come with higher transportation costs and more time on the road—leaving less time for family and community.

Our local governments have an important part to play in encouraging and developing more housing choices. However, for our elected and appointed officials to enact policies or take other action, they must understand both the issue and the public's opinions on the issue.

Citizen involvement offers one of the most important avenues for raising awareness of an issue. When citizens are engaged, they help to raise awareness among both the public and their representatives, which often works to bring about meaningful change.

The Housing Solutions Network has developed this toolkit to give you, as a stakeholder for your community, the information needed to raise awareness of – and participate in – the community's role in creating housing choices. It includes resources for engaging in grassroots advocacy, as well as background information on housing issues.

## Housing Solutions Network

The Housing Solutions Network is a networking group that seeks to aid in development of a diverse mix of regional housing choices with affordable options that fit in with the small town character of the countryside, neighborhoods, villages, and cities of our region.

We do this by:

- Educating
- Collaborating
- Advocating
- Developing resources

Our group is made up of representatives from nonprofit housing organizations, funders, lending institutions, real estate, local government, and other housing stakeholders from Antrim, Benzie, Grand Traverse, Kalkaska, Leelanau, and Wexford Counties. We work collaboratively to raise and leverage funding, sponsor new programs and initiatives, provide educational resources, and build awareness of housing issues.

## Grand Vision Housing Goals

- **Develop greater financial and programmatic capacities** to support and enhance housing efforts of existing nonprofits.
- **Raise awareness and support** of affordable housing issues among the public.
- **Support and encourage new housing development** that is affordable, well-designed, and compatible with the region's unique character.
- **Expand location- and energy-efficient housing** choices to lower utility and transportation costs, decrease emissions and energy usage, and promote public health.
- **Target housing activities** toward existing communities to increase community revitalization, improve the efficiency of public works investments, and preserve and protect the region's agriculture and natural resources.
- **Encourage affordable housing** that is accessible to the growing numbers of seniors and persons with disabilities.
- **Coordinate planning and zoning policies** that encourage greater housing choices across government boundaries.

The Housing Solutions Network began in the early 1990's, as a response to the region's short supply of affordable housing. With housing issues increasingly becoming a concern for northwest Michigan families, schools, businesses, and local governments, the Traverse Bay Area Human Services Coordinating Council formed the group for the purpose of addressing the issue. Since then, we have:

- Commissioned the first housing needs assessment for the region. The report revealed a severe lack of housing affordable to low-and moderate-income households, describing the situation as an "affordable housing crisis."

- Based on study recommendations, Homestretch – a nonprofit affordable housing developer – was formed to develop a long-term housing development strategy. Since that time, Homestretch has developed dozens of affordable housing units throughout the region.

- Participated as sponsor in the creation of the Grand Traverse Area Continuum of Care, which works cooperatively to address homelessness in the region. Since it was established in \_\_, the Continuum has obtained millions of dollars in funding for homelessness prevention and housing activities, and has created a 10-year Vision to End Homelessness that serves as a regional plan for meeting homelessness needs.

- Created a collaborative website that serves as the region's one-stop shop for housing needs. Users can search rentals, homeownership opportunities, and a wide variety of housing assistance programs through a database.

- Provided important educational and awareness events around the issue of housing.

In 2009, the group began to work towards implementation of the policies of the Grand Vision, a 6-county land use and transportation plan. The Housing Solutions Network continues to initiate projects, identify issues and resources, and bring housing stakeholders together around common issues.



# What is Affordable Housing?

“Affordable” housing means many things to many people. The phrase often refers specifically to subsidized housing, but more generally, it is simply housing that costs 30% or less of a household’s income. When families have to spend more than that, there’s often not enough money left over to cover other important expenses like transportation or medical bills. In the Grand Vision region, around 35% of homeowners are living in unaffordable housing. For renters, that number is closer to 50%.

Because the affordability of a home depends on the household’s income, the types and prices of what is considered “affordable” housing vary dramatically. In some cases, the term is used to describe supportive housing – that is, housing that is made affordable with subsidies and linked to supportive services such as mental health care, job training assistance, addiction treatment, or other services that support independent living. However, most often, the term “affordable housing” is used to refer to housing that’s affordable to low- or moderate-income families – either with or without subsidies. A low income household is defined as one that is earning 80% or less of the area’s median income (AMI); in the Grand Vision region, that’s about \$45,000 a year for a family of four. These low-income households include many working families and individuals that are a critical part of our workforce – including police officers, teachers, firefighters, restaurant staff, and childcare workers – that serve our communities, but often can’t afford to live in them. This guide is focused on affordable housing for low-income households, including both rentals and homeownership opportunities.

## Rental Housing

Rental homes are a critical part of the region’s housing stock – and are especially important for young people, lower-income households, and those that are starting their own households or families. An adequate supply of quality rental housing is also important in attracting new employers or talent to the area.

A [2009 housing needs assessment](#) estimates that about 615-815 new rental units are needed in the region to serve families earning 60% or less of the area median income (AMI), primarily in the Traverse City area.

Rental assistance programs – including vouchers and subsidized rental units – can be available for low income families; but the need is higher than the number of vouchers or rental units. Waiting lists can be up to 5 times higher than the amount of assistance available. Applicants may not receive a voucher for two years or more.

## WHO IS LOW INCOME?

### 30% AMI: \$0-\$19,999

Hosts/hostesses  
Dishwashers  
Food Prep Workers  
Cafeteria/Coffee Shop Counter attendants  
Auto Service Attendants

### 50% AMI: \$20,000-\$34,999

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

### 80% AMI: \$35,000-\$49,499

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



### **Affordable Homeownership**

Only a small percentage of homes that are for sale in the region are affordable for moderate-income households (TAAR data). In some cases, the housing stock that is affordable for these households may be older, coming with structural problems, inadequate plumbing, or poor insulation that can result in high heating or repair bills that render the home unaffordable. Many working families or individuals that are looking to purchase a home often have to move outside of employment areas to find homes they can afford – moves that result in costly and time-consuming commutes.

To address these affordability issues, [the 2009 Housing Needs Assessment](#) recommended an additional 2120 ownership units in the 5 county region to meet the needs of households earning 80% or less of area median income – with about 1,100 of those units focused in the Traverse City area. Additionally, rehabilitation of older homes and apartment homes was recommended for the Traverse City, rural Grand Traverse, East Benzie County, Kalkaska County, and West Antrim County submarkets.

# Housing Barriers

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Costs of land in the region are high, with a premium on property that is appropriate for affordable housing development because of its accessibility to services and transportation. However, the cost of land isn't the only factor contributing to high housing values and costs. Taxes, zoning and planning policies, and other factors have major impacts on where housing is built – and how much it costs.

In some areas, high benefit fees are required for sewer and water hookup. These costs, often combined in many cases with high taxes, can raise development costs, resulting in higher subsidies per unit to make the home affordable. Additionally, local land use policies may limit the types of housing development in many neighborhoods, resulting in fewer opportunities for housing choices like apartments, townhouses, or smaller homes. Or, density requirements (that is, the number of homes permitted per acre) may limit the number of homes in a given area, reducing the opportunity for new development.

A number of policy tools can work proactively to lower costs and encourage greater housing choices (see Housing Tools). However, in order to enact these policies, a community must have public support. Lack of public support for – or active public opposition to – affordable housing can act as a strong barrier to new housing development or choice in a community. Often, negative stereotypes about residents, property values, or crime associated with affordable housing translates into opposition. Raising awareness of the facts behind affordable housing is an important first step in building support for new projects or policies. Many resources, videos, and fact sheets are available to citizens that are interested in learning more about affordable housing and how it helps create strong, vibrant communities. See “Housing Resources” below for a list of web links that provide information about affordable housing.

## AFFORDABLE HOUSING: MYTH vs. FACT

**MYTH: People who live in affordable housing won't fit into my neighborhood.**

**FACT:** Many residents of affordable housing are already part of your community: they are your police officers, bank tellers, social workers, secretaries, teachers, nurses, and carpenters. Most people who live in affordable housing have **full time jobs with entry-level or moderate wages.**

**MYTH: Affordable housing is ugly.**

**FACT:** Affordable housing is often funded in part with public money, so it needs to meet high standards – and there's often **no way to tell it apart from market-rate homes.**

**MYTH: Affordable housing will reduce property values.**

**FACT:** Many studies have shown that affordable housing does not have a negative impact on property values. In some cases, especially when it's built on vacant or blighted properties, it **can even raise property values by spurring further investment** in the area.

**MYTH: Affordable housing creates more traffic.**

**FACT:** Building affordable housing near jobs and public transportation helps to **shorten commutes and reduce congestion.**

# Housing Tools: Local Policies & Programs

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Developing affordable housing takes a strong commitment from builders, nonprofits, funders, and other stakeholders. Local governments are also a key part of the housing puzzle: without their support, it can be difficult for nonprofits or developers to obtain financing or approvals needed to build affordable housing. And in some cases, local governments have a more direct role to play in affordable housing development: by putting certain policies or incentives in place, they can provide incentives to developers to build more affordable housing. In other cases, these policies can lower the cost of land, taxes, or holding costs – thereby reducing the final sale or rental prices for residents.



## Planning and Zoning

Some local planning and zoning policies can raise the costs of development or prohibit certain types of development. These “regulatory barriers” can be major obstacles to creating certain types of housing – particularly affordable housing. Studies have determined that a number of regulatory barriers exist in the area—such as limited opportunities for alternative types of housing such as multi-family or [accessory dwelling units](#) (granny flats).

[Revising zoning](#) to allow for additional housing types or densities, especially in cities and villages, would make it easier for developers and nonprofits to create additional affordable housing. Also, some communities use [incentive-based zoning](#) to encourage developers to incorporate affordable housing into their residential or mixed-use projects. This zoning technique offers higher density, design flexibility, parking reductions, or other incentives in exchange for a certain amount of affordable housing.

## Land Bank Authorities

A [land bank authority](#) is a governmental body that can be established by counties to manage the tax-foreclosure process. When properties are foreclosed upon for non-payment of taxes, land bank authorities can take ownership of and/or manage the property. They may also buy land and buildings, or receive donations of property. Once a property is held by a land bank, it can be sold, rented, redeveloped, or simply held and maintained tax-free until it’s ready for sale or redevelopment. And, when a property is owned by a land bank authority, it is eligible for other types of financing or tax incentives that can make affordable housing easier to develop.

Land bank authorities (LBAs) can help create affordable housing opportunities through partnerships with public, private, and nonprofit agencies. For instance, the Grand Traverse County Land Bank Authority has worked with Habitat for Humanity to build affordable homes on tax-foreclosed properties. Other opportunities for LBA initiatives include participation in a housing trust fund (see below).

Local (city or township) and county government support is required for any land bank activities. Any partnerships with land bank authorities must meet the community’s priorities and needs.





## Housing Trust Funds

A [housing trust fund](#) is a local source of revenue that's used to support affordable housing activities. Revenues from certain taxes, fees, or sale of publicly-owned property are dedicated by a local government to a fund that may only be used for designated housing activities – such as building new housing units, providing rental assistance, or meeting needs of homeless populations. Housing trust funds provide a stable source of funding that local housing developers can depend on for projects that meet the community's greatest needs. In Grand Traverse County, the sale of tax-foreclosed properties, is used to supplement a county-administered housing trust fund.

## Tax Incentives

Some communities offer some form of tax incentives to developers and buyers of homes in designated areas. Incentives can be structured in a variety of ways – such as reducing the rate at which a property is assessed, or reducing overall property taxes owed for developments that include subsidized affordable housing. A number of programs have been used locally, including the neighborhood enterprise zone (NEZ) designation, which offers opportunities for tax breaks for new residential development, or for repairs and improvements to existing homes.

Another program used locally involves the use of brownfield tax credit incentives, which are primarily used to clean up contaminated or blighted property to prepare it for redevelopment. However, brownfield programs usually include financing packages or programs to encourage or assist in redevelopment, which may include affordable housing components.

A “payment in lieu of taxes” (PILOT) agreement can reduce taxes for owners of some types of affordable rental housing. In the PILOT program, an agreement between a local government and a rental property owner (private or public) allows that owner to pay a service fee instead of property taxes.

## Local Housing Resources

A wide variety of housing resources – including rental assistance programs, down payment assistance, home repair, and more – are available to residents of the region. Visit the Housing Solutions Network-sponsored website, [www.nwmhousingsearch.org](http://www.nwmhousingsearch.org), to search for regional housing programs, homes for sale, and rentals. The site also includes affordability calculators and other valuable information for both renters and homeowners.

## FOR MORE INFORMATION...

### Community Housing Choices

Access reports on housing needs and regulatory barriers, as well as fact sheets on affordable housing and policy tools such as land bank authorities and housing trust funds.

[www.communityhousingchoices.org](http://www.communityhousingchoices.org)

### Northwest Michigan Housing Search

Find rental or for-sale housing, or search the database of housing programs in the region.

[www.nwmhousingsearch.org](http://www.nwmhousingsearch.org)

### New Designs for Growth

Learn more about design, development, and planning practices that fit the unique character of the region. The site also includes links to websites and contact information for local governments in the ten-county region.

[www.newdesignsforgrowth.org](http://www.newdesignsforgrowth.org)

### The Grand Vision

Access reports, videos, updates and events around housing and other community issues.

[www.thegrandvision.org](http://www.thegrandvision.org)

# What's Next?

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## Getting Involved

Getting involved as an advocate for housing will ensure that your representatives know your opinions about housing choices, and will help build support for housing issues among the public. When you're ready to take action as an advocate for housing choices, it's important to be strategic in learning about the issue, developing relationships you develop, and using methods that effectively communicate your position or cause.

- Learn about current housing issues to find specific projects or initiatives you can be a part of. Local media outlets, or staff people from your local government or area housing nonprofits, can provide important information on housing activities.

- Joining issue-oriented groups like the Housing Solutions Network can be another great way to learn more about housing and stay engaged on housing issues. See "For More Information" (right) for websites and contact information that can help you find up-to-date information on housing.

- Attend public hearings or send written comments to elected and appointed officials on housing issues. Public hearings are required by law for many of the tools identified in the **Housing Tools** section of this toolkit.

- Seek elected or appointed office. Almost any citizen over the age of 18 can run for local office or apply for a seat on the planning commission, zoning board of appeals, or other committee.

- Campaign for candidates that represent your opinions and interests on elected boards at the city, village, township, or county level.

- Join or begin a citizen's group to advocate for your positions with a larger voice.

- Volunteer to serve on a housing nonprofit board.

## Communicating With Elected & Appointed Officials

**Elected and appointed officials** are in office to represent the interests of the community, and it is a part of their role to be available to discuss concerns with their constituents. Citizens should communicate regularly with their representatives to ensure that their concerns or interests are heard.

When advocating for specific proposals or projects, it's important to know who the key players are that can help with your efforts. Local government staff can provide information about specific proposals as well as procedures or review processes that are important in an issue. Staff can also direct you to key players such as developers or nonprofits, and can help provide contact information for elected and appointed officials.

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When communicating with your representatives, remember that any communication is better than nothing at all, and that it's always helpful to put a personal face on an issue. But, for your communication to be as effective as possible, following are a few things to remember when contacting elected or appointed representatives:

- Introduce yourself and explain why you care about the issue.
- Be clear and concise. Make a specific request, regarding current proposals or other actions they can take about the issue – such as supporting a zoning change or development proposal.
- Be prepared to answer questions.
- Be respectful of their time.
- Be a resource. Offer time and assistance if needed, and be sure to provide contact information.
- Provide material or data to support your position. When communicating via email or letter, provide background on the issue, supporting data, a brief story of community or personal impact, and a specific request. See “Housing Resources” (above) for websites that offer information on housing needs and policies.
- Follow up with a letter, email, or phone call. Following up helps preserve the relationship you've developed and shows that you remain committed to the issue. And, when your elected official supports your position or issue, say thank you, both personally and publicly.

For a directory to help you find contact information for your local, state, or national representatives, visit [www.newdesignsforgrowth.org](http://www.newdesignsforgrowth.org).

## Providing Public Comment

Public hearings are an important way for citizens to make their voices heard – but the nature of a public hearing sometimes results in a confrontational approach to public comment. In order to make your case effectively, it's important to take a factual, focused, unemotional approach. Some key points to remember:

- Protect your credibility by avoiding personal attacks or statements that can't be verified.
- Be prepared with a short speech (5 minutes or less) highlighting critical issues.
- Be clear and concise.
- Make specific suggestions about the project or proposal.
- Stay on topic.
- Focus on the issues.
- Use good research and rely on facts, rather than assumptions or emotion.
- Don't make statements in favor of excluding some types of people. Exclusionary or discriminatory policies are illegal.
- Make sure you thoroughly understand the issues you are commenting on. If you have questions, work with local government staff or other resources.
- Many voices are stronger than one: show support for your position by encouraging participation from other citizens. Share information and resources with friends, civic clubs, or faith groups to raise awareness of local housing issues, or use social media (like Facebook) to post information or updates with your peers quickly and easily.

## Working with the Media

The media plays an important role in housing issues: editorials, news stories, and letters to the editor carry messages to a wide audience and have huge impacts on public opinion and local policy. In many cases, media coverage of an issue is the result of citizen activism. Letters to the editor can begin important discussions, and in other cases, citizens can work directly with the local media, by contacting or meeting with editorial staff to encourage stories on a particular issue or project.

## Key Points

When advocating for a position or issue with local governments, the media, or the public, it helps to have “talking points” that summarize the major issues. Following are a few key points that illustrate the region’s housing issues.

- Over 2100 affordable for-sale housing units are needed in the region through 2014. Another 600-800 affordable rental units are needed in that same time period. Most of those are needed in and around our region’s employment centers (see the 2009 Housing Needs Assessments online at <http://communityhousingchoices.org/reports.asp>).
- Families paying more than 30% of their income for housing costs are at higher risk of foreclosure or homelessness. About 35% of homeowners, and about 50% of renters, in our region are in that situation.
- Shortages of affordable housing don’t just affect families and individuals. They also create additional traffic, affect school enrollment, and leave less income for families to spend at local businesses.
- The residential stability and quality living conditions provided by affordable housing have significant impacts on the quality of life and health of families and children– including improved school performance, reduced stress-related health impacts, and improved nutrition and overall health outcomes. (See the National Housing Coalition “Housing and Health” report at <http://www.nhc.org/media/documents/HousingandHealth.pdf> for more information).
- In order to afford an average rental in Grand Traverse County, a minimum wage worker would need to work 82 hours per week. (See the National Low Income Housing Coalition’s “Out of Reach” website for more information: <http://www.nlihc.org/oor/oor2011/calc.cfm>.)
- “Low-income” jobs make up an important and critical part of our workforce – including professions such as teachers, police officers, emergency responders – that serve our communities, but can’t always afford to live in them.