

# Leelanau County Housing Action Committee (HAC) Meeting

Date: Monday, October 10, 2022 at 3:00 PM  
Location: Leelanau County Government Center (lower level)  
8527 E. Government Center Dr.  
Suttons Bay MI 49682

*(Proceedings of the meeting are being recorded and are not the official record of the meeting;  
the formally approved/accepted written copy of the minutes will be the official record of the meeting.)*

*(Please silence any unnecessary cellular/electronic devices)*

## Draft Agenda

**Call to Order**

**Proposed Agenda**

**Public Comments**

**Staff Comments**

**Consideration of August 8, 2022 Minutes *pgs 2-5***

**Old Business**

**Discussion / Action**

1. Introduction: Zachary Hillyer, Leelanau County Housing Ready Program Director at Housing North *pg 6*
2. Discussion: Goals / recommendations for Housing Ready Program Director and how HAC can interact  
(*see attached HAC documents for reference*) *pgs7-12*
3. Update: Homestretch – Marek Rd/Suttons Bay

**Communication Items** - Housing Summit Oct 27-28, <https://www.housingnorth.org/nwm-housing-summit>

**Public Comments**

**Staff Comments**

**Member Comments/Chair Comments**

**Adjournment**

**2022 Members:**  
Lois Bahle, Chair  
Melinda Lautner, Vice-Chair  
Frank Clements  
Rick Foster  
Phil Hallstedt  
Tony Lentych  
Casey Noonan  
John O'Neill  
Sharon Oriel  
Ty Wessell  
Claire Wood  
Steve Yoder  
*Resource: Yarrow Brown,  
Housing North*

**A regular meeting of the Leelanau County Housing Action Committee (HAC) was held on Monday, August 8, 2022 at the Leelanau County Government Center.**

**CALL TO ORDER**

Meeting was called to order at 3:00 pm by Chair Lois Bahle.

**ROLL CALL**

Members Present: L. Bahle, F. Clements, C. Wood, J. O’Neill, S. Oriel, M. Lautner, T. Lentych, T. Wessell, M. Lautner

Members Absent: R. Foster, P. Hallstedt, C. Noonan, S. Yoder

Staff Present: T. Galla

Public Present: Yarrow Brown, W. Irvin, L. Mawby, Michael McMillan

**CONSIDERATION OF AGENDA**

*The agenda was accepted by consensus, as presented.*

**PUBLIC COMMENTS** – None

**STAFF COMMENTS** – None

**CONSIDERATION OF JUNE 13, 2022 MINUTES**

Page 2 of the minutes under ‘Update on Housing North’, should state **Suttons Bay Chamber of Commerce**, not Suttons Bay Village.

*It was moved by Lautner, seconded by Oriel, to approve the minutes as corrected. Motion carried 8-0.*

**OLD BUSINESS** – None

**Updates:**

**Home Sweet Home - Permanently Preserving Modest Homes**

O’Neill provided an update on the progress of Home Sweet Home (see attached handout). He stated they are working to improve existing modest homes and perhaps sell through the Land Trust under Peninsula Housing, or place deed restrictions on the properties. This would be zero percent financing that goes with the home. They have a goal to protect existing homes so they are not lost to higher buyers. They are focusing on sites that meet USDA loan requirements.

**Peninsula Housing**

Mawby stated they are working on a number of projects and also identifying sites, and what they would need for approval. They need assistance to navigate the process and being ready is so important.

**Housing North**

Brown stated that interviews will be held this Thursday for the Housing Ready Position in Leelanau County. Two candidates will be interviewed, and this is also occurring in 2 other counties who are interested in a Housing Ready Position. They are moving forward but it’s also a challenge to find the right candidate for each position. Each candidate has been asked to provide a 20-minute presentation first, and then we will do follow up questions.

Brown also spoke of a new rental grant opportunity and she will provide more information on that in the near future. They are also mapping all of their projects throughout the region.

Bahle commented on the difficulty of educating local officials. She asked if the Housing Summit would have any discounts for local officials. Brown said they could look at that. They do have sponsorship opportunities. The summit is expensive with speakers, location, etc. They would like to expand and encourage more people to attend.

Wessell mentioned the contribution from Leelanau Township Foundation for the Housing Ready Position. The Foundation was the earliest and biggest funder and he wondered how the resources from the Housing Ready Position would be used around the county – if you contribute more, do you get more services? Brown replied that sometimes one project needs more assistance. Right now, the east and north side of the county seem well represented. We still need funding and other communities will be asked.

Members discussed projects and the need for assistance from this new position. Where is the need? Members noted that measuring the assistance given to a community by the amount they contribute would be difficult. Brown said they would not measure assistance provided by the amount they paid. Oriel added that a project in one community may actually help a neighboring community.

#### **Discussion / Action**

##### **Letter of Support – NMCAA application**

Members reviewed the draft letter in the agenda packet. It was suggested to add language incorporating the ALICE numbers for Leelanau County (Asset Limited, Income Constrained, Employed).

***It was moved by Oriel, seconded by Clements, to approve the letter of support with the suggested changes. Motion carried 8-0.***

Galla will provide a revised copy for Chair Lois Bahle to sign.

##### **How will the HAC interface with the new Housing North position?**

Brown explained the process in other counties and the leadership team they established for the positions. This person would attend the HAC meetings, instead of Brown. They would also have a work plan outlined for them with tasks. The work plan would assist in how they work with your community, the HAC, and other funders and organizations. Brown added that in other counties, the housing groups are not under the county – they are nonprofit or volunteer groups that came together. Oriel felt that as a committee, we should make a commitment that we are available as a resource. We should make that commitment and make it publicly known. Brown felt it was important for HAC members to attend meetings with the new person and do introductions.

##### **Proposed Housing Session**

Galla said she was working on an idea to have a large housing session with anyone interested in housing or affected by lack of housing to attend and participate. She stated this was in the early stages of planning and she had reached out to a couple individuals who are very interested in facilitating the session. We have talked about housing for more than 20 years and we can't wait. We need more assistance. Her goal is to try and get everyone to commit to doing something with regard to housing, once we get through this session. Galla wants the session to focus on Leelanau County.

O'Neill noted a lot of awareness has been raised on the issue of housing and a lot has been done. Where can we get funding? Brown commented on a similar type session that was held a while ago in another county and

offered to connect Galla with the organizer of that event. There is a lot to cover and you may need more than a couple hours to get to all of it.

Clements suggested this information be shared with the new Housing Ready person.

Members liked the idea of the session and would like an update as plans go forward.

**Status of Projects:**

**Habitat for Humanity – Maple City**

Irvin gave an update and noted that tomorrow night will be the 3<sup>rd</sup> meeting with the township board. There has been discussion on subsidy and the township board requested a revised brownfield plan with a cost split of the increased taxes on the property.

Lentych noted that they have to want this. Wood suggested talking points and a personal message to the township. Brown added this is a new tool for township use.

Mawby said the township government is making an investment in the community, not subsidy. They are investing the tax money into the community.

**Homestretch – Marek Rd**

Galla said the last she heard there was still money to be raised to finish out the project.

Lentych requested that future updates include the timeline and timing of the work. Galla said she would ask and see if that information could be obtained.

Bahle noted that Suttons Bay school needs 4 teachers and the Road Commission needs 6 people. Plus, there are needs of the local fire department. These are needs for essential workers – can some of these organizations fill the funding gap for the units?

**COMMUNICATION ITEMS** – Housing Summit flyer – October, 2022.

**PUBLIC COMMENT** – None.

**STAFF COMMENT** – Galla commented on interviews.

**MEMBER COMMENTS/CHAIR COMMENTS** – None.

**ADJOURNMENT**

*Meeting adjourned by consensus at 4:25 p.m.*

## Home Sweet Home Mutual Aid Society, Permanently Preserving Homes for the 7th Generation

### Progress Report, Aug 8, 2022

- New volunteers:
  - Rolf von Walthausen, 5 years on Leelanau Reach Board, employed for many years by GT Land Conservancy, a form of land trust
  - Will Fagan, ten year veteran of Habitat Grand Traverse, continues to volunteer as a Habitat GTR committee member
- Productive meeting Larry Mawby of Peninsula Land Trust, Jason Potes, John O'Neill  
Shared goal: permanent preservation of decent homes  
Home Sweet Home begins w potential buyer & home they've selected via our criteria, and Leelanau Land Trust begins w property & evaluates suitability  
We can cooperate by
  - Develop home & site criteria generally acceptable to Leelanau Land Trust (LLT)
  - Share home criteria w potential homebuyers; select families & best home/sites for review by LLT
  - Agree in advance w LLT on fundraising protocol, esp. re messaging and clarity in Donor expectations.
  - LLT reviews proposed properties, accepts or rejects
  - For rejected properties, HmSwthm may elect to secure rejected property with a deed restriction
- John has had preliminary discussions with Wendy Irving CEO and Angela Clem, Chief Operations Officer of Habitat GTR. Will Fagan and John have asked to meet to outline how we can cooperate and help Habitat serve more families.
- We may continue to reach out to other suitable non-profit partners as we work toward the realizing our first permanent preservation of owner occupied homes.
- An employee of a local school is interested in organizing garage sales to support this work, as she sees the pressing need and that it will possibly bring in more students.
- We continue to publicize the need and our plan to cooperated with existing groups.

We will now be meeting the 2nd and 4th Wednesday of the month, usually at Oryana West (former Lucky's Market), and work on assigned tasks in the interim. Call ahead to confirm location.

This is an ecumenical Christian movement serving the community's need for modest homes. This is love in action. We neither proselytize nor discriminate and welcome anyone willing to share in this work.

ZACHARY HILLYER, Leelanau County Housing Ready Program Director

Zach has more than a decade of experience in the nonprofit and government sectors. He has worked in multiple capacities during his career, including as the Director of Enforcement at the Toledo Fair Housing Center and the Manager of Compliance and Performance Excellence at Lucas Metropolitan Housing. As the Housing Ready Program Director, Zach works with communities to expand housing opportunities throughout Leelanau County.

Zach received his Juris Doctor with honors from the University of Toledo College of Law and has a Bachelor of Arts in Political Science from the University of Toledo. He, his wife, and their cats relocated from northwest Ohio to northern Michigan in 2021. Zach loves spending time outdoors and finding new natural areas to explore.

[zach@housingnorth.org](mailto:zach@housingnorth.org)



## ARE YOU READY?

HOUSING READY COMMUNITIES CHECKLIST  
Leelanau County Housing Action Committee – June 8, 2019

### INTRODUCTION

This checklist is designed to help communities evaluate their own standards, strategies, plans, and ordinances to ensure they are designed in a way that meets local needs for workforce housing. Many communities have successfully encouraged workforce housing by including some or all of the following elements in their planning documents and zoning ordinances.

Leelanau County and all of northwestern Michigan is experiencing a well-documented housing shortage – particularly rental housing – that is affordable to a broad range of income levels. The short supply of available housing leaves many families with few choices but to live in deteriorating, inadequate, unsafe, or unaffordable homes. Conversely, families and young people may choose to live elsewhere, limiting our workforce and harming businesses. Businesses struggle to find employees who can afford to live in the County and often lose employees to businesses where more affordable housing options are available. Quality housing means quality employees.

Without spending significant resources, local governments and communities can help by ensuring that a variety of housing options are available throughout the County that meet the needs of all income levels. Local and county governments can work in partnership with developers and community organizations and businesses to support housing goals and smart, sustainable projects.

#### *What is Workforce Housing?*

We encourage each community to create its own definition of workforce housing as appropriate. However, generally speaking, workforce housing means housing our workers can afford – our teachers, our restaurant employees, our firefighters, our electricians, those making around the County's median income. Nearly all experts agree that a household's housing costs should not exceed 30% of its income. Therefore, workforce housing commonly refers to housing that costs less than 30% of the area's median income. Current local median income data can be found at <https://www.huduser.gov/portal/datasets/il.html#2018>.

#### *Planning Commissioners Role.*

Planning commissioners are responsible for making decisions about zoning and development in villages and townships in Leelanau County. This means planning commissioners are essentially the 'gate keeper' for directing and determining what type, how much, and where workforce housing is built in your community. No other zoning authority in the county regarding these issues exists, so whatever regulations the planning commission creates are final. Communities can consider zoning changes that invite and allow for more housing to be developed.

If we want to attract workforce housing development to our communities, we should ask ourselves this question: Are our policies and procedures fair, timely, and predictable enough for a developer to begin a dialogue and consider developing housing in our community? Without proper regulations and policies, developers are forced to pursue expensive, time consuming rezoning or variance requests interfering with project schedules, creating project uncertainty, and often litigation or abandonment of their project. Together, we can create housing that suits our communities needs while preserving the local character that makes Leelanau County such a desirable place to live.

#### *Let's Work Together!*

*Housing is an issue that impacts each and every household and business in Leelanau County. Thank you for working together to ensure that the next generation of Leelanau County residents have a place to call home. **We're here to help!** Please contact the Leelanau County Housing Action Committee for technical assistance, help with zoning reviews, or questions or suggestions with the checklist. We hope it helps!*

**Leelanau County Housing Action Committee: [housing@co.leelanau.mi.us](mailto:housing@co.leelanau.mi.us) or (231) 256-9812**

## COMMUNITY NEEDS ASSESSMENT

1. Y  N  Has your community expressed an interest or need for more housing options?
2. Have the following stakeholders participated in discussions regarding the need for workforce housing?  
 employers                       school districts                       families                       local residents  
 developers                       landowners                       nonprofits                       other jurisdictions
3. What methods have been used?  
 questionnaire/survey    public comment                       online options                       public meeting(s)  
 presentation of options with discussion                       focus groups                       other \_\_\_\_\_
4. Y  N  Has your community conducted an analysis of your current housing supply including the percentage that is affordable for low- to moderate-income families in the workforce?

## PLANNING STRATEGIES

*Has your community considered or implemented:*

1. Y  N  a Master Plan that advocates for housing that meets the needs of all residents
2. Y  N  setting a goal for an amount of workforce housing needed (as a number of units or as a percentage of total housing) and developed a method to track progress
3. Y  N  mapping priority development areas in and adjacent to villages and settlements where workforce housing is to be included with other housing types
4. Y  N  “pre-permitting” selected sites within the designated priority development area(s)
5. Y  N  becoming “Redevelopment Ready Certified” to access Michigan Economic Development Corporation (MEDC) financing, resources, and marketing?

## ZONING STRATEGIES

*Does your community’s zoning ordinance include/allow the following:*

1. Y  N  an established, simple, and easily accessible process to develop workforce housing
2. Y  N  lot splits
3. Y  N  single family homes to be converted to multi-family units
4. Y  N  expanded boundaries of high density residential districts
5. Y  N  a mixture of densities and dwelling types that are allowed by right (preferably) or by special use, especially in priority development area(s), including:
  - a. Y  N  multi-family housing (townhomes, condos, apartments, duplexes, multiplexes, etc.), with the same/similar lot dimension requirements as single-family homes when practical
  - b. Y  N  small minimum dwelling size (450 sq. ft. or less is suggested) for all housing types
  - c. Y  N  zero lot line homes
  - d. Y  N  dormitory housing in certain districts under defined conditions



- e. Y [ ] N [ ] mixed-use buildings that allow housing in commercial districts
  - f. Y [ ] N [ ] accessory dwelling units (ADUs)
  - g. Y [ ] N [ ] cottage developments
6. Y [ ] N [ ] “long-term rental” and “short-term rental” are defined
  7. Y [ ] N [ ] an ordinance that regulates short-term rentals, including limiting or prohibiting short-term rentals of non-owner occupied homes in districts targeted for workforce housing
  8. Y [ ] N [ ] a residential rental ordinance
  9. Y [ ] N [ ] Planned Unit Developments (PUDs)
  10. Y [ ] N [ ] form-based zoning in districts that have been designated as priority development area(s)
  11. Y [ ] N [ ] encourage or incentivize energy efficiency and sustainability to maintain affordability
  12. Y [ ] N [ ] overlay districts to delineate priority development area(s) for workforce housing

*Does your community allow incentives for workforce housing including:*

1. Y [ ] N [ ] density bonus when retaining open space
2. Y [ ] N [ ] density bonus when a percentage of units are set aside for workforce housing
3. Y [ ] N [ ] reduced number of parking spaces required
4. Y [ ] N [ ] reduced utility hookup fees
5. reduced minimum dwelling and lot width and size for:
  - [ ] below market-rate housing
  - [ ] districts targeted for workforce housing
  - [ ] in-fill development
6. Y [ ] N [ ] height bonuses if residential is incorporated in a mixed-use building
7. Y [ ] N [ ] emphasizing incentives in priority development area(s)

*Has your community considered the following regarding Accessory Dwelling Units (ADUs or “Grannie Flats”):*

1. Y [ ] N [ ] minimal restrictions on ADU height, dwelling size, lot area, ratio of ADU size to primary residence size, maximum number of bedrooms/occupants, and parking
2. Y [ ] N [ ] ADUs for long-term rentals allowed by-right
3. Y [ ] N [ ] one attached and one detached ADU is allowed on same property
4. Y [ ] N [ ] limit or eliminate short-term rental of ADUs in districts targeted for workforce housing

## FUNDING & FINANCING

*Has your community considered or implemented:*

1. utilizing the following to provide financing for developers and buyers when banks won’t lend:
  - [ ] Opportunity Resource Fund
  - [ ] Michigan Housing Trust Fund Allocation Plan
  - [ ] other \_\_\_\_\_
2. Y [ ] N [ ] providing tax incentives for making major repairs to workforce housing

3. utilizing the following to acquire land or fund the development of workforce housing:
- Leelanau County Land Bank     Brownfield Redevelopment Authority     tax increment financing
- housing tax exemption     Payment In Lieu of Taxes (PILOT)     private/government grants
- private land trusts     local investment groups     private and public donations
- other \_\_\_\_\_

## DEVELOPMENT OPPORTUNITIES

*Has your community considered or implemented:*

1. Y  N  partnerships with nonprofits, businesses, schools, and private developers to advance workforce housing development?
2. Y  N  working with partners such as Leelanau County and Housing North to market housing development opportunities?
3. Y  N  whether your current infrastructure supports increased housing density?
4. identifying factors that limit density:
 

parking                       roads                       soil conditions                       Brownfield(s)

septic/sewer                       other \_\_\_\_\_
5. Y  N  opportunities to rehab deteriorated, abandoned, or unused buildings or properties for workforce housing?
6. Y  N  a transparent, easy to follow “developer’s checklist” of zoning and other requirements that must be met before a project is launched?
7. Y  N  forms and permits that are simple, easy to access, and make the development process as transparent and efficient as possible?



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## Leelanau County Government Role in Housing Affordability and Availability

Our county government can play a positive role to support housing affordability and availability. There is widespread recognition of the need for housing that local workers, families, and individuals can afford to purchase or rent with local wages. It is appropriate for county government to play an active role in encouraging the private sector, non-profits, and local governments to contribute to housing affordability and availability.

The Health Department, Building Safety Department, Planning & Community Development Department, County Road Commission, and Equalization Department each directly or indirectly affect the construction of housing and the utilization of existing housing stock. The Land Bank Authority and Brownfields Authority are two key participants. Additionally, the county may have broader access to financing and funding sources available from state entities such as MSHDA (Michigan State Housing and Development Agency) and MEDC (Michigan Economic Development Corporation).

The County can help foster and promote housing in four significant ways:

1. **Community Relations and Planning:** Community relations and planning encompasses how the county, working with townships and villages, promotes the construction of all appropriate housing types in their communities.
  - A. Utilize the Leelanau County General Plan which encourages housing that responds to the needs of all residents.
  - B. Work with community stakeholders to advocate for workforce housing at the local level.
  - C. Partner with local and regional agencies to promote the need for a variety of housing types.
  - D. Advocate in partnership with Housing North at the state level for changes to Brownfield and TIF scoring mechanisms in rural areas.
  - E. Work with local jurisdictions to help them comply with the Housing Action Committee's Housing Ready Communities (HRC) Checklist.
  - F. Promote township and village consideration of density requirements, Short Term Rental (STR) limits, housing size requirements and available development incentives to reduce the costs of home ownership for young families and first-time home owners.
  - G. Continue to promote consideration of possibilities for local governments and home owner associations to limit STRs that deplete inventories for affordable work force and young family housing.
  - H. Promote consideration for increasing the availability of seasonal housing by creative options for summer housing of service and tourism-related workers.
  - I. Publish and make available HUD housing affordability indices to benchmark Leelanau County compared to regional, state and national performance.
  - J. Maintain and publish the HRC Checklist on the county government website.
2. **Support Development:** Developers and not for profit housing providers would be encouraged to build appropriate or affordable workforce housing in the County by educating them about opportunities to do so, and offering support to efficiently work through township and village regulatory processes.
  - A. Work with homebuilding associations, construction trade associations and others to help identify and mitigate constraints on their member's ability to construct affordable workforce housing.

- B. Encourage Benzie/Leelanau Health Department to work with the Department of Environment, Great Lakes, and Energy (EGLE) to maintain a preapproved list of Alternative Treatment Systems (ATS's) which will allow workforce housing to attain higher densities.
  - C. Work with EGLE to streamline the Part 41 multi-family well and septic permit process and approvals.
  - D. Make communities aware of grants and how to utilize them to rehabilitate deteriorated, abandoned, or unused buildings or properties.
  - E. Review Building Safety Department forms and permits to ensure they are simple, easy to access, and make the process as transparent and efficient as possible.
  - F. Encourage energy efficiency through building codes for long term affordability.
  - G. Encourage new construction and remodeling projects which support accessibility for all citizens.
  - H. Arrange for prospective developers to meet with key County, township and village officials in one meeting.
3. **Financing/Funding:** Provide assistance to housing developers and potential homeowners by making them aware of available programs and financing to assist them in funding their housing projects.
- A. Utilize Land Bank and Brownfield tools to acquire land for workforce housing.
  - B. Identify sources to make financing readily available for existing and new affordable housing.
  - C. Apply and be the recipient of funding sources for existing and new affordable housing.
  - D. Advocate with state agencies such as MSHDA, MEDC and others to make their programs and funding devices available to rural developers, builders, government, and nonprofit housing providers.
  - E. Work with Housing North and local jurisdictions to identify opportunities to access funds from community development finance institutions (CDFIs) and other sources for developers and buyers when banks won't lend or gap financing is needed.
  - F. Develop a model Payment in Lieu of Taxes (PILOT) policy and model ordinance allowing PILOT's, and encourage local jurisdictions throughout the county to adopt this model language.
  - G. Be knowledgeable about public funds available to the county for communities in need of public infrastructure improvements for housing projects.
4. **Marketing and Promotion:** A marketing and communications plan would be established allowing the County to promote to all interested parties, opportunities to construct housing throughout the County.
- A. Create a marketing plan for the County and local jurisdictions to promote to investors, real estate developers, non-profits, etc. the opportunities for workforce housing.
  - B. Work with local governments and Housing North to promote Housing Ready Communities/Sites that are available in townships and villages to developers, builders, investors and housing providers.
  - C. Post on the County website information to investors and real estate developers informing them of current housing policies, county owned housing sites, and links to planning, zoning and development information.
  - D. Post on the County website the latest marketing needs analysis and other pertinent housing information available from regional and state planning agencies.
  - E. Utilize grants and creative staffing opportunities such as interns to implement the above recommendations, and/or consider partnerships with local governments and other local stakeholders for shared housing staff.