

# Leelanau County Housing Action Committee (HAC) Meeting

Date: **Monday, September 25, 2023 at 9:00 AM**

Location: Leelanau County Government Center – Commissioners Meeting Room  
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**

**Organizational Items**

**Public Comments**

**Staff Comments**

**Consideration of July 10, 2023 Minutes *pgs 2-4***

**Old Business**

**Discussion / Action**

1. Housing North – One Year Report – Housing Ready Program (Yarrow Brown) *pgs 5-8*
2. Discussion on Funding Options for Housing
3. Updates on other projects: Homestretch, Habitat for Humanity, Peninsula Housing, Home Sweet Home, other
4. Other Business

**Communication Items – MSHDA Housing TIF Training, October 9 *pgs 9-***

***10*<https://www.michigan.gov/mshda/developers/tax-increment-financing-tif>**

**Public Comments**

**Staff Comments**

**Member Comments / Chair Comments**

**Adjournment**

**2023 Members:**  
Lois Bahle-Chair  
John O'Neill-Vice-Chair  
Gwenne Allgaier  
Frank Clements  
Rick Foster  
Phil Hallstedt  
Melinda Lautner  
Casey Noonan  
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, July 10, 2023 at the Leelanau County Government Center.**

**CALL TO ORDER**

Meeting was called to order at 4:00 pm by Chair Lois Bahle.

**ROLL CALL**

Members Present: L. Bahle, F. Clements, R. Foster, M. Lautner, S. Oriel  
T. Wessel,

Members Absent: S. Yoder, G. Allgaier, J. O’Neill, C. Noonan, P. Hallstedt, C. Wood

Staff Present: T. Galla, Director, G. Myer, Senior Planner

Public Present: W. Irvin

**CONSIDERATION OF AGENDA**

***Members approved the agenda by consensus.***

**PUBLIC COMMENTS** – None.

**STAFF COMMENTS** – None.

Bahle mentioned the “Housing Needs Assessment” presentation. Oriel commented that they have had good press coverage under it and she encouraged members as they communicate to marry the housing needs assessment with the ALICE Report. These two complement each other for our county and make the need very clear.

**CONSIDERATION OF MAY 8, 2023 MINUTES**

***Minutes accepted by consensus.***

**OLD BUSINESS** -None.

**DISCUSSION/ACTION**

Letter of Support for Leelanau County Rural Readiness Grant Application

Galla gave a brief update, saying the County Board approved moving forward with this grant application. Galla said they submitted the first step which was a letter of interest which outlined what the county anticipated doing with the money. Galla said they are now working on the grant application which requires at least three letters of support and she is asking this board for a letter.

***Motion by Oriel, supported by Wessell, to provide a letter of support for the Leelanau County Rural Readiness Grant application. Motion carried 6-0.***

Galla clarified that it is written in the grant that this would be a contracted position, not a county employee.

## Discussion on Funding Options for Housing

Bahle said the Housing Trust Fund presentation had an amazing list of options, but she is not sure what they can offer. Perhaps they could compile a list of options and present it to the County Board. Bahle said fees on STR's (Short Term Rentals) are one possibility, but that is cumbersome. She wondered how hard it would be to access funds through a transfer fee for building a fund base or how much money would that actually generate?

Clements asked if they knew what was allowed in the county or state. Also, interest rates were mentioned in the presentation and he doesn't know where that is coming from. How do they find out about these programs that only someone in the county or state government would know about. Galla said the interest rate is probably the interest earned on the money sitting in the fund. She is not sure about the transfer tax. She has asked a few different agencies in the past, but she isn't sure if this requires a change in state law or not. Galla mentioned the \$29.00 recycling fee and said that it brings in a good amount of money. Maybe there is a way of tweaking that, since it is already law, so that money could be used for other things. Lautner agreed that they need to get that legislation changed, so money can be used for other things that they are charging a millage for now. This would be a fairer taxation.

Lautner questioned who they were looking to that would help put in affordable rental housing. Clements said all of the people that applied for the affordable housing in Northport. Oriel said firemen, teachers and essential workers. Lautner said people who do not currently live here then. Foster stated that all of the fire department in Northport lives outside the county. Lautner said that may be a problem for Northport but that is not a problem for the southern township. Bahle said it is a problem for Suttons Bay. Foster added it is for Glen Arbor. Lautner said she does not want to tax people in the southern part of the county to put housing in the northern part. She said they are assuming that the people they would potentially be helping are working in this county. Oriel said they could make that a requirement. Clements felt they were getting ahead of themselves. Wessell spoke regarding the families living and working in the housing project in Northport and said it is written into the contract that they can't appreciate the value of the house in the short term.

Discussion ensued on housing and restrictions in the county for keeping workers here and keeping kids in our schools.

Galla said the Housing Needs Assessment and the ALICE report data along with knowing what other organizations could do, makes it possible to figure out how many housing units are needed and what the "gap" would be. Bahle felt they could work on how many units are needed, what that cost is, and the gap funding needed. Lautner mentioned Carter Rd. and the trouble there. Wessell stated that is voucher housing, which is not what HAC is talking about. Assessments on housing with a value over half a million dollars might be a source of funding. Wessell concluded by saying that zoning reform is the most important tool.

## Discussion ensued on ADU's (Accessory Dwelling Units)

Oriel questioned what from the list of revenue sources (handed out) is possible in the county. Galla said a lot of the things being brought up are things that would be in a housing plan; Leelanau County has never done a housing plan. She will share some old documents that were put together, but never adopted.

Updates on other projects:

Irvin reported that Habitat for Humanity sold the four units in Maple City and are starting the final two. They will also be starting 14 more with New Waves soon.

Bahle reported on the Homestretch project on Marek Rd., saying that the windows are in and the siding is going up. Peninsula Housing just closed on a duplex in Lake Leelanau. The tenants will remain in the house. In conclusion, Bahle said the Herman Rd. house is being rehabbed and they are looking for applicants.

**COMMUNICATION ITEMS** – None.

**PUBLIC COMMENTS** – None.

**STAFF COMMENTS**

Galla said Hallstedt and Wood volunteered to work on the HAC goals, both have been too busy.

**MEMBER/CHAIR COMMENTS**

Clements mentioned Sara Lucas doing a presentation and said her organization ties together a lot of things.

**ADJOURNMENT**

Meeting adjourned by consensus at 4:51 p.m.



# MEMORANDUM

To: Leelanau Housing Action Committee

From: Yarrow Brown, Executive Director, Housing North

Date: September 18, 2023

Subject: Housing Ready Program Update, Housing Needs Assessment and new tools

## **Housing Ready Program Update/Progress Report-**

Included in this report is a summary for the first year of the Leelanau County Housing Ready Program. We are working on a one-page document and summary to share with units of government and supporters. It will be available in a few weeks.

[Here is a link](#) to a folder for the Housing Action Committee with resources compiled over the last year for Leelanau County.

## **Housing Needs Assessment for Leelanau County**

According to the most recent Housing Needs Assessment (June 2023), Leelanau County has an overall housing gap of **2335 units**, this includes a gap of **382 rental units** and a gap of **1953 for-sale units**. *Of these about 22 percent or 510 units are for market rate or those making more than 120% of the Area Median Income (AMI).* The majority (55%) of **rental housing** gaps in the county are for those making less than 50% of the Area Median Income (AMI) or for those making less than **\$46,000/year (rents below \$1167/month)**. While the greatest **for-sale housing** gap in the county is for products priced between **\$273,000 and \$349,000** which is affordable to households earning between \$74,712 and \$112,000. There is also a gap in for sale units for those making 50% or less of the AMI or for sale homes that are less than \$155,667. Of the residents of Leelanau County, 5208 people (67.5%) are employed outside the county, while 2505 (32.5%) are employed within Leelanau County. In addition, 4028 (62.7%) people commute into Leelanau County from surrounding areas for employment.

[Here is a link to the Leelanau County section](#) of the report and a new [Summary Document for Leelanau County](#).

*\*Note: There is an opportunity to have an assessment for specific Leelanau County Villages and Township, for an added fee of \$2500 but it needs to have a population of over 2500 to make it worth the cost.*

## **Suggested next steps for Housing Ready Program Q4, 2023 and into 2024**

- Dive deeper into the next steps for a Housing Trust Fund for Leelanau County
  - What questions does the HAC have?
  - Presentations to the Board of Commissioners when ready?
- Finalize Housing Opportunity Map using data from the Housing Needs Assessment
  - Connect developers to projects and complete an analysis of where the new tools for housing could be implemented.

- **November Housing workshop** focused on community engagement, the new housing Tools, Housing Action Plan , Housing Trust Fund
- **Begin Community Outreach** for a Housing Action Plan

### **Other Opportunities/Programs:**

1. [New Housing Tools](#)- The County is poised to use the new tools for housing, which were signed into law in December 2022. This link provides information on our website about the new tools and the Housing Michigan Coalition. If you scroll down there are summary sheets for each of the tools
2. [Housing Ready Program](#)-Opportunity to expand existing programs- [Accessory Dwelling Unit](#) and [Deed Restriction Programs](#) to Leelanau County- and develop new programs.
3. First [draft Regional Housing Plan](#) through the [Statewide Housing Plan](#)- Support implementation of the plan and advocate for resources to our region.
4. [State Land Bank grants](#) and other MSHDA funding opportunities ([New Brownfield/TIF for housing](#))
5. [9<sup>th</sup> Annual Housing Summit](#)-Please sign up if you haven't already. Great opportunities to collaborate, learn and connect.

### **Example projects/successes**

- City of Traverse City- Converting parking spaces to housing ([Lot O project with Homestretch](#)) and moving forward [important zoning changes](#) for housing. Some are still controversial.
- [Emmet County](#)- Here is a link to a recent blog post on projects in Emmet County. They also made significant zoning changes for housing, are moving projects forward in the City of Petoskey (RRC certified).
- [City of Frankfort](#)- Grove place, a community land trust project. They are also leading the way with zoning changes for workforce housing.
- [City of Manistee](#)- They have a Housing Action Plan and are working on a Neighborhood Enterprise Zone to revitalize and rehabilitate some of their neighborhoods.

## Highlights of the Leelanau County Housing Ready Program- A year in Review

- #10 Housing Projects supported/monitoring (#76 units)
- #25 public meetings attended.
- #8 of presentations to various organizations, workshops, and conferences
- Advocated for zoning reform in #5 communities.
- Organized and participated in #3 Outreach Events
- Connected with at least 10 developers and individuals interested in housing.
- Provided #6 letters of Support.
- Attended #3 groundbreaking events for 2 projects in Leelanau (Maple Crossings and Vineyard View)
- #82 units in progress, #16 finished/occupied.
- #4 year-round rentals preserved.

## Projects In progress/tracking/supporting.

- Fairway Residences – Northport (also potential workforce PILOT) #48
- New Waves/Habitat, check on Missing Middle application – Bugai (14)
- Elmwood Township – new development proposed.
- 40 Acres in Empire Township
- Empire Village (#3 sites)
- Old State Hospital- Northport
- Peninsula Housing (Suttons Bay property)

## Projects Completed

- Maple City Crossings – Completed (#6) possibility for expansion.
- Vineyard View Apartments –#8 Homestretch, close to occupancy (#8)
- Peninsula Housing (#4) – Duplex preserved, For sale CLT home in SB, one rental and one home in NP

## Successes/Highlights

- **Our communities are updating their zoning and master plans and including support for housing and increasing density.**
  - Village of Suttons Bay's draft Master Plan has housing action items directly from the HR checklist and is considering zoning updates and already increases in certain districts and increasing square footage for ADUs in certain districts to unify regulations (800 sq ft for all)
  - Suttons Bay, Bingham, Leelanau Township recently reviewed the HR checklist.
  - Cleveland Township modified its guest housing provision from its zoning ordinance in a manner that would allow for ADUs.
  - Empire Township – Master Plan updated is in progress, initial steps, they included a nice overview of housing issues the region is facing.
- **Created a database of resources** for Leelanau County (a work in progress)
  - housing overlays, affordable housing preservation, dedicated funding sources, and housing trust funds

- analysis and chart creation comparing Zillow median home values to median family income.
- provided charts on housing affordability and supply for Leelanau County
- funding sources for ADU construction, short-term rentals including where and how STRs are regulated in Leelanau County (including links to ordinances and summaries of regulations).
- **Leelanau County Housing Action Plan-**
  - Circulated examples of Housing Action Plans to HAC members, as potential action item for county to complete.
  - Created a working document and begin developing framework for [Leelanau County Housing Action Plan](#)
- **Provided technical assistance and information on housing resources to units of government, organizations, and community members. Provided direct support to 11 units of government.**
  - including data on Housing Needs Assessment, Housing Ready Checklist and new tools for housing shared with all units of government including follow up emails related to Housing Tools including the PILOT ordinance, housing stock, affordability, links to ACS data, STRs in Leelanau County, statewide legislation proposed that would affect STR regulation.
- **Attended Village and Township PC meetings** to distribute Housing Ready Checklist, MAP Zoning Reform Toolkit and make introduction to Housing North/Programs
- **Presentations and attendance at meetings with key partners included.**
  - Leelanau Christian Neighbors, Leelanau Peninsula Chamber of Commerce, Leelanau Peninsula Economic Foundation, and Northport and Leelanau Township Planning Commissions
- **Supported our Community Land Trust Peninsula Housing** on various initiatives.
- **[Create materials and resources for the HAC including.](#)**
  - Created a handout on Housing Trust funds including research, analysis, and proposal development of HTF.
  - **Coordinated and held a housing trust fund presentation** (July 2023) with Community Change and dedicated funding sources research including a presentation to the HAC and create materials and resources for the HAC.
- **Provided letters or support in support** of housing projects, zoning, and master plan changes.
- **Prepared and submitted a funding application to create an ADU program** in Leelanau County - through the GTB 2% fund and with support from Leelanau County
- **Supported communities who were interested in applying for an ORD Rural Readiness Grant Program** and provide letter of support to Peninsula Housing for ORD Rural Readiness Grant





## MSHDA

### MSHDA Housing Tax Increment Financing (TIF) Program

On July 18, 2023, legislation was signed to amend 1996 Public Act 381, the Brownfield Redevelopment Financing Act, and gives MSHDA new review, oversight, and funding roles. This includes Tax Increment Financing for housing.

MSHDA anticipates authorization of the program from its Board of Directors by September 2023.

Interested parties can view the recent legislation at [Michigan Legislature - Senate Bill 0129 \(2023\)](#).

MSHDA is currently developing guidance regarding the new roles, responsibilities, and opportunities that these changes will bring about. Questions and/or comments can be directed to [MSHDA-TIF@michigan.gov](mailto:MSHDA-TIF@michigan.gov).

#### **Housing Subsidy Calculation**

MSHDA has developed the [Potential Rent Loss \(PRL\) and Potential Development Loss \(PDL\) Calculations plus a Total Housing Subsidy \(THS\) Calculation](#) to establish the reasonableness of certain housing activities for which tax capture is being planned. MSHDA is interested in gathering feedback on this calculation methodology in order to ensure that this Housing TIF Program is meeting the need of developers and communities. Initial review and feedback from stakeholders will help MSHDA craft the most appropriate process possible so please take this opportunity to respond to this information. All comments, questions, and general feedback can be sent to: [MSHDA-TIF@michigan.gov](mailto:MSHDA-TIF@michigan.gov).

#### **UPCOMING TRAININGS**

Please mark your calendar for the MSHDA Housing TIF Program trainings below. Please note, the below trainings will be targeted towards particular stakeholders (consultants, developers, and municipalities/BRAs); however, they are open for anyone to attend.

#### **MSHDA Housing TIF Training for Consultants**

Monday, October 2, 2023 from 1:00pm – 2:00pm

Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 283 448 382 182

Passcode: R5fq5

[Download Teams](#) | [Join on the web](#)

**Or call in (audio only)**

[+1 248-509-0316,,89030852#](tel:+1248509031689030852) United States, Pontiac

Phone Conference ID: 890 308 52#

**MSHDA Housing TIF Training for Developers**

Friday, October 6, 2023 from 10:00am – 12:00pm

Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 247 762 020 323

Passcode: kmYpt8

[Download Teams](#) | [Join on the web](#)

**Or call in (audio only)**

[+1 248-509-0316,,311642493#](tel:+12485090316311642493) United States, Pontiac

Phone Conference ID: 311 642 493#

<https://www.michigan.gov/mshda/developers/tax-increment-financing-tif>

**MSHDA Housing TIF Training for Municipalities/Brownfield Redevelopment Authorities**

Monday, October 9, 2023 from 1:00pm – 2:00pm

Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 210 435 391 614

Passcode: k9sZjm

[Download Teams](#) | [Join on the web](#)

**Or call in (audio only)**

[+1 248-509-0316,,291929696#](tel:+12485090316291929696) United States, Pontiac

Phone Conference ID: 291 929 696#

**NOTE:** This page will be used for program announcements when appropriate.