



# Attainable Housing Initiative

Glen Lake Community Schools

December 9, 2024



# Sleeping Bear Gateways Council



- Our **vision** is that the unique character of our gateway communities and regional natural resources remain undiminished for the benefit of its citizens, visitors, economy, and environment.
- Our **mission** is to **facilitate stakeholder collaboration** to enhance sustainable gateway communities.
- Our **Board** represents **skills and experiences in development, design and urban planning, finance and project advocacy.**

1. **Outlining the need for workforce housing**
2. Testing a model to provide attainable housing
3. Locating land at no cost





# Why Focus on Housing?

## Leelanau County Housing Needs



The county has an overall housing gap of **2,335 units** through 2027



**RENTAL GAP**  
**382 rental units**

The greatest rental housing gaps in the county are for the two lowest housing affordability segments (rents below \$1,867 that are affordable to households earning up to 80% of Average Median Household Income).\*



**FOR SALE GAP**  
**1953 for-sale units**

The greatest for-sale housing gap in the county is for product priced between \$249,067 and \$373,600, which is affordable to households earning between \$74,721 and \$112,080. There are substantial gaps among all price segments.

Rental Housing Gap Estimates (2022 - 2027)				
Percent of Median Income	≤ 50%	51%-80%	81%-120%	121%+
Household Income Range	≤ \$46,700	\$46,701-\$74,720	\$74,721-\$112,080	\$112,081+
Monthly Rent Range	≤ \$1,167	\$1,168-\$1,867	\$1,868-\$2,802	\$2,803+
<b>Overall Units Needed</b>	212	90	61	19

For-Sale Housing Gap Estimates (2022 - 2027)				
Percent of Median Income	≤ 50%	51%-80%	81%-120%	121%+
Household Income Range	≤ \$46,700	\$46,701-\$74,720	\$74,721-\$112,080	\$112,081+
For Sale Price Point	≤ \$155,667	\$155,668-\$249,066	\$249,067-\$373,600	\$373,601+
<b>Overall Units Needed</b>	498	383	581	491

\*2022 MEDIAN HOUSEHOLD INCOME \$71,232

# Why Focus on Housing?



## Elementary School Teacher

Average Income  
**\$61,650**

Max Housing Budget  
**\$1,541/mo**

Median cost to own a home in Leelanau County

**\$4,961/mo**

Median home sale price of \$695,500.

**Flywheel**



# Why Focus on Housing?



## Leelanau Housing Affordability by Wage by Occupation

Occupation Title	Wages	Max Rent	Max Price	Rent	Own
Elementary School Teachers	\$61,650	\$1,541	\$204,633	Yes	No
Teaching Assistants	\$29,520	\$738	\$98,400	No	No
Retail Salesperson	\$30,170	\$754	\$100,567	No	No
Waiter & Waitresses	\$29,860	\$747	\$99,533	No	No
Registered Nurses	\$76,430	\$1,911	\$254,767	Yes	No
Accountants/Auditors	\$60,650	\$1,516	\$202,167	Yes	No
Carpenters	\$46,710	\$1,168	\$155,700	Yes	No
Electricians	\$45,720	\$1,143	\$152,400	Yes	No

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# Gateway Communities Rural Workforce Housing Study Summary



## Summer 2024 Study Goals

1. Identify and re-state known workforce housing needs in the Gateway Communities
2. Define the challenge in more detail, with particular attention to rural development constraints
3. Prototype a development model to fill existing gaps in the local workforce housing ecosystem





## Known Workforce Housing Needs

The “Missing middle” and LMI (low-to-moderate income) homeownership gap;  
The persistent need for both permanent and seasonal workforce rental units

- Building upon the work of others, we find there is great need for permanent workforce residents such as teachers and essential workers. This population is struggling to find job-proximate housing in an extreme real estate market dominated by wealthy second-home owners and land holders interested in proximity to the significant value of the national park.
- For residents under 80% AMI (area median income) there are limited opportunities for subsidized rental units. Such opportunities are significantly less viable in Leelanau County, and there is no opportunity for wealth creation through homeownership.
- In local economies that rely upon seasonal tourism, there is a need to house a seasonal workforce to support the local business community. While permanent workforce housing is the primary goal, we examine the potentially beneficial overlap between permanent workforce homeownership and seasonal workforce rentals as a mechanism for a secondary stream of household income.

The Gateway Council communities have a housing gap of almost 4,000 units.\*

Between 2010 and 2022, the Gateway Council communities lost almost 600 rental units.\*

The median household income in Leelanau County is \$71,232. In Benzie County, it is \$62,022.\*

\* 2023 Housing Needs Assessment:  
<https://www.housingnorth.org/housing-data>



## Filling the Workforce Housing Gap

Working with a wide range of local housing advocates, developers, end-users, and other stakeholders, we find a great need for innovation in financing, planning, design, and development that fills the current workforce housing gap.

A functional solution must:

- Provide permanent affordability (accessible approaches to home equity) to grow and maintain a permanent workforce community
- Address both the rental and homeownership gap
- Provide and integrate units across a mix of incomes
- Serve diverse household types
- Enable development on rural land not served by municipal infrastructure
- Provide socially supportive design to build strong and lasting local culture
- Uphold values of environmental sustainability and responsible land stewardship in design, construction, and maintenance
- Build upon (and mutually support) local and regional assets, models, and relationships already in place (Peninsula Housing, Housing North, etc.)
- Act as a repeatable model for workforce housing development



## Defining the Challenge: Development Financing

Local constraints such as skewed incomes in Leelanau County and limited state financing for rural development make typical workforce housing sources challenging to obtain in a reliable way, and in a volume that meets the need

- Developing permanent workforce housing is not viable without some form of assistance from either the public sector and/or philanthropic investment.
- Low Income Housing Tax Credit (LIHTC): Not available in higher-income areas such as rural Leelanau County. Does not support homeownership.
- Community Housing Development Organization (CHDO): A specific kind of nonprofit that gets some funding from HUD. There are only two CHDOs in the region and funding is limited.
- Lack of reliable federal, state, and local financing sources for affordable homeownership: One-time state funding programs have been available but are not guaranteed to continue, with no clear path to replace them.



## Defining the Challenge: Infrastructure

Rural development constraints in areas without municipal systems

- Developing efficient housing units in socially supportive communities with diverse housing needs and incomes is especially challenging in areas that do not have access to municipal water and sewer services
- Shared water and waste systems are cost-efficient and allow for a diverse but focused range of housing types to meet the real needs of the local workforce community (in comparison to the dominant model of large single-family homes, each with its own well and septic system)
- State-level regulation of groundwater use (wells) and waste (septic) constrains the scale of rural housing development to approximately 30 housing units



## Creating Permanent Affordability: A Community Land Trust

A *Community Land Trust* (CLT) is a nonprofit organization that acquires and holds land in trust for the long-term benefit of a community. Its primary purpose is to ensure affordable housing, prevent displacement, and provide community stewardship of land. Here's how it generally works:

- **Ownership Structure:** The CLT owns the land, but individuals or families can buy the homes or buildings on the land. This arrangement separates land ownership from building ownership, which can help keep housing costs lower.
- **Permanent Affordability:** To maintain affordability, CLTs set restrictions on resale prices, so that when a homeowner sells, the price is capped to ensure it remains affordable for the next buyer. This approach prevents market-driven inflation from pricing out future residents.
- **Community Control:** A CLT is often governed by a board that includes residents, community members, and local stakeholders. This ensures that the land trust operates in alignment with community needs and priorities.
- **Additional Uses:** While housing is a common use, CLTs can also manage land for community gardens, commercial spaces, or other public uses that benefit the neighborhood and align with the community's needs.
- CLTs are a way to address issues like housing insecurity, gentrification, and lack of affordable housing in a sustainable way that puts community needs over market forces.



# Community Land Trust Functions

A CLT works by acquiring and holding land in a way that maintains long-term affordability. Here's a breakdown of how it typically functions:

## 1. Land Acquisition

The CLT purchases land or receives it through donation. Funding might come from grants, donations, or partnerships with government agencies.

## 2. Separation of Land and Buildings

To create affordable housing, the CLT separates ownership of the land from ownership of the buildings on it. The CLT retains ownership of the land, while residents buy the homes built on it.

## 3. Ground Lease Agreements

Homeowners sign a *long-term ground lease* (usually 99 years) with the CLT, which grants them secure rights to the land. This lease provides them with many benefits of homeownership (equity building, stability) but includes clauses that ensure the property remains affordable over time.

## 4. Resale Restrictions for Affordability

CLTs set rules for how and at what price homeowners can sell their homes. Resale restrictions typically cap the appreciation on the property, allowing homeowners to earn some equity while keeping the home affordable for the next buyer.

## 5. Community Control and Governance

CLTs are generally managed by a board composed of community members, CLT homeowners, and local stakeholders. This governance structure allows the community to influence decisions, ensuring that the land remains in line with local needs and values.

## 6. Broad Applications Beyond Housing

Although CLTs are widely known for housing, they can also manage land for community gardens, commercial spaces, parks, and other public or mixed-use spaces that serve the community's needs.

# Community Land Trust Functions

## An Example Scenario

A CLT buys a parcel of land and builds several affordable housing units on it. A family buys one of the homes but signs a ground lease with the CLT, agreeing to sell the home at a modest profit if they move. Years later, when they sell, the resale price cap ensures that another family with moderate income can afford the home, keeping it affordable for the community.

In this way, CLTs support stable, long-term affordable housing and community-centered land use, helping communities prevent displacement, reduce housing insecurity, and build a sense of local ownership and stewardship.



# A Prototype for Rural Workforce Housing Development

Our research concludes that a repeatable model for local development can be created to meet the following specifications:

Land Acquisition	Household Types	Design and Planning	Ownership and Governance	Potential Partners
Land acquired and held by a Community Land Trust (CLT)	Serves diverse household types: <ul style="list-style-type: none"> <li>Families with children</li> <li>Families without children, including multi-generational households</li> <li>Aging adults</li> <li>Singles, including seasonal workforce</li> </ul>	Socially supportive design to build strong and lasting local culture	A Community Land Trust (CLT) acquires and owns land, maintains shared infrastructure across multiple clusters of development	Housing North (ongoing advocacy and the development of a lending pool to finance workforce housing)
Land parcelized, as needed, to enable viable pockets of ~30-unit development (per state regulation) atop land owned by CLT	A mix of incomes: <ul style="list-style-type: none"> <li>Year-round workforce homeownership (50-120% AMI)</li> <li>Year-round workforce rental (50-80% AMI)</li> <li>Seasonal workforce rental (40-60% AMI)</li> <li>Topographically challenging areas may be selectively developed at market rate by owner</li> </ul>	Upholds values of environmental sustainability and responsible land stewardship in design, construction, and maintenance	Partnership with a local land conservancy enables maintenance of any non-developable land area and management of public access to such recreational landscapes	Peninsula Housing (a growing CLT in Leelanau County)
Separate development LLC required per housing cluster		ADUs* provide income stream for residents through seasonal workforce rentals	Limited-equity Cooperatives are established to allow households with lower incomes to own a share of buildings with shared amenities	The Leelanau Land Conservancy (ensure access to, and stewardship of, natural assets)
Acquisition strategy considers the environmental value of land as a natural and recreational asset + a housing solution		Shared infrastructure and operational burdens reduce household burden, cost, and risk during maintenance		Local banks (create CDs for construction financing, mortgages for residents)
				Local philanthropy

\*Accessory Dwelling Units (ADUs) are income units attached to a primary permanent workforce dwelling to provide mutually beneficial secondary income for workforce residents and permanently affordable seasonal workforce rentals during the summer season



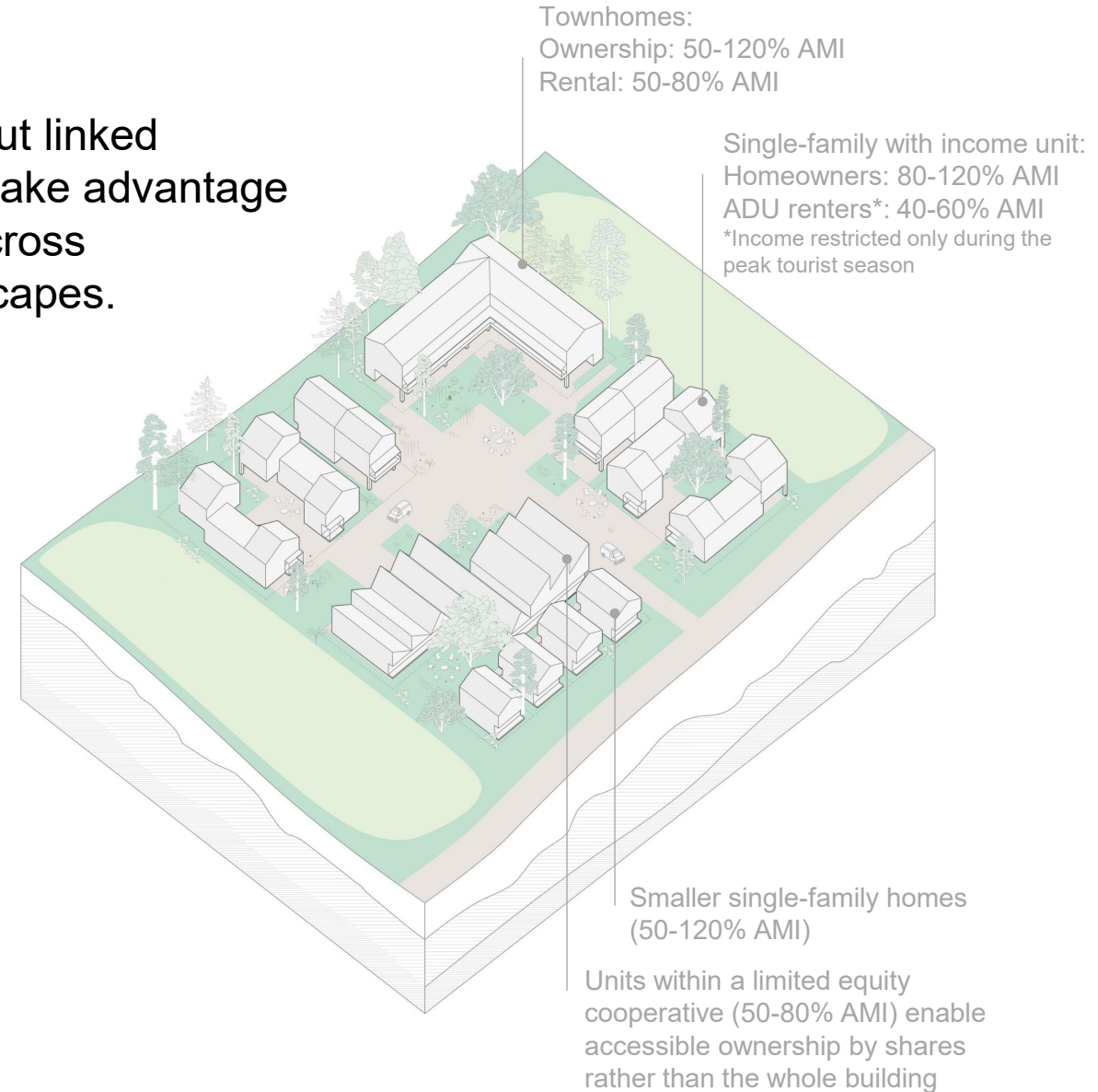
# Housing Cluster Planning

Clusters of development – like small and independent but linked villages – accommodate infrastructural constraints and take advantage of contiguous CLT holdings to enable greater sharing across infrastructure, shared amenities, and recreational landscapes.



Compact development enables access to shared community amenities such as gardens, bonfire pits, and playscapes

Design and planning must prioritize meaningful places that sustain the community – financially, socially, and environmentally



# Community Planning and Design

The housing clusters and homes within them are designed to optimize social overlap and sharing of otherwise inaccessible amenities while accommodating household privacy and individual needs.

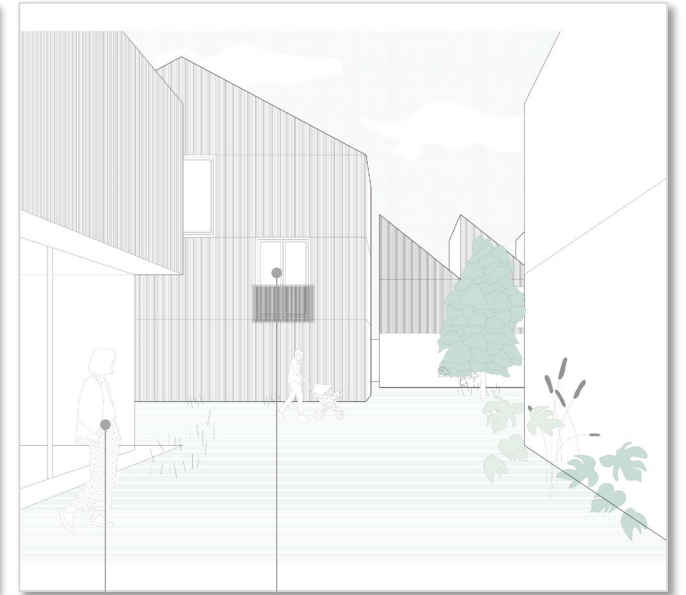


Pedestrian priority designs for shared hardscape and softscape are calibrated to support safety and community health. This is a local cul-de-sac designed for 21<sup>st</sup> century living and culture.



Housing design builds upon local vernacular structures

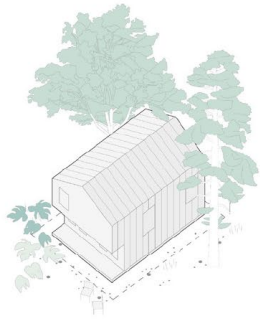
Connections between workforce housing clusters and the natural landscape beyond are integral as a defining aspect of design.



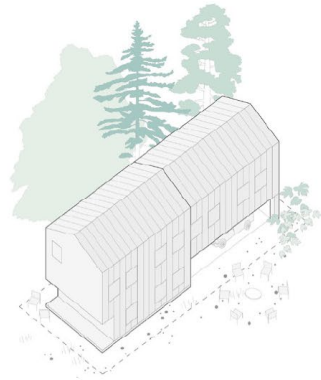
Porches and balcony conditions are prioritized for all housing types to provide an opportunity for “accidental” social encounters and to provide a buffer between community and individual household spaces.

# Community Planning and Design

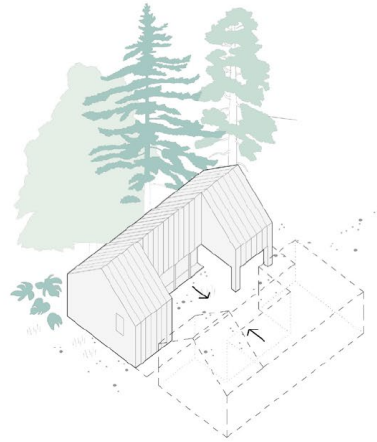
Housing types must reflect the diverse needs of the local workforce population in terms of income levels, family sizes and types, and other household demographics.



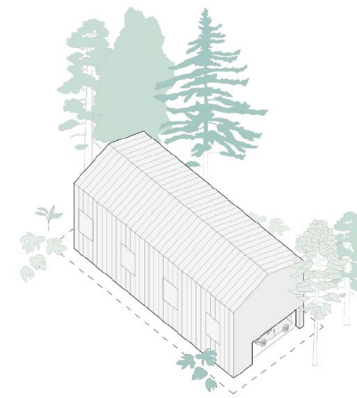
SINGLE FAMILY  
850 GSF / UNIT  
2 BR / UNIT  
2 ON-SITE PARKING  
PARCEL FOOTPRINT: 1,080 SF



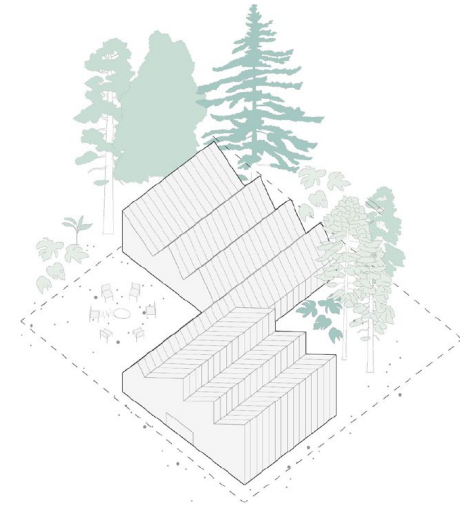
SINGLE FAMILY + INCOME UNIT  
1,500 GSF / 850 GSF  
3 BR / 2 BR  
2 ON-SITE / 1 OFF-SITE PARKING  
PARCEL FOOTPRINT: 1,980 SF



SINGLE FAMILY + INCOME UNIT  
1,500 GSF / 850 GSF  
3 BR / 2 BR  
2 ON-SITE / 1 OFF-SITE PARKING  
PARCEL FOOTPRINT: 2,880 SF



TOWNHOMES  
480 GSF / UNIT  
2 BR / UNIT  
1 OFF-SITE PARKING / UNIT  
PARCEL FOOTPRINT: 6,200 SF



CO-OP  
675-950 SF / UNIT  
6 UNITS, 1-2 BR / UNIT  
1 OFF-SITE PARKING / UNIT  
PARCEL FOOTPRINT: 13,000 SF

## Community Planning and Design

The housing clusters and homes within them are designed to optimize social overlap and sharing of otherwise inaccessible amenities while accommodating household privacy and individual needs.



Low-energy housing design provides responsible environmental performance and reduced maintenance cost



Building design leverages a hybrid approach to construction, joining offsite-manufactured panels with local labor



# Development Financing and Homeowner Accessibility

Each cluster of ~ 30 units is estimated to cost ~ \$8 million.

Solutions for construction financing and homeowner lending can build upon what is working both locally and elsewhere.

- Local institutions and advocacy groups are already leading the way
  - Frankfurt Area CLT: Founded in 2021, serves Benzie County by sourcing funding from private donors and the state
  - Housing North: Plan for lending pool to support workforce housing development is in progress
  - Peninsula Housing: An emerging CLT in Leelanau County is beginning to develop
  - And others, including thoughtful developers and engaged community stakeholders like HomeStretch, NMCAA, and Habitat for Humanity
- State-level advocacy for subsidy, lending, and land acquisition shows promise, including relationship-building with targeted public efforts such as MSHDA and the Office of Rural Prosperity
- Lending products (including mortgages) designed specifically for LMI households are being pioneered elsewhere with significant support from local banks and philanthropic wings of larger lending institutions to enable greater access to ownership



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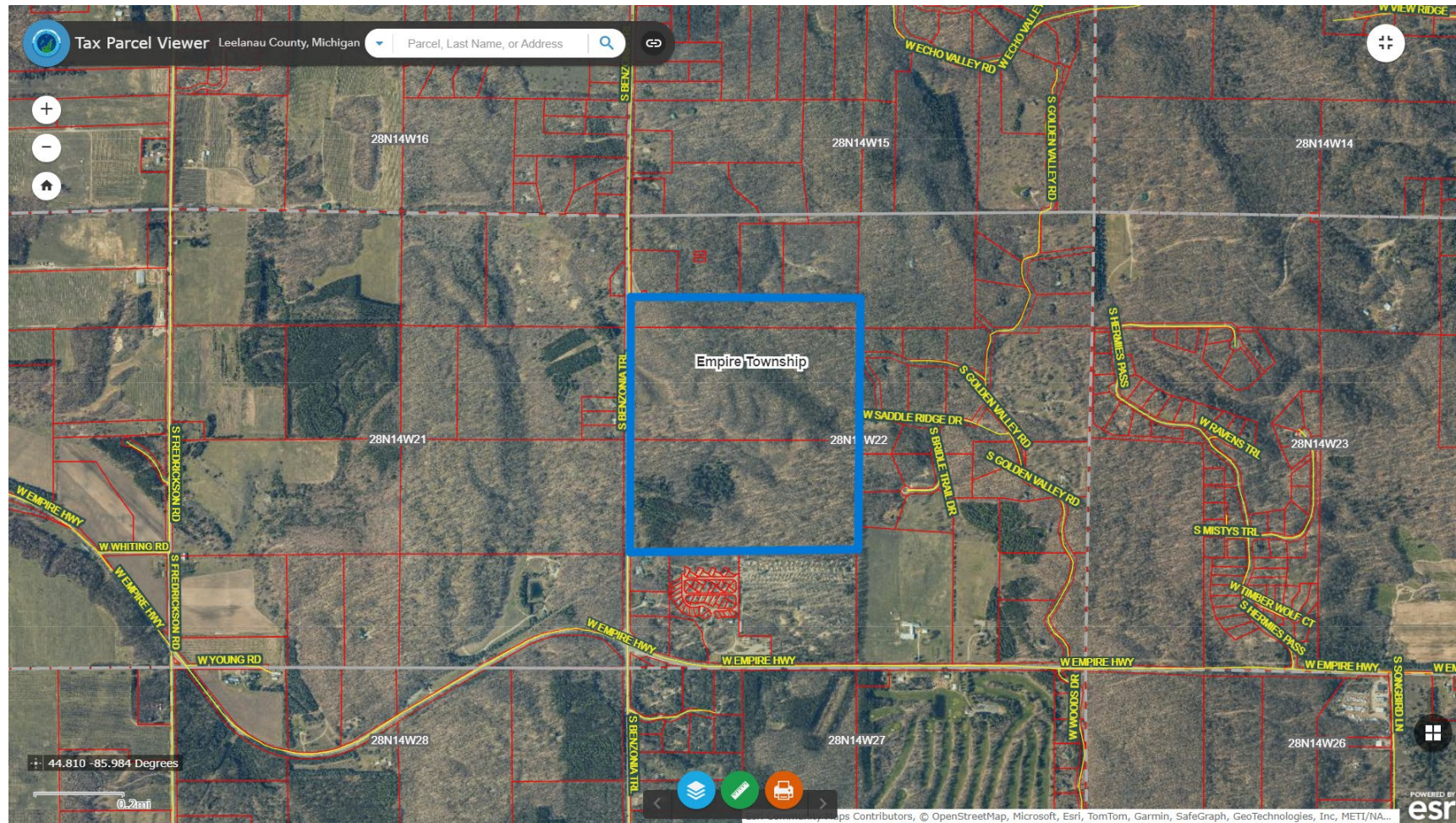
## Forest Schools Properties



- Over 3,000 parcels totaling more than 82,000 acres have been deeded to 300 of the State's 555 school districts by the State between 1930 and 1960
- Currently if the lands are not used for recreation or forestry purposes, the lands revert to the State.
- The DNR has agreed to:
  1. Accept the transfer of the property currently owned by Glen Lake Community Schools to the State
  2. Issue a public use deed back to Glen Lake Community Schools
  3. Allow attainable housing as a use of the property

# Glen Lake Community School District Property

180 Acres

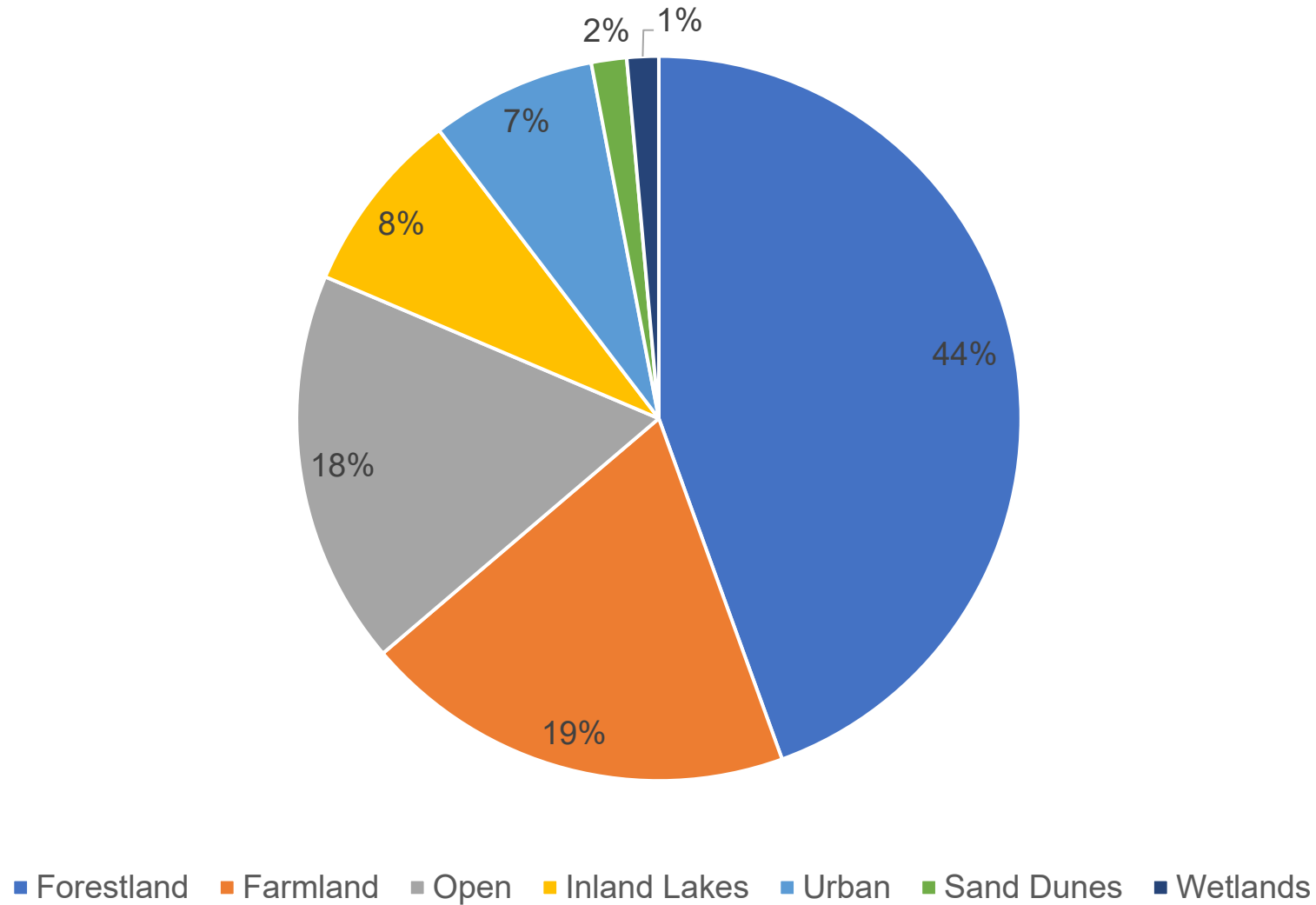




# Leelanau County Land Use

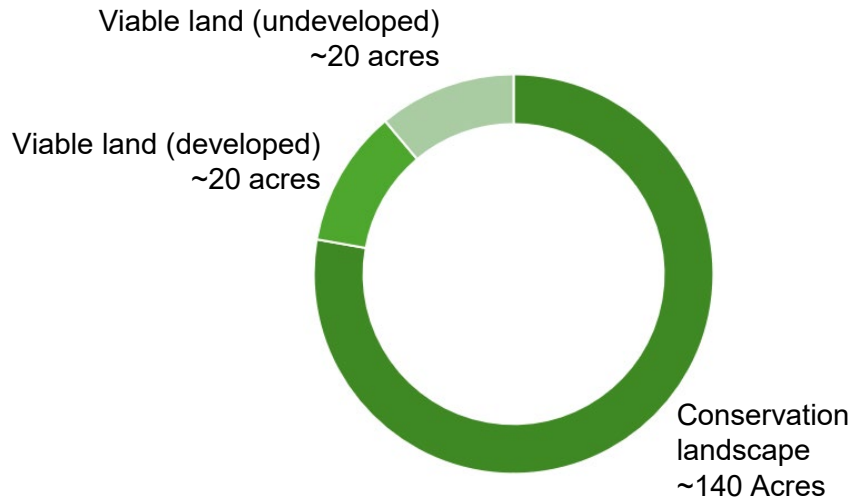
Leelanau General Plan of 2020

216,363 Acres



# Sustainable Site Development

Unlike traditional community development projects that sprawl across the site landscape, the compact nature of the housing clustering strategy maximizes conserved land, carefully balancing responsible forestry practices (tree removal minimized for development) and public access to recreational landscapes with sustainable community housing.



Plan-based testing yields an appropriate balance of forest and development with 6 clusters of housing within a shared and public recreational and conservation-oriented landscape.

The relative density and proximity of development clusters to one another must be a subject of continued conversation to ensure both regulatory fit and local community alignment.



## Who could benefit from this opportunity?

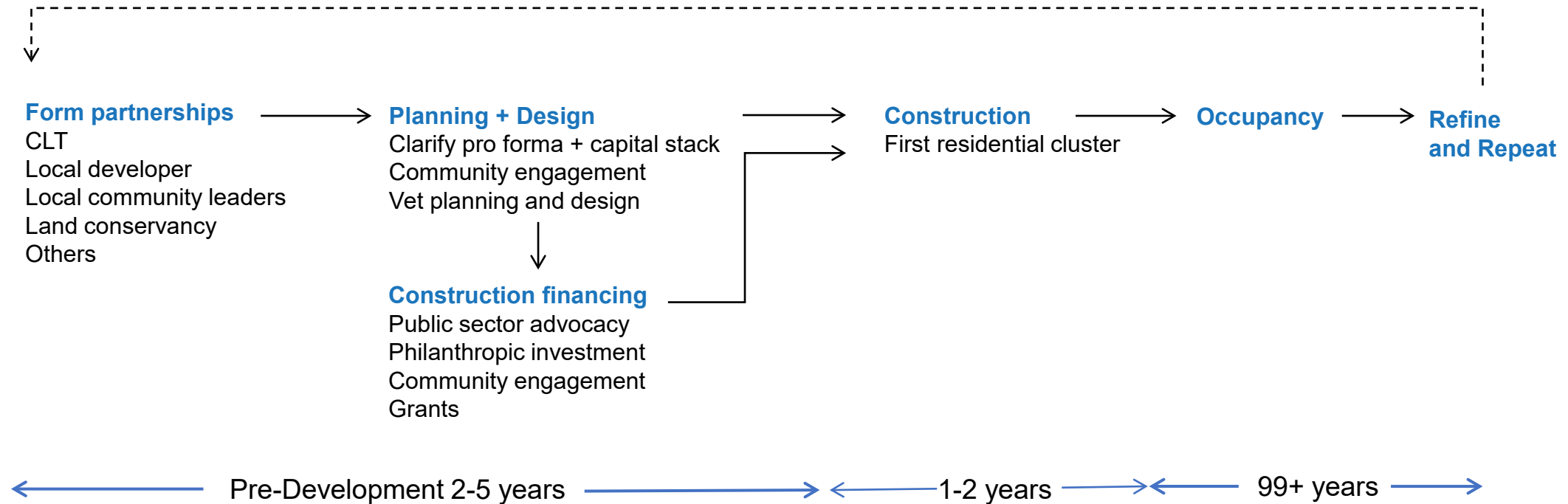
- Glen Lake Community Schools' employees
- Leelanau Sheriff's Office employees
- Glen Lake Fire Department employees
- Leelanau County Road Commission
- Young families seeking to live in our county
- Employees of local businesses





# What happens next?

Prototyping a repeatable approach to socially, economically, and environmentally sustainable workforce housing





## Thank you.

A repeatable model for high-quality workforce housing that is economically, socially, and environmentally sustainable is urgently needed. This is an opportunity to make significant and meaningful change for generations to come.