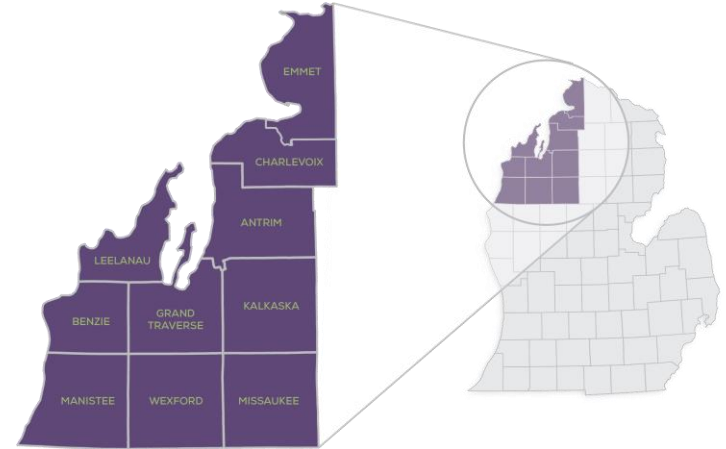




Creating pathways and partnerships
for housing in Northwest Michigan.



AWARENESS

Outreach, messaging, & communications tools to communities, developers, & other partners.

ADVOCACY

Identify and influence policy that impacts development opportunities in rural Michigan.

CAPACITY & RESOURCES

Work with partners to develop new tools & funding options for housing.



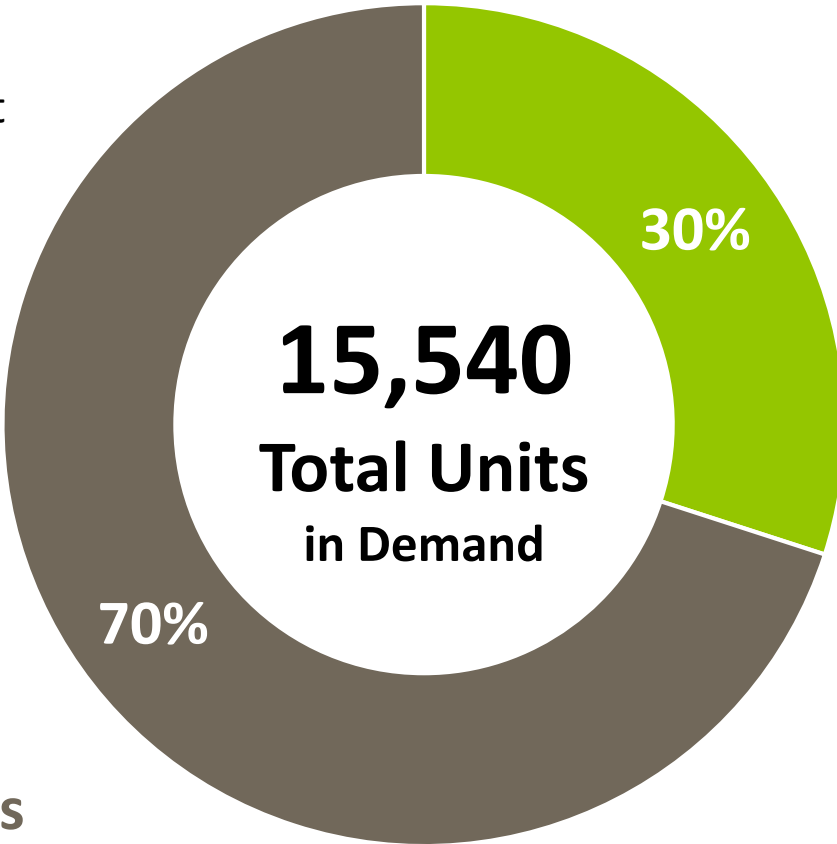
HOMES FOR OUR FUTURE

Visit www.homesforourfuture.org

Our communities need new housing of all kinds

TOTAL ESTIMATED DEMAND
for Housing in Northwest Michigan in 2020


10,880
Rental Units




4,660
Homeownership
Units

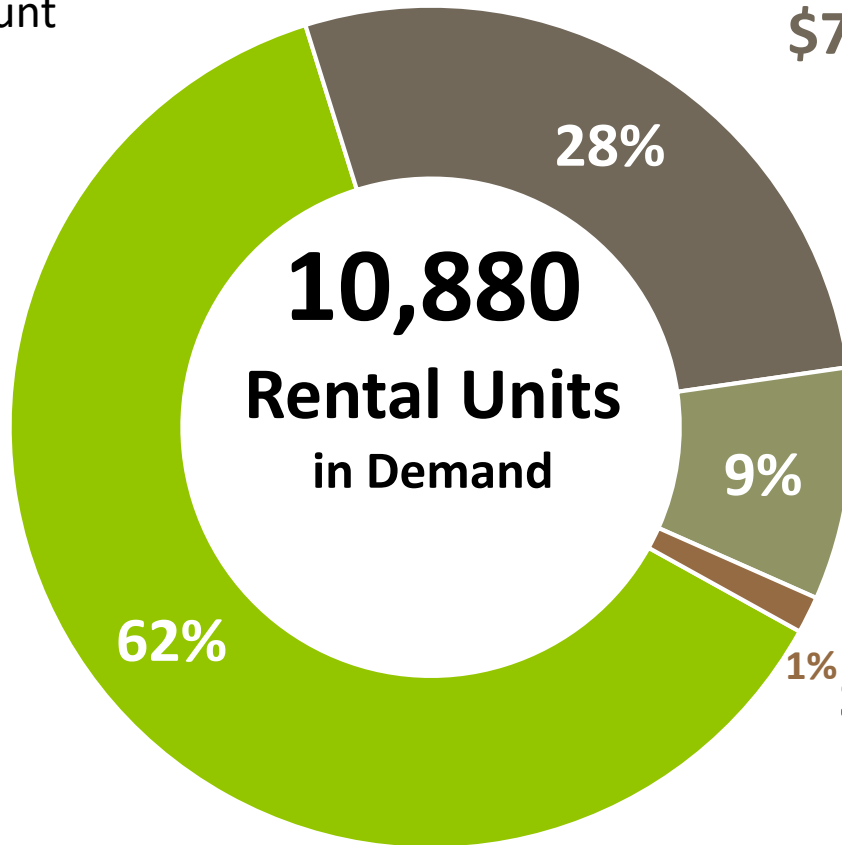


Our communities need new RENTAL UNITS at a wide variety of price points



2020 PROJECTED RENTAL DEMAND

by monthly rental amount and income category in Northwest Michigan



Unit Rent = \$700-\$1,000/mo. for incomes \$28K-\$40K/yr.

Unit Rent = \$1,050-\$1,500/mo. for incomes \$42K-\$60K/yr.

Unit Rent = \$1,600+/mo. for incomes \$64K+/yr.

Unit Rent = ≤ \$650/mo. for incomes ≥ \$26K/yr.



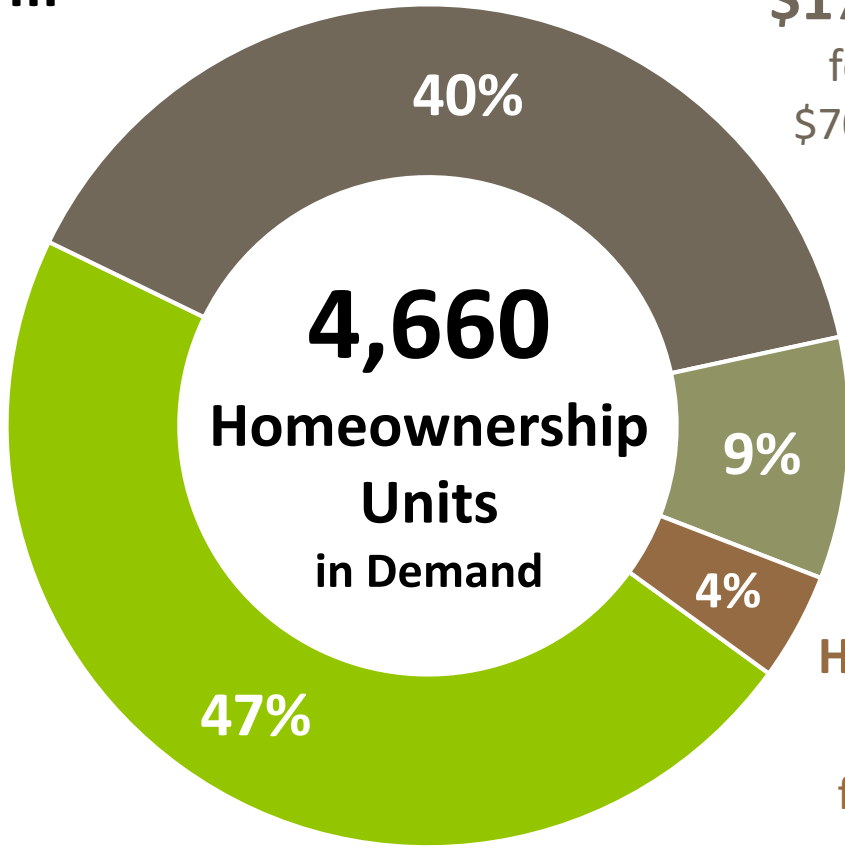


Our communities need **NEW HOMES TO BUY** at a wide variety of price points



2020 PROJECTED HOMEOWNERSHIP DEMAND

by home value and income category in Northwest Michigan



Home Value
\$175K-\$250K
for incomes
\$70K-\$100K/yr.

Home Value
\$275K-\$375K
for incomes
\$110K-\$150K/yr.

Home Value
\$400K +
for incomes
\$160K+/yr.

Home Value
≤ \$150K
for incomes
≥ \$60K/yr.



Employer Assisted Housing Legislation



Colorado Proposal

- State income tax credit for donations made to the Colorado Housing and Finance Authority or a nonprofit corporation community development corporation under the federal tax code.
- Credit = 20% of the approved amount of the donation

Minnesota



- Federal tax credit in return for providing an equity investment to specific affordable rental housing projects.
- Credit amounts are based on eligible construction costs. Developers “sell” the credits to investors to raise equity for the construction. Investors can receive a \$1.00 credit on their annual federal tax liability by investing approximately \$.65 to \$.75 per credit up front.

Illinois



- One-time tax state income tax credit equal to 50% of the value of a donation to a housing project.
- The donor can transfer credits to the project, which creates additional financing. Illinois Housing Development Authority receives 75.5% of the annual IAHTC allocation, while the City of Chicago receives 24.5%.
- For employer-assisted housing developments, units must serve eligible employees whose adjusted income is equal to 120% or less of the area median income.
- **Michigan bill drafted on this model**



Housing North Legislative Initiatives

- Employer housing tax credit based on Illinois model
- 12-year tax abatement based on Industrial Facilities Exemption
- Regional Housing Authority to allow for multi-jurisdictional housing millage, similar to a transit authority
- Tax abatement for qualifying workforce housing in rural areas (all of NW Michigan)



Employer Assisted Housing Programs & Examples



Marlette Regional Hospital



The Marlette Regional Hospital purchased the Marlette golf course property to construct the following \$9.5M project:

- A one-story assisted living building with an area of 31,400 square feet.
- Six one-story, two-unit independent living villas with an area of 1,400 square feet per unit.
- Seven one-story four-unit independent living villas with an area of 1,400 square feet per unit.



The project will add around 30 jobs and house up to 80 residents.





Employer Assisted Housing Programs and examples

Charlevoix – GIC Thermodynamics

- Purchased the mobile home park across from their plant when it became available.
- The company has rehabbed the units and has sold several to current employees.
- They have also used other mobile homes as temporary housing for new employees, particularly those moving to the area to work at the plant.

Perham, Minnesota Employer-Assisted Housing

- The Perham Housing and Redevelopment Authority (HRA) leveraged City (\$100,000) and employer (\$55,000) funding to create an employer-assisted down payment assistance pool.
- KLN Industries will offer \$5,000 loans if the buyer is a KLN employee, \$10,000 for KLN employees who are first-time homebuyers, and \$1,000 for non-KLN employees.
- Arvig Enterprises, a local cable provider with 335 employees, committed \$5,000 to the fund to provide \$1,000 deferred loans to homebuyers purchasing within the city limits.





Employer Assisted Housing Programs and examples

Hoffman, Minnesota - Employer Role: Grant Funds from Employer Pool

- The Economic Development Authority (EDA) converted the city's old school building into affordable housing with the help of several local employers.
- The EDA launched a campaign that recruited over 11 local businesses to contribute a total of \$32,000 in grant funds for the 8-unit rental housing development.

Santa Barbara, CA Employer-Negotiated Lender Agreement

- The Coastal Housing Partnership of Santa Barbara is a consortium of 15 employers. They used the potential of their employees' collective mortgage-buying power to negotiate an agreement with a local lender for reduced interest rates. What started with one lender is now a large network of service partners.



Other Ideas



Landlord-Employer Partnerships

- Agreements/referral services to guarantee renters for short-term (less than a year) leases
- Creates opportunities for seasonal employees or new recruits entering the housing market



HomeShare

- Homeowner rents room or part of their home to a long-term renter via HomeShare website
- Homesharers can arrange a regular agreement or exchange services for part or all of the rent



Housing Fund

- Pool investment to create a local or regional partnership fund that provides funding for
 - Pre-development activities
 - Strategic land acquisition
 - Other activities as necessary
- Can leverage other financing



Development Partnerships

- Employers can pool resources to buy land or raise capital for/in partnership with a developer
- With multiple parties at the table, projects can be larger
- Can guarantee some housing units for employers
- Experienced developers can bring additional partners and public sector support



Employers as Advocates



HOMES FOR OUR FUTURE

Homes Build Healthy Communities

The Homes for our Future campaign is a call to action from the public, local governments, employers, and community organizations. It aims to offer clear courses of action and resources about how to participate in housing solutions. As an employer you can:

- **Advocate:** Employers make powerful advocates at the local level and beyond
- **Endorse the campaign:** by doing so, you're making official your support for the principles we're advocating for in the region.
- **Learning more** about housing needs and solutions is an important first step in moving the region forward. You can get informed by attending local meetings and presentation, or browsing the studies, plans and other documents available. Housing North can also become a partner in finding proactive solutions and implementing them with you.



Housing North Partnerships

- Support housing communications, awareness and education, and legislative advocacy
- Opportunities for leadership and strategic organizational guidance
- Recognition of your organization's participation in housing solutions



Questions & More Info

Sarah Lucas, Executive Director

Housing North

231-929-5034

sarah@housingnorth.org

Data available at:

www.Homesforourfuture.org

