

A regular meeting of the Leelanau County Housing Action Committee (HAC) was held on Monday, June 13, 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, S. Oriel, P. Hallstedt, T. Lentych,
T. Wessell, M. Lautner(3:18)

Members Absent
(Prior notice): R. Foster, J. O'Neill, S. Yoder

Members Absent: C. Noonan,

Staff Present: G. Myer, T. Galla (4:15)

Public Present: W. Irvin, L. Mawby, J. Potes

CONSIDERATION OF AGENDA

The agenda was accepted by consensus, as presented.

PUBLIC COMMENTS

STAFF COMMENTS – None.

CONSIDERATION OF APRIL 11, 2022 MINUTES

Minutes were accepted by consensus, as presented.

OLD BUSINESS – None.

Presentation: Permanently Preserving Modest Homes (Jason Potes)

Potes briefly outlined the goal of “Home Sweet Home, Permanently Preserving Modest Homes for the 7th Generation”, saying modest homes are lost to market forces daily and we must permanently preserve these homes so that people earning local wages can purchase them far into the future. Potes said a family may qualify for a \$250,000.00 mortgage, but they need \$300,000.00 to buy a house. In exchange for \$50,000.00 community investment, the homebuyers agree that when they decide to sell, the house will be sold to another family earning modest wages. This will be done with a recorded deed restriction to legally preserve the home for people earning modest wages. They are raising pledges now to demonstrate community support for this plan.

Lentych said deed restrictions are more of a legal restriction. You will need a long-term company to handle these restrictions.

(Lautner present)

Wessell questioned what the advantage of this was over utilizing other options already created and available through other agencies.

DISCUSSION/ACTION

Update on Peninsula Housing

Mawby stated they have ten potential sites in Leelanau County, but they don't have the money to develop them yet. They have an option on property in the Village of Suttons Bay, and a duplex owner who wants to sell to them so it can remain a rental. They have made two offers to purchase property, that have not been accepted yet. They don't currently have the money to pay for them though. Mawby said that in order for this to work, they need money donations.

(Wessell left meeting for another commitment 3:32)

Discussion ensued on Benzie County Land Trust.

Mawby continued, saying they need to be at a certain scale in order for this to work, but they have to get to that scale somehow, and as fast as possible. How to do that is the challenge.

Wood questioned if Mawby had done a breakdown of what is needed. Mawby said there is a \$50,000.00 - \$100,000.00 gap. There are some grants available, but they need private funding. As a rural county it is hard to qualify for grants. Irvin questioned what portion of the "gap" would be absorbed by the land trust. Mawby said the land trust would lease the property for 99 years to the purchasers, who would be responsible for paying the property taxes. If the property is sold, it would be sold at a 25% discount.

Update on Housing North-Housing Ready Program, and copy of Leelanau County contract.

Oriel reported that they were successful in receiving the Rotary Charities Grant. Bahle said the Suttons Bay ~~Village~~ **Chamber of Commerce** approved a donation of \$15,000.00 a year.

(Galla present)

Letter of Support

Galla said Housing North is seeking a \$25,000.00 grant from The Consumers Energy Foundation toward the purchase of two parcels that will provide housing permanently restricted to long-term rental activity, as opposed to short-term/vacation rentals or purchase. Yarrow Brown is looking for a letter of support from the HAC. Lautner commented that a letter of support from the HAC is helpful, and if it was signed by Galla, as the Leelanau County Planning Director.

Members agreed, by consensus, Galla will draft the letter and sign it.

Update Habitat for Humanity-Maple City (Proposed Brownfield Plan)

Irvin briefly explained Tax Increment Financing (TIF) and said they are working with Jeff Hawkins, from Envirologic. The proposed plan will go before the County Board and Kasson Township tomorrow. Galla said the plan will offset some of the "gap", but not all of it. Some of the TIF collected can be used to fund other projects. If property values rise, so will the amount of money collected for 30 years. Lautner questioned the 30 years, and said is this the longest time span? Galla said it is, Kasson Township may not want 30 years, they will see.

Irvin stated that after 18 months Michigan Department of Environment, Great Lakes, and Energy (EGLE) had finally approved their permits so they are now moving forward on that project. Galla commented on the rise in the cost of supplies over the last 18 months.

Homestretch-Marek Rd/Suttons Bay

Galla said that the gap on that project was at about \$122,000.00 a month ago and Stimson is now saying the gap is around \$160,000.00. His contract was extended into the first part of next, Galla is not sure how he is raising the funds. Hallstedt stated Stimson received \$10,000.00 from a private citizen. Galla said there isn't anyplace on their website that says they are taking donations.

Discussion ensued regarding the website for Homestretch and that it should include more information and allow for people to "click" on a link to donate money.

Discussion ensued on placing a tax on Short Term Rentals and using the money to help fund housing resources.

COMMUNICATION ITEMS – Washington Post Article.

PUBLIC COMMENT – None.

STAFF COMMENT – None.

MEMBER COMMENTS/CHAIR COMMENTS

Oriel said she spoke to a local realtor who believes the housing market is starting to cool off. Lautner said she noticed some "for sale" signs are staying up longer.

Hallstedt wanted to know if members knew of any other speakers they could bring in. Galla mentioned tools from the Planning & Zoning course offered online may be helpful. Lautner said protection for homeowner who rent their properties could help. She knows of around five homes sitting vacant because the homeowners are afraid to rent. Lautner has personally dealt with renters who refuse to pay rent.

Discussion ensued on Accessory Dwelling Units (ADU's) and a proposed amendment to the Suttons Bay Township Zoning Ordinance. Galla said homeowners need to come forward and ask for their zoning ordinance to be changed.

Clements said it might be a good idea to have a local manufactured home maker come in and speak. Mawby mentioned Urban Air Developers.

In conclusion, Oriel said this year's Housing Summit will be held on October 27th and 28th at the Great Wolf Lodge.

ADJOURNMENT

Meeting adjourned by consensus at 4:35 p.m.