

Agenda
Ottawa County Housing Commission
West Olive Administration Building – Conference Room F
12220 Fillmore Street, West Olive, MI 49460
Thursday, May 16, 2024, 10:00 am



1. Call to Order
2. Establish Quorum
3. Approval of the Agenda for the May 16, 2024 Meeting
4. Approval of the [Minutes](#) from the April 11, 2024 Meeting
5. Presentation
 - A. Housing Brownfield TIF Legislation
6. Old Business
 - A. RLF Implementation Update (Standing Agenda Item)
 - B. MicroHomes Concept Development
7. New Business
8. Public Comments
9. Other Business/Discussion Items
 - A. [FYI Articles](#) - *the inclusion of the FYI list of articles does not in any way imply endorsement or approval by the Ottawa County Housing Commission of the items contained therein*
 - B. Next Meeting: June 6, 2024 (10:00 a.m.)
10. Adjournment

UNOFFICIAL MINUTES

OTTAWA COUNTY HOUSING COMMISSION

DATE: April 11, 2024

PLACE: Ottawa County Fillmore Complex, Conference Room G

PRESENT: Holly Cole, Pat Harmon, Klynt Marcusse, Jared Schuitema

ABSENT: John Gibbs

STAFF: Jon Anderson, Paul Sachs, Pam Vanden Heuvel, Kylie Vosburg

PUBLIC: Chris Uhl (virtual), Don Wilkinson, *and other attendees that did not sign-in*

CALL TO ORDER

Vice President Schuitema called the meeting to order at 10:04 a.m. A quorum was present to do business.

APPROVAL OF AGENDA AND MINUTES

HC 24-11 Klynt moved to approve the Agenda for April 11, 2024. The motion passed.
UNANIMOUS

HC 24-12 Cole moved to approve the Minutes from March 7, 2024. The motion passed.
UNANIMOUS

OLD BUSINESS

Vice President Schuitema stated that Ryan Kilpatrick (Housing Next) had presented to the Commission an Educational Workshop Preview prior to today's Housing Commission meeting.

Chris Uhl (IFF) presented a couple brief items to the Commission on current Revolving Loan Fund (RLF) projects.

NEW BUSINESS

The Commission discussed the MicroHomes Neighborhood Concept Development. The Commission determined that a press release could be the next step to help solicit feedback and support to help move the Concept forward. Staff are targeting mid-May for the Release. Ryan Kilpatrick could also serve as an advocate for the microhomes concept development. Sachs stated that this topic will now become a standing agenda item. The Commission also discussed conducting a Corridor Analysis within Ottawa County and how it could assist with gathering data for not only the microhomes neighborhood concept development but also other housing and infrastructure needs. Staff will pursue.

PUBLIC COMMENTS

None

UNOFFICIAL MINUTESOTHER BUSINESS/DISCUSSION ITEMS

Vice President Schuitema noted there are articles included in the packet for review.

Vice President Schuitema stated that the next Housing Commission meeting is scheduled for Thursday, May 2, 2024 at 10:00 am. The Commission determined there could be a possible reschedule for the May meeting due to Commission availability. Sachs informed the Commission that a staff member and consultant will be attending the next Housing Commission meeting to discuss housing tax increment financing (TIF) projects.

ADJOURNMENT

HC 24-13 Schuitema moved to adjourn the meeting at 11:01 a.m. The motion passed.

UNANIMOUS

PLAYLIST




DONATE

NATIONAL

The hottest trend in U.S. cities? Changing zoning rules to allow more housing

FEBRUARY 17, 2024 · 6:00 AM ET

HEARD ON WEEKEND EDITION SATURDAY

 Laurel Wamsley

4-Minute Listen

[PLAYLIST](#) [Download](#)

[Transcript](#)



A view of the Kingfield neighborhood from the roof of the Sundial Building, a new 12-unit apartment building in Minneapolis.

Tim Evans for NPR

America is facing a housing crisis.

The U.S. is short millions of housing units. Half of renters are paying more than a third of their salary in housing costs, and for those looking to buy, scant few homes on the market are affordable for a typical household.

To ramp up supply, cities are taking a fresh look at their zoning rules that spell out what can be built where and what can't. And many are finding that their old rules are too rigid, making it too hard and too expensive to build

many new homes.

So these cities, as well as some states, are undertaking a process called zoning reform. They're crafting new rules that do things like allow multifamily homes in more neighborhoods, encourage more density near transit and streamline permitting processes for those trying to build.

One city has been at the forefront of these conversations: Minneapolis.

That's because Minneapolis was ahead of the pack as it made a series of changes to its zoning rules in recent years: allowing more density downtown and along transit corridors, getting rid of parking requirements, permitting construction of accessory dwelling units (ADUs), which are secondary dwellings on the same lot.

And one change in particular made national news: The city ended single-family zoning, allowing two- and three-unit homes to be built in every neighborhood.



ENVIRONMENT

Why Sprawl Could Be The Next Big Climate Change Battle

Researchers at The Pew Charitable Trusts examined the effects of the changes between 2017 and 2022, as many of the city's most significant zoning reforms came into effect.

They found what they call a "blueprint for housing affordability."



The brick facade of the Sundial Building.

Tim Evans for NPR

"We saw Minneapolis add 12% to its housing stock in just that five-year period, far more than other cities," Alex Horowitz, director of housing policy initiatives at Pew, told NPR.

The researchers also examined what kind of housing was built. They found that for all the hubbub about duplexes and triplexes in former single-family-only areas, very few have been built. One reason is that they still had to

be the same size as a single-family home, making them less feasible to build.

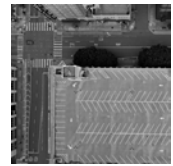
Instead, the vast majority of new housing was in midsize apartment buildings with 20 or more units.

"The zoning reforms made apartments feasible. They made them less expensive to build. And they were saying yes when builders submitted applications to build apartment buildings. So they got a lot of new housing in a short period of time," says Horowitz.

That supply increase appears to have helped keep rents down too. Rents in Minneapolis rose just 1% during this time, while they increased 14% in the rest of Minnesota.

Horowitz says cities such as Minneapolis, Houston and Tysons, Va., have built a lot of housing in the last few years and, accordingly, have seen rents stabilize while wages continue to rise, in contrast with much of the country.

In Houston, policymakers reduced minimum lot sizes from 5,000 square feet to 1,400. That spurred a town house boom that helped increase the housing stock enough to slow rent growth in the city, Horowitz says.



NATIONAL

From Austin to Anchorage, U.S. cities opt to ditch their off-street parking minimums

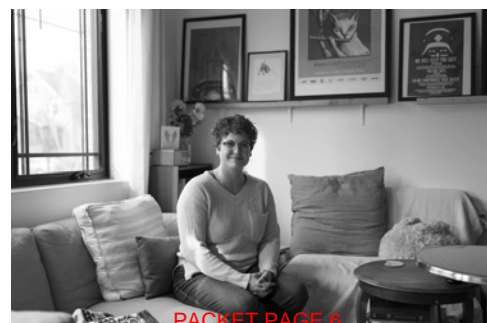
Allowing more housing, creating more options

Now, these sorts of changes are happening in cities and towns around the country. Researchers at the University of California, Berkeley built a zoning reform tracker and identified zoning reform efforts in more than 100 municipal jurisdictions in the U.S. in recent years.

Milwaukee, New York City and Columbus, Ohio, are all undertaking reform of their codes. Smaller cities are winning accolades for their zoning changes too, including Walla Walla, Wash., and South Bend, Indiana.

Zoning reform looks different in every city, according to each one's own history and housing stock. But the messaging that city leaders use to build support for these changes often has certain terms in common: "gentle density," building "missing middle" housing and creating more choices.

Sara Moran, 33, moved from Houston to Minneapolis a few months ago, where she lives in a new 12-unit apartment building called the Sundial Building, in the Kingfield neighborhood. The building is brick, three stories and super energy efficient — and until just a few years ago, it couldn't be built. For one thing, there's no off-street parking.



PACKET PAGE 6

"It was exactly what I was looking for," Moran says of her 450-square-foot space, on a cold but sunny day in January. "I specifically wanted a smaller apartment because it takes less time to maintain. You can spend more time traveling because you're not paying as much for a big apartment, and then it's a little

Sara Moran sold her condo in Houston and moved to Minneapolis. Her new apartment is next to a bakery and close to bike paths.

Tim Evans for NPR

easier to live in whatever neighborhood you like."

Now, she rides her e-bike out her patio door, and there's a bus stop on the corner and a bakery next door. "There's just so much I can

do in terms of walking to things, biking to things," Moran says, adding that she hasn't biked in sub-10-degree temperatures just yet. "I think I might use that bus if it stays under 10 degrees long."

The Sundial is the sort of building many cities want more of: housing that offers options for people at different income levels and different stages in their lives, in neighborhoods that already have amenities like restaurants and transit routes.



NATIONAL

The U.S. needs more affordable housing — where to put it is a bigger battle

Meg McMahan, planning director for the city of Minneapolis, says the Sundial is a good example of how these reforms can make more housing units possible in more places.

It's no accident that throwing out the parking rules was vital to the Sundial's construction. "The elimination of parking requirements has been the most effective regulatory reform we have made," McMahan says.

"We're really dealing with outdated and inequitable regulations"

Cities' zoning rules often stand in the way of building much new housing.

A 2019 analysis by *The New York Times* looked at 11 U.S. cities and suburbs and found that in most of them, 75% or more of the residential land is zoned to allow only detached, single-family homes. No rowhouses, no apartments. In Connecticut, researchers found that three-unit homes are permitted by right on just 2.5% of the state's land and that nine towns allow only single-family housing.

"We're really dealing with outdated and inequitable regulations that in too many places really have choked housing supply," says Angela Brooks, president of the American Planning Association, which has made zoning reform one of its top priorities.

Zoning regulations can be exclusionary in several ways, says Nolan Gray, an urban planner and the author of the book *Arbitrary Lines: How Zoning Broke the American City and How to Fix It*.

"If you look at the origins of policies like single-family zoning, they were fairly explicitly designed to segregate cities both on the basis of socioeconomic status and then, of course, race," he says. "The ability to determine what type of housing can be built where is the ability to determine who gets to live where. And so if you say, well, 'You're only allowed to live here if you can afford a detached single-family home on a 7,500-square-foot lot,' you're excluding a lot of people."



The Sundial is located between neighborhood houses and a larger mixed-use building along Nicollet Avenue.

Tim Evans for NPR



RACE

A 'Forgotten History' Of How The U.S. Government Segregated America

Gray is also research director at California YIMBY, a group that advocates for more housing. He's glad to see several cities in the Midwest and the South take on reform efforts like those underway in California, before *their* housing prices skyrocket.

"Most American cities and most American states have rules on the books that make it really, really hard to build more infill housing," he says. "So if you want a California-style housing crisis, don't do anything. But if you want to avoid the fate of states like California, learn some of the lessons of what we've been doing over the last few years and allow for more of that infill, mixed-income housing."

California is among those taking on zoning reform at the state level, in recent years passing [link to page 8](#) legislation to address the state's housing crisis, including a

law that requires cities and counties to permit accessory dwelling units. Now, construction of ADUs is booming, with more than 28,000 of the units permitted in California in 2022.

Some zoning reform efforts have hit roadblocks, however. Changes to allow denser housing in Montana and Austin, Texas, have been blocked by judges after lawsuits from homeowners. And in Minneapolis, part of the comprehensive plan that put an end to single-family zoning is on hold after a judge ordered an environmental impact review. The city is appealing the decision and asking the state legislature to change the law.

Some states are making it harder to bring legal challenges to these reforms on the basis of environmental impact reviews, says Vicki Been, faculty director at the NYU Furman Center for Real Estate and Urban Policy.

"You're seeing states — California, Oregon, Washington — saying you can't challenge an environmental impact review on the basis of traffic congestion, which is just a very difficult analysis to do," says Been.

And the national housing picture is starting to change. At least half a million apartments were completed last year, and nearly 1.7 million housing units are currently under construction. Rents are starting to level off.

"Mountains of minutiae that matter"

Jim Kumon and his wife, Faith, are the developers who built the Sundial Building where Moran lives. The Kumons live in the building now, too, with their children.

Kumon also happens to be a zoning connoisseur and has consulted with cities including neighboring St. Paul, which passed a major overhaul of its zoning code in October. He says St. Paul learned some things by watching the implementation in Minneapolis, especially when it comes to 1-to-6-unit buildings.



For instance, he says, on a lot that already has a single-family home on it, it's far easier to put a duplex in the backyard than to build a new triplex where the house is standing. So if you want to encourage more lots with three units, the code should allow different formats.

Jim Kumon, co-owner of the Sundial Building, also lives there with his family.

ECONOMY

Rent costs are leveling off and even dropping around the U.S.

Kumon says that whenever the legal challenge is resolved, Minneapolis will be able to learn from the other cities that have followed its lead. And while zoning can be a weedy topic, it's a vitally important one, says Kumon.

"There are so many things we talk about that don't actually move that meter" to produce housing in the U.S., he says. "This is one of those thankless mountains of minutiae that matter. This really matters."

[zoning](#) [minneapolis](#) [housing](#)

Tell us what you think

We try to answer all your questions about health and science. Now, it's your turn to answer our questions! Tell us what you like and how we can improve by completing a short, anonymous survey.

TAKE THE SURVEY

More Stories From NPR

How Muskegon, MI, Is Building Hundreds of Homes on Vacant Lots

Asia Mieszko · April 4, 2024



An empty lot in Muskegon, MI, in 2019 (left) has now been converted to infill housing (right).

Like many cities across the United States, Muskegon, Michigan, has a shortage of housing and a surplus of vacant, abandoned lots. That’s why in 2019 the city enacted a program that allows it to redevelop those lots into housing at both a low risk to the city and an affordable margin for the prospective buyer.

According to Jake Eckholm, who pioneered the program and otherwise works as Muskegon’s director of development services, the infill program has accounted for 60% of the new housing construction within city limits since 2018. Moreover, that infill isn’t concentrated only in affluent districts and the waterfront. It’s filling in the gaps in neighborhoods like Jackson Hill, Angell, and Marsh Field, which have weathered divestment for decades.



RELATED STORIES



Is the U.S. Trapped in a Perpetual Housing Bubble?

Charles Marohn · Jan 3, 2024

STRONG TOWNS

Crain's Grand Rapids Business. "It's showing us that the program is working, because ... you can see fewer and fewer vacant city lots in these core neighborhoods and more and more attainable housing units that are owner-occupied being infilled. It's gratifying to see."

A key feature of the program is how the city uses tax increment financing, or TIF, to finance the homes for less than for what it would cost others to build. According to Eckholm, new construction averages at about \$220 to \$250 per square foot to build, which would put a 1,000-square-foot "starter home" at \$220,000 to \$250,000. In using TIF, the city is able to deliver a similar home for \$135,000 to \$200,000, which more accurately aligns with the area median income, or what locals can actually afford. (Note that the city is not losing money on these projects, so the project can scale to meet demand.)

Furthermore, Muskegon didn't have to do any fancy footwork to capitalize on this financing. It simply took advantage of the state's 1996 Brownfield Redevelopment Financing Act, which granted local brownfield authorities ("brownfield" referring to previously developed sites that have barriers to redevelopment due to the presence or threat of contamination on the property) the ability to redevelop blighted and vacated properties using TIF for "certain eligible activities." Those activities include acquisition and if needed, demolition of the property, legal fees, closing and title costs, and more.

Private developers can undertake these projects, but so can local governments, who would be reimbursed for any losses incurred down the line as the tax value of the property increases. In other words, the city can construct much-needed housing, provide it at a cost most residents can reasonably afford, and recoup the expenses.



The Best Evidence Yet for the "Housing Musical Chairs" Theory

Daniel Herriges · Jan 3, 2024



If We Made Shoes Like We Make Housing, People Would Go Barefoot

Charles Marohn · Jan 2, 2024

STRONG TOWNS

another 61 units, and sold approximately 20 lots to private builders, according to Eckholm. Approximately 178 buildable city-owned lots remain and city officials are eager to add more to the program in the coming year.

“It’s a win-win for everyone,” Eckholm explained. “Because these were formerly publicly owned (tax-exempt) vacant lots, and then they end up having a new home on the tax rolls once we’re all said and done.”



Your city is reckoning with a housing crisis.
Learn what power you have to heal your town’s housing market.

Pre-Order the Book



Asia Mieszko

Asia (pronounced “*ah-sha*”) Mieszko serves as a **Staff Writer** for Strong Towns. A dilettante urbanist since adolescence, she’s excited to convert a lifetime of ad-hoc volunteerism into a career. Her unconventional background includes directing a Ukrainian folk choir, pioneering synaesthetic performances, photographing festivals, designing websites, teaching, and ghostwriting. She can be found wherever Wi-Fi is reliable, typically along Amtrak’s Northeast Corridor.





GRAND RAPIDS

Need for more affordable housing highlighted in new data dashboard

Published: Apr. 09, 2024, 12:12 p.m.



In this file photo, homes are pictured in the Roosevelt Park neighborhood of Grand Rapids. Habitat for Humanity of Kent County is planning a 27-unit housing development in the neighborhood. (Allison Farrand | MLive.com) Allison Farrand | MLive.com



By [Brian McVicar](#) | bmcvicar@mlive.com

~~PACKET PAGE 11~~

GRAND RAPIDS, MI — A new data dashboard from the group Housing Next highlights key performance indicators in the housing market and shows what the group calls the “rising unaffordability of housing throughout Kent County.”

A host of data points, including home ownership affordability, rental affordability and homelessness, are included in the dashboard, which can be found at housingkent.org.

“The dashboard presents a clear overview of the housing issues and serves as an excellent tool for getting everyone on the same page about how we can partner together on solutions,” said Eureka People, president of Housing Kent. “We want this data dashboard to debunk the thought that silos have been working and instead, uplift a platform for multi-sector collaboration, resource sharing, and data-driven innovations that improve outcomes.”

One stat highlighted on the dashboard is entry level home prices.

Housing Kent says the prices of such homes have jumped 126% between 2015 and 2022, while wages have increased by 26%, according to a news release.

Meanwhile, a typical entry-level home in Kent County costs \$205,707, which, according to Housing Kent, requires an annual income of \$62,000. However, that’s significantly higher than Kent County’s median annual wage of \$42,740.

Data on homelessness is also included.

The number of people who are homeless on a given night in Kent County has increased from under 1,000 in 2007 to 1,239 in 2023, the dashboard shows. The data is based on the annual “point-in-time” report, an annual count of the number of people who are homeless on a particular night in January.

“This is the first time that we have had such high visibility of the entire Housing Continuum. We are highlighting what is needed to solve for homelessness in Kent County,” Courtney Myers-Keaton, Director of the Coalition to End Homelessness, said in a news release.

Housing Kent works with the Housing Stability Alliance, which is described in a news release as a “network of 130 individuals and public and private organizations, working toward a housing system that works for all residents of Kent County.”

More on MLive:

[Grand Rapids city buildings on future Acrisure Amphitheater site could be demolished soon](#)

[‘Awe-inspiring experience’: People flock to downtown Grand Rapids to catch solar eclipse](#)

[27 condos planned for low, moderate-income buyers in Grand Rapids](#)



SUBSCRIBER 

Funding almost gone for Michigan program that helped thousands avoid eviction

Updated: Apr. 16, 2024, 8:03 a.m. | Published: Apr. 16, 2024, 7:57 a.m.



The Eviction Diversion Program has helped thousands of people get free legal services during an eviction. But funding for the program is only set to last until 2025. (Photo by Rose White | MLive)



By [Rose White | rwhite@mlive.com](#)

A program that has helped thousands of Michigan tenants avoid eviction only has enough funding to operate for the rest of the year.

The Eviction Diversion Program was created with federal dollars during the pandemic to offer free legal services to renters. The extra funding allowed legal aid organizations throughout the state to hire 107 staff members dedicated to eviction work.

“If that funding runs out, and it’s not replaced, they will not be able to represent as many tenants facing eviction,” said Jennifer Bentley, executive director of the Michigan State Bar Foundation.

Advertisement

Michigan launched the program in July 2020 as a moratorium on evictions was expected to end and experts worried a “tsunami” of cases would flood the courts. But a \$1 billion pot of rental assistance, \$33 million for eviction legal aid and an extension of the moratorium slowed down this wave.

Related: [Some pandemic eviction rules to become permanent in November](#)

Four years later, the Eviction Diversion Program has multiplied the number of people who have had legal support for housing issues.

In 2019, legal aid services helped about 5,100 tenants compared to last year’s 24,200 tenants – a 374% increase – according to the Michigan State Bar Foundation. Since 2020, 71,600 renters have gotten legal advice or representation through the program, including 28,671 cases where an eviction was prevented.

“Having a lawyer in an eviction case can really level the playing field,” Bentley said.

An estimated 90% of landlords have lawyers during an eviction compared to 10% of tenants.

Advertisement

But when Michigan tenants had a legal aid lawyer, 96% were not evicted, the Michigan Justice for All Commission reported in 2022. And 88% of cases with legal representation ended with negotiated settlements, a “win-win” for the tenant and landlord.

“People are more likely to show up for court or just participate in court when they know they’ll have somebody there to help them,” said Shannon Lucas, director of advocacy at the Michigan Advocacy Program, a legal aid service in central and southeast Michigan.

The Michigan Advocacy Program, which serves 13 counties, closed nearly 3,000 eviction cases in 2019 compared to over 4,700 last year with the expanded funding.

Despite the positive outcomes, the Eviction Diversion Program is still at risk.

If funding runs dry in 2025, legal aid staff hired to handle evictions will need to be reassigned to other cases like public benefits or expungement.

“The reassignment and refocusing of those attorneys will claw back some of the gains we’ve made in this area,” Lucas said. “To build these eviction diversion programs and then have to dismantle them is just so disappointing.”

Scaling back legal services would also happen as housing costs and eviction rates are going up. In Michigan, median rents have climbed 27% since the eviction diversion program launched, according to Rent.Research. And in 2022, there was a 4% eviction rate with roughly 150,000 filings and 6,500 evictions compared to nearly 53,500 filings and 8,595 evictions last year for a 16% rate, state data shows.

“There are a lot of facets to the housing crisis, in terms of affordability,” Bentley said. “But eviction prevention has been a demonstrated best practice in promoting housing stability.”

Related: Michigan needs 190,000 more housing units to curb a crisis

Legislation introduced last year would try to tackle this issue.

Under HB 5327, tenants would be guaranteed legal counsel in housing cases “at public expense.” State Rep. Emily Dievendorf, D-Lansing, crafted the bill to “rebalance the power between landlords and tenants” and keep people from losing their housing.

“What we’re really trying to do here is, at minimum, keep people in their homes in the first place,” they said.

As housing costs climb, tenant right to counsel laws are becoming more popular.

If passed, Michigan would join four other states and 17 cities that ensure renters have lawyers in housing cases, according to the National Coalition for a Civil Right to Counsel. Research from across the country shows that people who have legal counsel are more likely to stay housed, which can be helpful to tenants and landlords.

“It is always better for the tenant and the landlord if somebody is able to stay in their home,” Dievendorf said. “It is not helpful to any landlord to have high turnover in their tenants and to make that whole process happen over and over again.”

Related: Flint council OKs \$50K for legal assistance for those facing eviction, foreclosure

For tenants, an eviction can make it more difficult to find future housing.

Evictions also disproportionately impact women, children, low-income renters and renters of color, according to the U.S. Department of Housing and Urban Development, and can also negatively impact a renter’s physical and mental health.

“Being uprooted through an eviction is really difficult because it makes ... getting your next place that much harder,” Lucas said. “We see people moving around or doubling up and that’s not healthy for families; it’s not healthy for communities.”

The bill would not directly provide funding for legal aid services, but it would likely be funneled through the Michigan State Housing Development Authority. Dievendorf says lawmakers are still figuring out what the exact dollar amount would be.

The legislation has been referred to the Committee on Economic Development and Small Business.

In the meantime, the Michigan State Bar Foundation, which administers grants to 10 legal aid services, is trying to figure out how to keep the program alive. Without the funding for the program, Bentley says it would be hard to quantify how much evictions would go up.

“Based on data and the numbers we see, they have had really successful outcomes when they have provided representation to tenants,” Bentley said.

MORE HOUSING COVERAGE FROM MLIVE

Century-old butcher block factory to become housing in Northern Michigan

‘Price-fixing cartel’: Big Michigan mobile home park owners accused of conspiracy

Michigan converting blighted spaces into housing with \$72M program

If you purchase a product or register for an account through a link on our site, we may receive compensation. By using this site, you consent to our [User Agreement](#) and agree that your clicks, interactions, and personal information may be collected, recorded, and/or stored by us and social media and other third-party partners in accordance with our [Privacy Policy](#).



▼ About Us

[Contact Us](#)

[Jobs at MLive](#)

[MLive Media Group](#)

[Our Team](#)

[Advertise with us](#)

[Accessibility Statement](#)

[Home](#) [News](#) [Tech](#) [Finance](#) [Leadership](#) [Well](#) [Recommends](#) [Fortune 500](#)

FINANCE · HOUSING

The outlook for home prices has changed drastically in just the past month as Fed rate cuts look more and more distant

BY **JASON MA**

April 21, 2024 at 1:44 PM EDT



≡ FORTUNE



On Tuesday, Fed Chair Jerome Powell said rates would stay where they are “for as long as needed.”

MANDEL NGAN—AFP VIA GETTY IMAGES

Forecasts for U.S. home prices suddenly look a lot different compared to just a month ago, according to Freddie Mac’s latest outlook.

Prices will increase only 0.5% in 2024 and 2025, [the mortgage giant said Thursday](#). That’s down sharply from its [forecast in March](#), when it predicted home prices would rise 2.5% in 2024 and 2.1% 2025. The view for 2024 has suffered especially compared to the start of the year, when [prices were seen rising 2.8%](#).

To be sure, a less aggressive trajectory for home-price gains sounds like good news for prospective buyers. But when combined with still-limited inventory and higher-for-longer rates, the overall picture isn’t a major improvement.

“While housing demand is solid due to a large share of millennial first-time homebuyers looking to buy homes, they are challenged by high mortgage rates and a lack of homes available for sale,” Freddie Mac said in its April statement. “We expect these challenges to

persist in 2024 mainly in the absence of significant rate cuts, which will keep the rate-lock effect in place and keep total home sales volume below 5 million in 2024.”

With the economic landscape holding steady, the main difference over the past month is in the rates outlook and when the Federal Reserve may start easing.

A string of hotter-than-expected inflation readings to start the year gradually eroded hopes that Fed rate cuts would be imminent. That sent U.S. bond yields and mortgage rates steadily higher.

Then, on Tuesday, Fed Chair Jerome Powell confirmed Wall Street’s fears by saying that because of the robust labor market and remaining progress required on inflation, [rates would stay where they are “for as long as needed.”](#)

Treasury yields climbed even higher, with the 10-year rate topping 4.6%, sending other borrowing costs up too. The [30-year fixed rate mortgage surged past 7%](#) for the first time this year, according to Freddie Mac’s reading on Thursday.

Those developments over the past month appeared to be the major catalyst for Freddie Mac’s big downgrade in its housing market outlook.

In March, it predicted Fed rate cuts could begin as soon as the summer, with mortgage rates staying above 6.5% through the second quarter then drifting lower in the latter half of the year. While inventory would still be tight, “more first-time homebuyers continue to flood the housing market” and push home prices up.

Those predictions have been removed from April’s outlook. Instead, Freddie Mac said the Fed is now in “wait and see” mode before it starts easing, and refrained from offering more specific guidance on rates. “We therefore expect mortgage rates to remain elevated for longer.”

The new forecast comes as high home prices and mortgage rates have kept many Americans away from ownership. The [cost of owning a home is officially the highest on record](#), Redfin said recently.

Redfin CEO Glenn Kelman said [would-be buyers who held out last year are tired of waiting](#), as millennials who delayed starting a family can only wait so long. He said he’s never seen anything like it, calling it the “worst situation” for the housing market.

“Housing is in this recession, and the rest of the economy is booming,” Kelman said.



SUBSCRIBER

Some fear housing changes will attract Wall Street landlords, but city says that's unlikely

Updated: Apr. 22, 2024, 2:21 p.m. | Published: Apr. 21, 2024, 8:00 a.m.



A drone photo shows cloud cover coming in over the skyline of Grand Rapids on the Grand River in the late afternoon of Saturday, March 5, 2022. (Daniel Shular | MLive.com) Daniel Shular | MLive.com



By **Brian McVicar** | bmcvicar@mlive.com

PACKET PAGE 24

GRAND RAPIDS, MI — As Grand Rapids weighs zoning changes designed to make it easier to add new housing, some residents say they fear the updates open the door for outside investors and private-equity firms to scoop-up more properties in the city.

For many, the heart of the issue is homeownership.

Residents worry the change will shift their neighborhood's balance from owner-occupied, single-family-homes to duplexes or small apartment buildings. During a recent public hearing, they spoke about "Wall Street" investors and "corporate landlords" swooping into the city, and said protections are needed so investors cannot "take all our housing."

RELATED: Zoning changes could create more housing, but residents are worried

But city staff and housing advocates say those scenarios aren't likely to play out.

The zoning changes are expected to go to the Grand Rapids City Commission for final consideration later this month. Here's a look at what's being proposed, why neighbors fear it will hurt their neighborhoods, and what city staff and others have to say about the concerns.

What's causing the concern?

The concern stems in part from a proposed change to how properties in traditional residential neighborhoods can be redeveloped.

Currently, building a two-family or multi-family apartment structure with up to six units in such neighborhoods requires land use approval from the Grand Rapids Planning Commission and potentially the board of zoning appeals.

The same is true for converting an existing single-family home into such a use.

To make such projects easier — as part of the city's push to add more housing — the city wants to do away with the requirement.

If the changes being proposed are approved, such projects on "link residential" and "network residential" streets would simply need to meet standards in the city's building code. Link residential and network residential streets tend to be slightly higher-traffic neighborhood streets.



In this file photo, homes are pictured in the Roosevelt Park neighborhood of Grand Rapids. Habitat for Humanity of Kent County is planning a 27-unit housing development in the neighborhood. (Allison Farrand | MLive.com) Allison Farrand | MLive.com

How would the changes help add housing?

Grand Rapids Planning Director Kristin Turkelson said the changes are beneficial because they reduce the cost, time and uncertainty of bringing projects before the planning commission and other boards for approval.

“That lack of a predictable outcome, combined with the upfront costs of preparing the application, is a huge obstacle for small-scale developers,” she said.

A proposal to eliminate the owner-occupancy requirement for accessory dwelling units is also causing concern.

Accessory dwelling units are small, stand-alone structures built on the same lot as a single-family home. Residents are worried private-equity firms would either build these structures on properties they own or purchase properties that have such units.

The city says the owner-occupancy requirement makes accessory dwelling units more difficult to finance because they limit who can purchase the property.

Why are the changes being proposed?

The changes come as Grand Rapids seeks to add more housing.

A study by Bowen National Research estimates the city of Grand Rapids needs to add an estimated 14,106 housing units by 2027 to keep up with demand. Over half the units needed — 7,951 — should be rentals, and the remaining 6,155 units would be owner occupied, the study says.

The city is nowhere near hitting that goal.

RELATED: Grand Rapids, Kent County need 34,699 new housing units by 2027. Can it be done?

To achieve it, an average of 2,821 units per year would need to be added. In reality, the city has added an average of 538 units per year since 2015.

“We’re grossly underproducing the number of housing units that are needed,” Turkelson said.



The Grand Rapids skyline pictured on Tuesday, Feb. 12, 2019. (Neil Blake | MLive.com) Neil Blake | MLive.com

Fear of outside investors

In public comments, emails and a YouTube video, opponents have raised concerns about out-of-state investors flocking to Grand Rapids if the changes are approved.

Lisa McManus, who lives in the Heritage Hill neighborhood, told the Grand Rapids City Commission that “large corporations often use algorithms and search software to be first in line with cash offers, cutting out families who want to buy.”

Another resident, speaking at a public hearing last month, said “Wall Street ownership is a serious concern because it takes a cornerstone of civilization — housing — and turns it into a commodity to be treated as a source of profit for shareholders indifferent to the community.”

Other residents, including local rental property owner Patrick Tischler, say they are worried about displacement of low-income residents and gentrification if out-of-state investors purchase properties, turn them into rentals and charge unaffordable rental rates.

Safeguards are needed to ensure such practices don’t occur, he said.

Despite concerns, city staff and housing advocates say they're not worried about outside investors pouring into Grand Rapids.

Why wouldn't outside investors come here?

It boils down to economics, the city says.

Officials say the changes will likely appeal to local investors, smaller scale landlords and some homeowners.

But private equity and outside investors typically don't have the local staff or capacity to tackle what can be a complicated process of buying a single-family home and tearing it down to replace it with just three rental units, the city said in a question-and-answer document on the proposed changes.

What's more of a draw to such investors is large, multi-family housing developments containing 30 or more apartments, Turkelson said. Those kinds of developments, sometimes containing hundreds of apartments, have popped up in recent years along East Beltline Avenue NE in Grand Rapids Township.

She pointed to a development, known as Factory Yards, as an example in Grand Rapids.

That project, being led by a trio of developers from metro Detroit, is transforming a former industrial site on Godfrey Avenue SW into 467 apartments, a food hall and office space.

"If the investor is not local, it is very unlikely that they will invest the time and energy to hassle with just 3 or 4 units at a time," the city said. "It is very likely that most small multi-unit buildings will be created by local investors."



Snow blankets Grand Rapids on Nov. 1, 2023. The early season snow fell on Halloween. (Neil Blake | MLive.com) Neil Blake | MLive.com

What about converting single-family homes into rentals?

Turkelson, the city planning director, said this too will require significant planning and legwork in many instances. Similar to new construction, outside investors might not be drawn to Grand Rapids by the prospect of converting several homes into rentals.

Financial realities also complicate the picture.

“When you look at what is the current median rent, you look at home prices, you look at demolition costs and construction costs, it’s not going to make financial sense for every home to convert,” Turkelson said.

Converting a single-family home into a duplex or quad-plex may require adding additional drywall being units for fire suppression purposes and the installation of sprinklers, also for fire suppression, she said.

Are investors buying single-family homes?

Investors are in the practice of buying single-family homes and renting those homes out. Nationwide, investor activity in the single-family home market has increased since the pandemic, according to a study by the Joint Center for Housing Studies at Harvard University.

However, the trend does not appear to be making a big dent in Grand Rapids.

Data provided by the city shows the percentage of single-family homes where the owner claims the property as their principal residence was 79.2% in 2023.

That's an increase from 74.5% a decade ago.

Turkelson, the city's planning director, said that's an indication owner-occupancy of single-family homes is on the rise in Grand Rapids.

How active are investors in the Grand Rapids single-family home market?

There are 10,688 one-unit, single-family homes that are not owner-occupied in Grand Rapids.

Of those homes, there are 1,816 where the owner's mailing address — where his or her property taxes are sent — is shared by at least 10 other one-unit, single-family homes.

Of those 1,816 properties, where is the mailing address of the owner?

- 984 had a Grand Rapids mailing address
- 681 had a mailing address outside of Grand Rapids
- 151 had a non-Michigan mailing address



JW Marriott Grand Rapids and Courtyard by Marriott Grand Rapids Downtown tower over the Grand River in downtown Grand Rapids, Michigan on Thursday, July 6 2023. (Joel Bissell | MLive.com) Joel Bissell | MLive.com

How much housing are the changes expected to generate?

The city and housing advocates say the zoning changes are one component of its push to add more housing. On their own, the changes aren't expected to put a significant dent in the goal of adding 14,000 housing units in the city.

But every bit helps, said Ryan Kilpatrick, lead consultant at Housing Next, an advocacy group seeking to add more housing in Kent and Ottawa counties.

"We're not going to get a ton of development," he said. "We also have to be mindful of the existing economics. Allowing for conversion of existing single-family homes or the creation of new small scale multifamily still isn't a panacea. It doesn't solve all of our housing challenges. We're not going to suddenly build 14,000 housing units because of these amendments. Economics are still at play."

Those economics are factors such as construction costs, higher interest rates and other financial factors.

He said there are 42,000 owner-occupied housing units in the city of Grand Rapids.

“If one percent of property owners said ooh good, we can add units to our property ... that would be super valuable in my opinion,” he said. “Those would be housing units or types that probably aren’t going to get built by traditional developers because there’s not enough margin there.”

It might be attractive though to a homeowner or small-scale landlord, he said.

More on MLive:

[ArtPrize 2024 launches artist registration](#)

[Dine at two restaurants, sleep in Peloton rooms at DeVos family hotel opening this summer](#)

[After blocking 162-unit townhome project, West Michigan city lands in court](#)

If you purchase a product or register for an account through a link on our site, we may receive compensation. By using this site, you consent to our [User Agreement](#) and agree that your clicks, interactions, and personal information may be collected, recorded, and/or stored by us and social media and other third-party partners in accordance with our [Privacy Policy](#).



▼ About Us

[Contact Us](#)

[Jobs at MLive](#)

[MLive Media Group](#)

[Our Team](#)

[Advertise with us](#)

[Accessibility Statement](#)

Grand Rapids adopts 5 policy changes to increase housing supply and affordability

Rachel Watson - April 24, 2024



Construction on an ICCF Community Homes project in Grand Rapids' Baxter neighborhood in mid-2023. Credit: ICCF Community Homes

The Grand Rapids City Commission has adopted five policy changes aimed at gradually increasing housing supply, diversity and affordability.

The city commission at its Tuesday evening meeting unanimously approved five zoning ordinance amendments related to housing.

The amendments will ease restrictions on accessory dwelling units (ADUs), increase the allowable number of unrelated occupants per unit, adjust group-living requirements, allow for more small-scale residential infill projects throughout the city, and reduce or eliminate parking minimums in certain areas to make infill easier to accomplish.

The vote came after a yearlong process to evaluate the city's housing policies to address the availability gap.

Keep up with all things West Michigan business. Sign up for our free newsletters today.

"We know that people have opted out of Grand Rapids who want to be here because of the high costs," said Second Ward Commissioner Milinda Ysasi during Tuesday's meeting. "We also know that people are living doubled up or tripled up ... or living in housing that is not adequate or quality. This is one of the tools that we have as a city. We have the ability to

make changes to our zoning (code) so people who want to live in the city can live here and thrive here.”

First Ward Commissioner Jon O’Connor said it’s important to note that this “is only step one” in the city’s plan to address housing.

“Making this change is good,” he said. “It will provide opportunities for more heads in beds.”

City Planning Director Kristin Turkelson told Crain’s Grand Rapids Business after Tuesday’s vote that she believes the changes put Grand Rapids “on the bleeding edge” of zoning reform changes.

“One of the reasons I came to work for the city of Grand Rapids was that there was really progressive planning work that the community and city were interested in doing, and I think that this is just indicative of that,” she said. “These changes are, from a planning policy perspective, significant when you look around the country, and that’s really exciting.”

She said the planning and the city commission were “really well-aligned” on this issue.

“Our staff team and the planning commission worked really hard to do the research, understand the data and put forward recommendations that we think will serve the community’s need in terms of providing housing for people that want to live here — and hopefully creating additional affordable housing,” Turkelson said.

What’s driving the changes

The city commission asked planning staff and the planning commission to examine ways to increase the city’s housing stock in April 2023, after the latest [Kent County Housing Needs Assessment](#) found nearly 35,000 more housing units will be needed in the county by 2027. Of those, more than 14,000 units will be needed in the city of Grand Rapids, or about 2,800 units per year.

Since 2015, the city has averaged 538 new units per year, most of which are multi-unit complexes of 20 or more units, according to Turkelson.

The planning commission [held a joint work session](#) with the city commission last July to discuss “lowest-hanging fruit” policy changes that could grow the housing stock by allowing smaller-scale development. Planning commissioners discussed the proposals at several subsequent meetings before [recommending adoption](#) to the city commission on Jan. 25.

Ryan Kilpatrick, lead consultant for Housing Next, said Jan. 25 that allowing for ADUs or additional small-scale infill won’t close the 14,000-unit gap, but it could result in an incremental uptick over time.

“We would be thrilled if there is roughly a 1% participation rate over the next five years,” he said, referring to landowners building ADUs. “There are nearly 76,000 dwelling units in

Grand Rapids currently. ... If 1% of property owners added units to their property, it would be very valuable.”

The current zoning ordinance is well-suited for large-scale multifamily developments but has not historically been as accessible for typical landowners who want to build smaller-scale projects, largely because of the cost and time involved in seeking city approvals.

“We’re probably not going to have hundreds of new developers who emerge as a result of this, but our goal over the next year is to get at least 20 new emerging developers into that marketplace, building two- and three- and four-unit buildings,” Kilpatrick said at the April 9 Committee of the Whole meeting. “These are the kinds of zoning provisions that actually allow for that to occur.”

Here’s a look at the zoning ordinance changes the city adopted on Tuesday:

Accessory dwelling units

ADUs allow for the construction of a single housing unit on the same lot as an existing residence, which affordable housing advocates have pointed to as a way to achieve a slight increase in housing density for single-family neighborhoods. The city’s zoning ordinance for ADUs has made it hard for any of these developments to get off the ground, in addition to the financing and lending obstacles that come with ADU projects.

These zoning changes will streamline the review process by allowing ADUs as a permitted use, remove the owner occupancy requirement, modify the height and setback requirements, permit ADUs for single- and two-family dwellings, and eliminate the parking requirement.

During public comment sessions, some residents expressed concern that easing restrictions around ADUs — particularly removing the owner-occupancy requirement — would cause outside investors to buy up properties.

Synia Gant-Jordan, owner of Samaria J’s Salon Suite in the First Ward, said at a March 19 public hearing on the amendments that she sees the easing of ADU restrictions as an opportunity to build generational wealth for people who already live here.

“I took a building down the street from my house that was burned out and turned it into my business, and now I see this as an opportunity where I can build above my business and increase my household income,” Gant-Jordan said. “And this is an opportunity that other people in my community see (too).”

In an FAQ document prepared earlier this month, city staff noted that owner-occupancy requirements make ADUs more difficult to finance because they limit who can purchase the property in the future — or more accurately, who is able to benefit from the potential financial value of the ADU. From the perspective of a bank, this makes an investment in an ADU a higher risk loan.

Unit occupancy cap

The zoning amendments adopted Tuesday will increase the allowable number of unrelated occupants who are able to live in a dwelling unit from four to six people, allowing for greater cost-sharing of utilities and opening up housing opportunities that don't require physical changes to buildings.

Residents have shared concerns including the potential for an increase in noise and nuisance complaints and the lack of enforcement capacity by the city. Turkelson has said the code compliance department would continue to monitor rentals for violations.

Group living requirements

The zoning ordinance amendments include a pair of changes to group living regulations.

The first would modify single-room occupancy (SRO) requirements to allow for small SRO developments like boarding houses in residential districts, where they are currently banned, through a tiered review process based on proposed unit size. Owners would be asked to submit a good neighbor plan, and minimum tenancy would be increased from 32 days to 90 days.

The group living amendments also modify transitional and emergency shelter requirements to allow small-scale shelters in residentially zoned districts, adding use regulations and requiring a good neighbor plan when they are permitted as a special land use.

Small-scale residential infill

In Traditional Neighborhood-Low Density Residential zone districts, the amendments will reduce lot area and width requirements for two-family and multiple-family residential developments of six or fewer units.

They also will permit multifamily residential developments of six or fewer units on low- to moderate-density residential streets and will allow for the conversion of existing single- and two-family housing stock to higher densities.

Parking minimums

The amendments will eliminate parking requirements for developments of six or fewer dwelling units on low- to moderate-density residential streets in the TN-LDR zone districts.

Developers also would be able to gain parking reductions for projects if their development is located within a half-mile of transit instead of the current 300-foot requirement.

Turkelson said earlier this month that keeping the parking requirements would "make it extremely difficult for us to build small-scale development."

"Where we have existing lots or existing buildings to convert to density, that same lot simply cannot accommodate the parking requirements that are in place today," she said. "So that's why those recommendations are very much tied together."

More from Crain's Grand Rapids Business:

Developer plans 181-unit mixed-use apartment community in Creston neighborhood

Executive recruiter WilliamCharles Search Group acquires Pittsburgh firm

Tribal business execs uncertain if minority certification changes will solve impasse

Rachel Watson

Rachel Watson is a Crain's reporter covering residential real estate in West Michigan, as well as the state's tourism and insurance industries. Email Rachel at rachel.watson@crain.com.

State backs collaborative approach to affordable housing project

SHANDRA MARTINEZ | MONDAY, APRIL 29, 2024



Courtesy of CAH

A rendering of the second phase of this Kollen Park Drive project, which will include five 3-bedroom townhomes.



Years of planning have brought together the city of Holland, two nonprofits, a church and a native American tribe to create a much-needed affordable housing project.

The plan took a major step forward last week when it was awarded Low-Income Housing Tax Credits by the Michigan State Housing Development Authority.

The project, a joint venture between nonprofits Dwelling Place and Community Action House in Holland and the Little River Band of Ottawa Indians, will bring 52 affordable housing units to Holland's south side. Groundbreaking is anticipated for this winter, with construction lasting 12 to 14 months.

The development will be on properties owned by Community Action House, the city of Holland, and Hope Church. It will include a three-story apartment building at the Kollen Park site on Kollen Park Drive and a two-story apartment building at the Hope site on 10th street.

'Creating opportunities'

The tax credits are not just a funding mechanism but also a catalyst for community transformation, explains Jeremy DeRoo, CEO of Dwelling Place, which is based in Grand Rapids.

"We're building more than homes; we're creating opportunities for residents to thrive in a vibrant, diverse neighborhood," DeRoo says. "We are thrilled to move forward with this project that will provide 52 high-quality, sustainable, and inclusive housing units for low-income families and individuals in Holland. This development is a crucial step towards meeting our community's housing needs."



A rendering of the three-story apartment building planned for Kollen Park Drive.

Early on, Hope Church and Community Action House separately approached Dwelling Place with the desire to increase affordable housing in Holland. Community Action House, a community-founded nonprofit that has operated in Holland since 1969, helps low-income families build stability through healthy food access, financial empowerment, resource navigation services, and case management. It has seen increased service numbers across its programs, providing support and case management services to more than 350 unhoused individuals last year.

Scott Rumpsa, Community Action House CEO, says that as the nonprofit moved to a new Food Club & Opportunity Hub in 2021, his team was thinking about the best use of its former headquarters at 345 W. 14th St.

“With guidance from Housing Next and in collaboration with our partners at the city of Holland, we dreamed of using our parcel to catalyze a larger mixed-income, affordable housing development, to play our part in addressing the critical housing shortage that impacts so many of our neighbors,” Rumpsa says. “We’re incredibly grateful to see this project move forward, and for the health and stability it will make possible for families in our community.”

In 2022, the Ottawa County Housing Needs Assessment determined that about 4,385 rental units will be needed to accommodate growth in the area.

The Kollen Park and Hope Apartments will cater to the diverse needs of the Holland community, offering access to schools, parks, and shopping areas.

Long-held vision

The Rev. Dr. Gordon S. Wiersma, pastor at Hope Church, says the project represents seven years of work to see through a vision for affordable housing for the community.

“I am so grateful for the many committed people in my congregation that helped to accomplish this goal,” says Wiersma. “And as a congregation, we are very grateful for our partnerships with Community Action House, Dwelling Place, the Little River Band of Ottawa Indians and the city of Holland. This project reflects a genuine commitment to a thriving community that includes everyone.”

A two-story apartment building will be constructed at the Hope site on 10th street.

To secure the land, Community Action House and Dwelling Place collaborated with the city of Holland to acquire city-owned property adjacent to the Holland nonprofit's former location on 14th street. The proposed development will create at least three permanent jobs for property management, maintenance, and janitorial duties as well as 132 temporary jobs.

"The city is very excited about this news, as it moves forward a continuing Council priority of providing more affordable housing in our community," says Keith Van Beek, Holland city manager.

Tribe's role has personal connection

Dwelling Place also partnered with Little River Band of Ottawa Indians, a federally recognized Native American Tribe based in Manistee. Through Little River Holdings and its subsidiaries, Little River Band aims to help provide increased access to affordable housing for Native American members and their descendants. The development will include 11 units set aside for members and/or descendants of tribal nations.

Eugene Magnuson, of Little River Holdings, says the project has a personal connection for him because his mother grew up in Holland.

"As a young girl attending school, she would often walk through the park and across the grounds of Hope College on her way to class," Magnuson says. "Being Anishinaabe (Native American) in a predominantly white neighborhood, my mother's parents faced challenges such as being evicted, rent increases, or having their home sold out from under them, leading to frequent moves.

"Now, 92 years later, we are proud to collaborate with Dwelling Place to offer affordable, safe, and modern rental housing in the very neighborhood where my mother once lived and played. This partnership also presents a valuable opportunity for Little River Holdings to address a crucial need, such as affordable housing, for Native Americans and citizens of the Little River Band of Ottawa Indians in the southernmost city within the Little River Band's nine-county service area."

Enjoy this story? Sign up for free solutions-based reporting in your inbox each week.

Michigan



Courtesy destigter architecture

Community land trusts make home ownership possible for more Michiganders

SARAH SPOHN | TUESDAY, APRIL 30, 2024

This series, Block by Block, is supported by FHLBank Indianapolis, IFF, and CEDAM, Item 9 A and follows emerging and diverse developers building affordable housing in Michigan.



A family poses in front of their ICCF community land trust home.

As Grand Rapids' population growth steadily rises faster than the rest of the state, the need for housing continues. Many Michigan communities are looking internally for unique solutions to the staggering housing shortage problem – a housing gap with nearly 35,000 units needed by 2027. One of these unique solutions lies in the idea of the community land trust (CLT).

CLTs are nonprofit organizations governed by a board of CLT residents, community residents, and public representatives to share assets and equity in homeownership opportunities. Their focus is on community ownership to create permanent opportunities for affordable home ownership.

Across the state, CLTs include Dwelling Place Regional 2080 Union Housing

Development in Grand Rapids, Grand Haven Community Land Trust, Dream of Detroit, a Muslim-led CLT, The Storehouse of Hope in Detroit, Inner City Christian Federation (ICCF) Community Homes Land Trust in Grand Rapids, and others.

The ICCF CLT provides affordable homes for income-qualifying residents. The goal is to keep the homes affordable, even decades into the future. ICCF Community Homes is the oldest nonprofit affordable housing provider in the entire state. Since 1974, over 2,000 households have received housing-related services from the nonprofit. ICCF also manages over 600 units of rental housing to neighbors across the West Michigan community.

Dakota Riehl

Dakota Riehl is a senior real estate development manager at ICCF. Riehl works on development activities, covering the full spectrum of housing needs.

“We do everything from concept to construction of development projects, which could range from single-family homes that will be sold for home ownership to multifamily communities for affordable rental housing,” Riehl says.

Jan van der Woerd has been at ICCF for 10 years and is the vice president of real estate development and management. He spoke about the organization’s mission.

“ICCF is an organization that has a ton of variety in the services we provide,” van der Woerd says. “Our mission statement is equitable opportunities, affordable homes, and thriving neighborhoods. This is sort of the ethos of our service and work in West Michigan, Grand Rapids and heading toward the lakeshore.”

ICCF started in the ‘70s, during a time of racial uprisings and inequities in the community, as a means to work towards housing justice. van der Woerd says the faith-based, inclusive organization especially uplifts people of color, women, families, and those experiencing financial burdens.

CLTs include Dwelling Place 2080 Union Housing Development (above) and ICCF Community Homes Land Trust in Grand Rapids, Grand Haven Community Land Trust, and Dream of Detroit and The Storehouse of Hope in Detroit.

Riehl says ICCF focuses on keeping homeownership affordable forever.

“CLTs acquire and hold parcels of land in a geographic area that they deem as their target area,” she says. “Then they’ll sell the improvements or homes on top of it with an agreement that the owner will share that affordable homeownership opportunity with the next buyer. Rather than the traditional form of development and homeownership sales, CLTs really do focus on ensuring that affordable homeownership doesn’t go extinct, and that these opportunities exist for neighbors who might struggle to compete in the open market.”

ICCF focuses on education and home ownership opportunities for those systematically excluded.

The organization has grown into the rental space in the last 10 to 12 years. Through services and resources, ICCF helps provide opportunities for people who are dealing with discriminatory housing practices, low housing inventory, skyrocketing costs, inflation, and poverty.

Jan van der Woerd

“In our community land trust, we aim at providing homeownership opportunities with folks who are at about 90% average median income (AMI) level and, oftentimes, have special homes that are reserved for 80% of AMI,” Riehl says. “In Kent County, the AMI rate for a family of four at 90% AMI would be about \$95,230 and an 80% AMI household would make about \$75,750 – that’s who we’re serving actively.”

Although Grand Rapids is still viewed as an affordable community to buy a house in compared nationally, locally, the wages don’t line up. The city has seen an influx of out-of-state buyers and competitors, especially due to remote work changes brought on by the pandemic. According to van de Woerd, people from New York, Chicago, Seattle, and other bigger cities have flocked to the area due to lower housing prices and a large list of amenities. The level of starter homes is simply decreasing at a very fast rate.

“If the tide is rising on housing costs and of limited availability, that means that the people who are income vulnerable — people of color or single parent households with multiple children — they’re now even less likely to be able to access homeownership and exit renting,” van der Woerd says. “That’s one of the components as to why ICCF invested so heavily in researching and working to set up a new program format, and we found the land trust.”

Interior of a new home within the Dwelling Place CLT in Grand Rapids.

Housing is a complex issue

To help educate residents and potential buyers, ICCF is a HUD-certified housing counseling agency, offering one-on-one counseling and education classes. As residents get further into the process of homebuying, Riehl says ICCF helps support them throughout the different stages.

“We really try to walk alongside our neighbors, not only through their home-buying process, but ensuring they feel really informed and that they can understand all of the steps they’re taking,” Riehl says. “Homeownership for anybody is really confusing. It doesn’t matter if it’s your third home or your first, it’s a complicated process.”

Even after the home is bought, ICCF helps connect homeowners with contractors or lenders to help finance construction or renovations.

ICCF’s office at 415 Martin Luther King Jr. St. SE is a good visual example of the work the organization does. The historic building has been the former Grand Rapids Christian High School and also the local Department of Health and Human Services. When it became an abandoned space, ICCF bought the building and brought it back to life in partnership with a church community that uses the auditorium space as their sanctuary.

“There’s a YMCA daycare facility on-site, early childhood education, our offices, and there are 41 apartments upstairs,” van de Woerd says. “It’s a complex blend of

Riehl says the organization has current listings for available single-family renovated and new construction homes on the website, but there’s a waiting list for affordable renting units due to an incredibly high need.

“We recently opened up the wait list, and in less than six hours, it was over capacity by about 120 households,” she says. “The need for rental housing is exceedingly high, the need for affordable home ownership is exceedingly high. We know home ownership is a big commitment, and it takes time to get all your ducks in a row to make a purchase.”

Housing is a complex issue, which has different solutions for each community, but for the Grand Rapids community, many entities are coming together to work towards the solution.

“Grand Rapids is unique in that we have a very accessible community development and planning department. The city staff are very much ingrained in the realities of the community,” van der Woerd says. “In many ways, ICCF and our counterpart nonprofit organizations are providing a civil service, swimming against the market, and providing affordable housing when there’s no such things as affordable construction.”

Crystal Bravo is a real estate development associate at ICCF. Bravo works with the community land trust, managing sales of homes for potential families. She reviews applications, meets with families, and enjoys seeing their joy when going through the home ownership process. Bravo says community support internally and externally is crucial.

“It makes a big impact when neighbors come together in support of projects that are being constructed in Grand Rapids,” Bravo says. “Not just at ICCF, but with other nonprofits as well — showing up and voicing your support of your neighbors makes a huge impact in the community.”

Sarah Spohn is a Lansing native, but every day finds a new, interesting person, place, or thing in towns all over Michigan, leaving her truly smitten with the mitten. She received her degrees in journalism and professional communications and provides coverage for various publications locally, regionally, and nationally — writing stories on small businesses, arts and culture, dining, community, and

anything Michigan-made. You can find her in a record shop, a local concert, or eating one too many desserts at a bakery. If by chance, she's not at any of those places, you can contact her at sarahspohn.news@gmail.com.

Photos of Dwelling Place CLT by Tommy Allen.
Other photos courtesy ICCF and Dwelling Place.

This series, Block by Block, is supported by FHLBank Indianapolis, IFF, and CEDAM, and follows emerging and diverse developers building affordable housing in Michigan.

Enjoy this story? Sign up for free solutions-based reporting in your inbox each week.

SPONSORED BY

REGIONS

- SECOND WAVE - MICHIGAN
- CAPITAL GAINS - LANSING
- CATALYST MIDLAND
- CONCENTRATE - ANN ARBOR/YPSI
- EPICENTER - MOUNT PLEASANT
- ROUTE BAY CITY
- RURAL INNOVATION EXCHANGE
- SOUTHWEST MICHIGAN
- UPWORD - UP
- THE KEEL - PORT HURON
- THE LAKESHORE
- METROMODE - METRO DETROIT

FOCUS AREAS

- ARTS AND CULTURE
- DIVERSITY
- ENTREPRENEURSHIP
- HEALTHY COMMUNITIES
- SUSTAINABILITY

- COMMUNITY DEVELOPMENT
- ECONOMIC DEVELOPMENT
- EQUITY
- KIDS AND EDUCATION
- TECHNOLOGY AND INNOVATION

TRANSPORTATION

- ABOUT US
- CONTACT US
- HAVE A TIP?
- LINKS
- PRIVACY POLICY
- TERMS OF USE

COPYRIGHT © ISSUE MEDIA GROUP. ALL RIGHTS RESERVED.

LOCAL

Tax credit approved for Holland affordable housing project

**Austin Metz**

Holland Sentinel

Published 3:41 a.m. ET May 7, 2024 | Updated 3:41 a.m. ET May 7, 2024

HOLLAND — A new affordable housing development on Holland's southside is moving forward after being awarded a Low-Income Housing Tax Credit through the Michigan State Housing Development Authority.

The project is a joint venture between Dwelling Place of Grand Rapids, Community Action House of Holland and the Little River Band of Ottawa Indians. It's a scattered-site development of 57 units located on properties owned by Community Action House, the City of Holland and Hope Church.

The first phase includes two sites: an estimated 39 units at 345 W. 14th St. and 13 units on W. 10th St.

A second phase at Kollen Park Drive and 15th Street would include five three-bedroom townhomes.

The project has been in the works for some time, and has received widespread approval from Holland City Council.

“The city is very excited about this news, as it moves forward a continuing council priority of providing more affordable housing in our community,” City Manager Keith Van Beek wrote in a release.

Community Action House CEO Scott Rumpsa said the project comes following advice from Housing Next and is meant to address the local housing shortage in Holland.

In 2022, the Ottawa County Housing Needs Assessment determined nearly 4,400 rental units were needed to accommodate population growth in the area.

“We’re incredibly grateful to see this project move forward, and for the health and stability it will make possible for families in our community,” Rumpsa said.

Holland City Council most recently discussed the project in March, when they approved a plan to sell surplus property at 345 Kollen Park Drive to Dwelling Place and Community Action House.

The city-owned property was sold at 65% of its appraised value.

Groundbreaking for the project is expected this winter. Construction is expected to last 12-14 months.

“We’re building more than homes,” said Jeremy DeRoo, CEO at Dwelling Place of Grand Rapids.

“We’re creating opportunities for residents to thrive in a vibrant, diverse neighborhood. ... This development, encompassing both three-story and two-story buildings, is a crucial step towards meeting our community’s housing needs.”

— *Contact reporter Austin Metz at ametz@hollandsentinel.com.*

[Preview text goes here.](#)

[View in browser](#)



Dear Paul,

2023 was a historic year of impact for IFF.

We closed a record 153 loans, providing \$233.9 million in capital to nonprofits across the Midwest – exceeding last year by over \$100 million. Through our lending, we leveraged \$1.29 billion in total community investment and supported the development of 4.97 million square feet of real estate. In short, we made more loans to more nonprofit changemakers than ever before.

And so, I wanted to personally reach out and share with you our [2023 annual report](#) that showcases this historic year of impact. IFF’s unique and powerful platform of finance, real estate, and development – combined with a commitment to research, policy, and racial equity – helps local nonprofit changemakers turn their ideas into action!

In Michigan, specifically, we closed 23 loans totaling \$35.3 million and executed 21 real estate consulting projects for nonprofits like [West Michigan Community Tennis, Inc.](#) to acquire a 55,000-square-foot gym and athletic complex and the [Grand Traverse County Housing for Educators Consortium](#). We also engaged with over 1,000 new or expanding early childhood education providers across the state to provide facility improvement grants through [Caring for MI Future: Facilities Improvement Fund](#). And in West Michigan, we established the Michigan Affordable Housing Loan Program, in collaboration with Kent and Ottawa Counties, dedicated to providing flexible financing for high-quality affordable housing in Allegan, Kent, and Ottawa counties.

I encourage you to [click here to explore our digital Annual Report](#) and read more stories of impact.

2024 marks our 10th anniversary in Michigan and as many banks and even some CDFIs have to pull back their lending due to the current environment, we commit to leaning into our mission to support changemakers and their communities. We look forward to doing so with you by our side.

With much appreciation,



Chris Uhl
Executive Director, Eastern Region

Grounded in equity and deep sector expertise, IFF is a mission-driven lender, developer, and real estate consultant that helps communities thrive. Across the Midwest, IFF works at the intersection of facilities and finance to help nonprofits, and other service providers, to create safe, inspiring spaces that enable them to achieve their missions and support their communities.

Copyright © 2024 IFF, All rights reserved.

Want to change how you receive these emails?
You can update your preferences or unsubscribe from this list.



FROM IFF'S CEO AND BOARD CHAIR

A HISTORIC INVESTMENT IN LOCAL CHANGEMAKERS

There is no burying the lead on 2023: it was IFF's most impactful year to date. We made more loans to more nonprofit changemakers than ever before in our 35-year history.

We say this humbly, but proudly, and with a deep appreciation for the investors and funders whose steadfast support made this achievement possible.

Because of your faith in IFF's strategic direction—just a few short years after a global pandemic that brought the economy to a standstill and put the communities we serve in harm's way—we have been able to scale our platform of leadership, capital, and real estate solutions to deliver a historic investment in local changemakers just when they most needed it.

Specifically, in 2023, we:

- Closed a record 153 loans providing \$233.9 million in capital to nonprofit changemakers—exceeding our previous high by over \$100 million;
- Raised \$130 million in capital to support the incredible demand for our loans;
- Through our lending, leveraged \$1.28 billion in total community investment and supported the development of 4.97 million square feet of real estate;
- Consulted on 90 nonprofit facilities projects, including managing the construction of over 32,000 square feet of real estate;
- Completed two community-driven development projects in the Chicago Metro area, with additional projects underway in Detroit, Grand Rapids, and St. Louis;
- Surpassed the \$1 billion threshold in total managed assets.

In addition to these milestones, we also deepened IFF's presence across our Midwest region—opening an office in Cleveland to better serve Northeast Ohio; appointing an executive director to lead and grow our work in Indiana; partnering with state and local government in Michigan to expand quality child care facilities and build affordable housing; working with state and local government in Illinois to convert once vacant hotels into safer and more stable shelters for the unhoused population; and continuing to engage with stakeholders in cities and states across the region to support a facilities-forward approach to expanding the availability of quality child care by leveraging our research, programming, development, and more.

While there's much to celebrate about what we accomplished in 2023, there were significant challenges, too—and our success was by no means guaranteed. A perfect storm was brewing with the demand for and supply of IFF's capital, and we found ourselves at a crossroads.

As public funds meant to help communities rebuild after the pandemic started to flow to local nonprofits, increasing the demand for IFF's loans, the Federal Reserve also raised interest rates precipitously to help curb inflation, unsettling the financial markets. The result: capital became scarcer and more expensive for everyone than it had been in a long time.

In this environment, many banks as well as some CDFIs pulled back on their lending until the situation settled, which increased the demand for IFF's loans even more. We had a choice to make. Do we immediately pull back? Or do we lean into our mission and on our relationships, fully leverage IFF's platform, and ensure that local changemakers have the capital they need to rebuild after the pandemic?

Of course, you know the answer to that question because you leaned in with us! You saw the need for IFF's capital and real estate services in communities across the Midwest, and you offered your partnership and provided us with the financial support to meet the moment.

Together, we made a historic investment in local changemakers in 2023.

Thank you!



Joe Neri
Chief Executive Officer








Cheryl Wilson
Board Chair



NUMBERS





Lending Highlights

This year, IFF closed more loans to more nonprofits than ever before. These loans—big and small—empower nonprofits to do more for their communities and remain an indispensable component in our continuum for social impact.

	2023	1988-2023
 Number of Loans Closed	153	2,268
 Dollars of Loans Closed	\$233.9 M	\$1.62 B
 Capital Leveraged	\$1.28 B	\$5.77 B
 Number of Nonprofits Served	132	1,207
 Square Feet of Real Estate Developed	4.97 M	42 M

Lending Impact Numbers

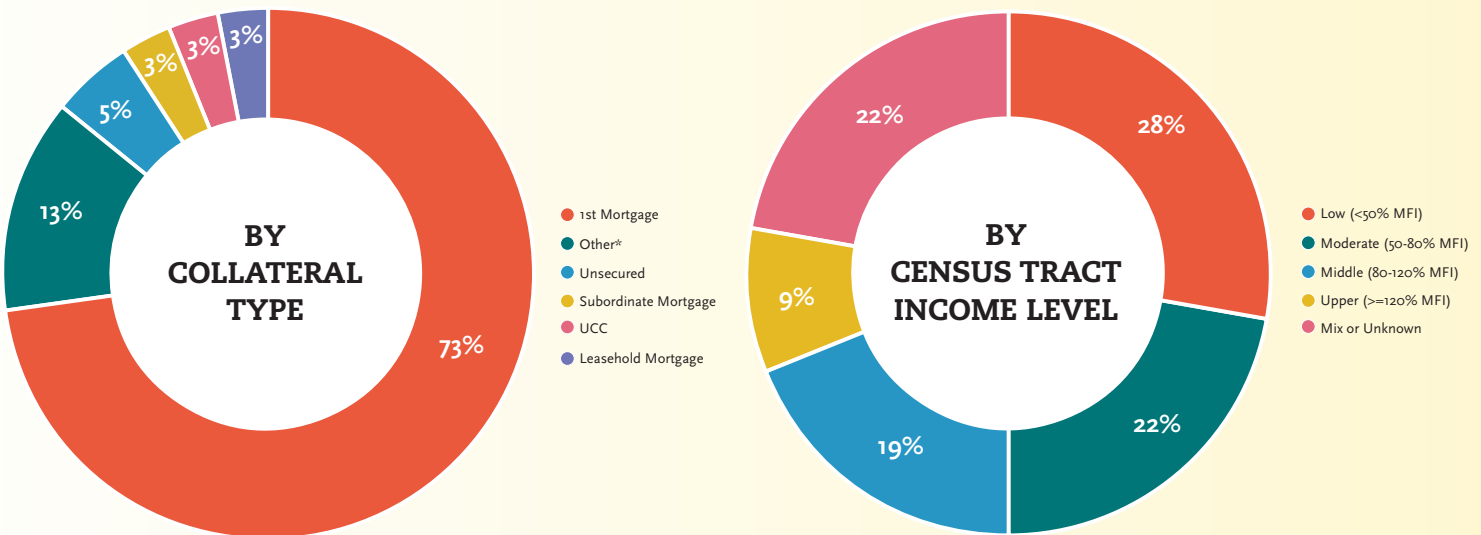
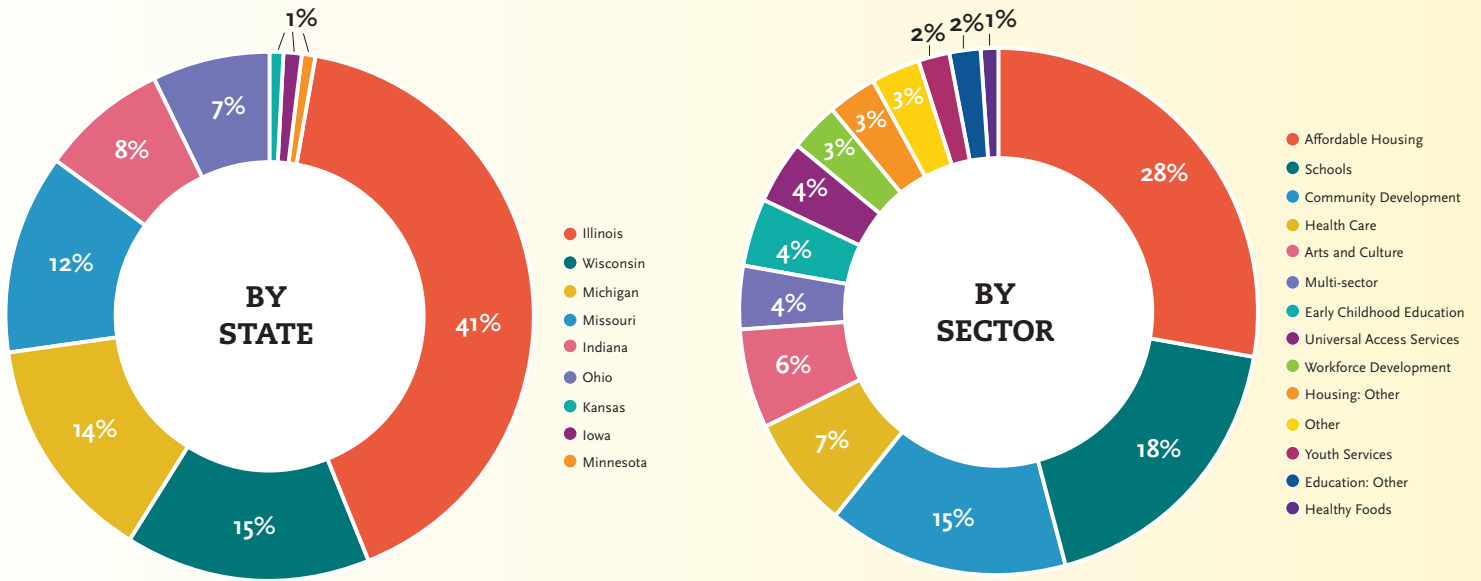
When nonprofits have access to flexible financing designed with their needs in mind, they can create safe, inspiring facilities to support their clients and strengthen their communities.

	2023	1988-2023
 Student Seats	1,332	160,956
 Child Care Slots	272	16,041
 Housing Units Created/Preserved	3,469	20,589
 New Patient Visits	69,371	725,598

Loan Portfolio

Our commitment to supporting the full range of nonprofits across the Midwest provides our investors with a well-secured and diversified loan portfolio. These graphs reflect the percentage of dollars in IFF’s portfolio of loans—which, as of Dec. 31, 2023, included 720 loans totaling \$559.3 million.

Included in the figures on this page are loans made under our innovative New Markets Tax Credit (NMTC) Small Project Loan Pool, which brings the benefits of NMTC financing—low rates and seven-year, interest-only payments—to smaller nonprofit projects throughout the Midwest.



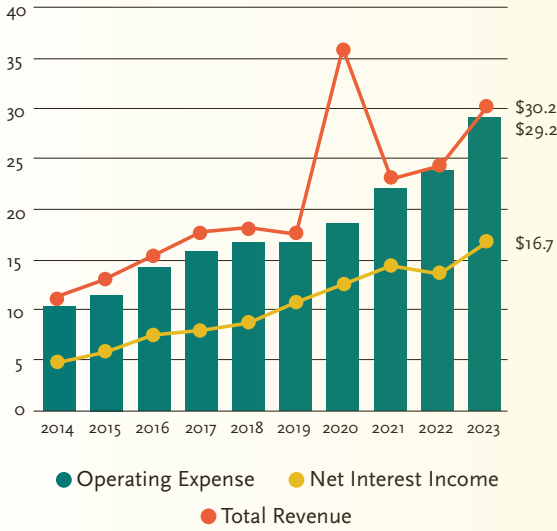
*The vast majority of “other” represents NMTC transactions where IFF generally has an indirect interest in the collateral due to the program’s structuring requirements.

Data gathered by the U.S. Census and other federal agencies/programs—notably the Community Reinvestment Act, Housing and Urban Development, and Home Mortgage Disclosure Act—have transitioned to these new labels from income level. While the labels have changed, the percentages based on Median Family Income (MFI) have remained the same; what were “very low” and “low” are now “low” and “moderate.”

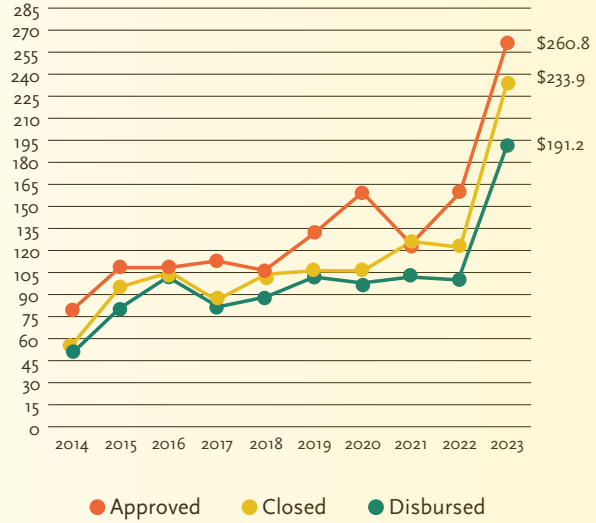
Financial Performance

Ensuring a financially strong IFF is key to maximizing our ability to best deliver on our mission. In 2023, IFF continued to maintain a strong track record of performance. Rated four-star, AAA+ from AERIS, positioning IFF as one of the handful of CDFIs in the country to merit this top rating for both impact and financial condition.

FINANCIAL PERFORMANCE
In Millions

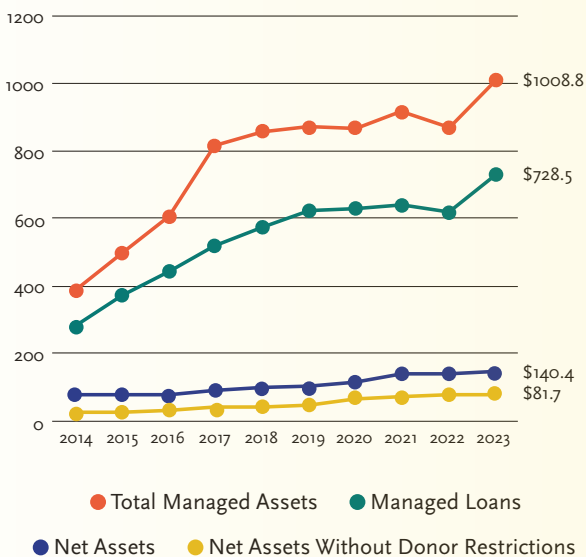


ANNUAL LOAN ACTIVITY
In Millions



The noticeable spike in our revenues in 2020 was due to a one-time major gift of \$15 million from philanthropist MacKenzie Scott.

FINANCIAL POSITION
In Millions



DELINQUENCY AND LOAN LOSS HISTORY
Percent of Portfolio

