

City of Marquette
Ad-Hoc Housing Committee
Initial Report of Findings
January 12, 2021

Acknowledgements

City of Marquette Ad-Hoc Housing Committee

Chair – Evan Bonsall

Vice Chair – Dennis Smith

Secretary – Jackie Stark

Mark Curran

Stephanie Jones

Robert Chapman

Wayne Premeau

Antonio Adan

City of Marquette Staff

Dennis Stachewicz – Community Development Director

Sharon Maki – Marquette Housing Commission Executive Director

David Stensaas – City Planner/Zoning Administrator

Contributors

Dan Parolek – Founding Principal, President – Opticos Design

Shannon Morgan – Renovare Development

Jill Ferrari – Renovare Development

David Allen – InnovaLab Development

L.R. Swadley – Swadley Development, LLC

Central Upper Peninsula Planning and Development

BACKGROUND

The Mayor of the City of Marquette requested that the City Commission create an Ad-Hoc Housing Committee to better understand the role of the City as it relates to housing affordability in the City of Marquette.

The City Commission reviewed the request at their January 13, 2020 meeting and established the Ad-Hoc Housing Committee for a period starting on January 28, 2020 through June 30, 2021. The Committee was charged with reviewing existing plans and programs, and preparing a report based on their findings. In addition, the authoring of this preliminary report was requested as part of the motion to establish the Committee.

The Committee members were selected through an application and recommendation process and confirmed by the City Commission at their February 1, 2020 meeting.

The Committee met during the months of March, August, September, October, November, and January 2020-21 (April – July meetings cancelled due to Covid-19). A brief schedule with discussion items follows:

- March 10, 2020 – Election of Officers, Approval of 2020 Meeting Schedule, Charge for the Committee, Housing History, and Timeline
- August 11, 2020 – Definition of Affordable Housing, Housing Data Discussion, and Timeline
- September 8, 2020 – Inventory and Vacancy Rates for Marquette Owner Occupied and Rental Properties and Vacant Property Available for Housing Development
- October 13, 2020 – Presentation on Marquette Land Development Code, Presentation on Grand Rapids Affordable Housing, Discussion on Zoning and Affordable Housing, and Presentation on findings of Marquette Missing Middle Housing Tour
- November 10, 2020 – Discussion on Zoning and Affordable Housing
- December 8, 2020 – Presentation on Missing Middle Housing, Presentation on Partnerships for Affordable Housing, and Presentation on Costs Associated with Housing Development
- January 12, 2021 – Review of Ad-Hoc Committee Initial Report

For a more in depth record of the meetings, please see the attached Meeting Minutes (Attached as Appendix A).

KEY ISSUES DISCUSSED

Housing Costs and Trends

Stephanie Jones provided the Committee with a report on housing costs and trends from the Upper Peninsula Association of Realtors titled “NEIGHBORHOOD REPORT Marquette, Michigan.”

The report (Attached as Appendix B) identified the following:

- The median home value in Marquette is \$220K, which is higher than the County (\$195K) or the State (\$209K), but less than the United States (\$253K)
- The 12 month price changes were positive, which indicates an increasing value.
- The median home age is 51 years old which is lower than the County (54 years). But much higher than State (38 years) and the United States (41 years).
- 48% of the housing stock is owner-occupied and that is significantly lower than the County (69%), State (71%), and the United States (64%). Conversely, this leads to a much higher inventory of rental housing (52%) when compared to the County (31%), State (29%) and the United States (36%).
- The median sales prices have fluctuated between \$150K and \$225K the past five years with the lows appearing in January and highs in the summer months.
- The median sales volume directly correlates to the median sales prices.
- In recent years, the median listing price in Marquette has risen to around \$225K and has hovered around this level since 2017 with the listing volume correlating to the January lows and summer highs.

Committee discussion on the report led to the takeaway that the median housing price range is very wide and has settled closer to the higher end of \$225K. The Committee also noted there are a significant number of rentals in the City of Marquette and an unknown amount of renters are seeking to buy a home.

Marquette County Housing Assessment

The Committee reviewed and discussed the Housing Market Assessment for Marquette County produced by the Central Upper Peninsula Planning and Development Agency (December 2020).

The report (Attached as Appendix C) identified the following:

- Trends indicate a hot housing market.
- Home prices are increasing more quickly than incomes.
- A housing affordability challenge persists for renters.

- One third of all households are headed by someone of retirement age in Marquette County.
- There is a high demand for a mix of housing formats.
- A large proportion of homes are older and in need of upgrades.
- Current zoning may be limiting new development opportunities and impacting affordability in the County (City zoning discussion later in this report).
- Opportunities exist to link new developments in conjunction with transit.
- The stock of rental units is notably low and in high demand within portions of the County (outside of Marquette).
- Single family households headed by women earn the least across all family types.

Marquette County Master Plan Survey Data

Chairman Bonsall presented data from the survey associated with the Marquette County Master Plan project (See Appendix D).

Several Committee members commented on the data during discussion, with some noting that it appears people have expectations of getting a new home for little money with a lack of interest in starter homes. The Committee discussed the thought that, if current trends continue, most people will not be able to buy their first home in Marquette because most affordable homes are located outside of the City limits. However, moving outside of the City comes with added transportation costs. Other concerns noted were that the percentage of residents aged 25-34 who own a home (8.9%) is significantly lower than the national average from 2017 (34%).

National and State Programs

When reviewing National and State programs through HUD and MSHDA, it was noted that most policies are directed towards low-income families.

Director Kivi and Housing Commission Member Stark discussed the use of programs by the Marquette Housing Commission (MHC). They also discussed the vacancy rates for the housing managed by the MHC and identified that their units are full and in high demand for a number of reasons.

National Trends

The Committee discussed and concurred that many of the national trends of increasing material costs, regulatory costs, and labor shortage are also influencing the local housing market.

The Committee members who have a background in housing development noted the great impacts caused by layers of government bureaucracy. As well, the Committee received a presentation by local developer L.R. Swadley. Mr. Swadley stated material costs are skyrocketing, and those costs are beyond local control. He advised that each home constructed requires 15 subcontractors and a new single-family home would cost about \$400K before any land costs. He reiterated to the committee that skilled labor is a challenge. He also clarified that

the permitting cost is not so much the actual permit fee, but rather the level of detail required with the plans to be submitted.

Housing Competition (Rentals/Short Term Rentals)

The Committee held discussion on the relationship between long/short term rentals and housing prices. The Committee felt that this was a double-edged challenge as short-term rentals take up rental housing stock and can contribute to housing shortages and increased rents. However, short-term rentals on owner-occupied residential properties, such as homestays and accessory dwelling units, would permit more people to purchase a home and use the rental income towards their housing costs.

Other Community Models

The Committee received a presentation from David Allen – a housing expert and developer, Mr. Allen had previously served as a member of the Grand Rapids City Commission and the Grand Rapids Housing Advisory Committee. He advised Grand Rapids amended their zoning code to **allow “zero-lot-line” development** (i.e., rowhouses) and **allow ADUs, duplexes, and multi-family residential as “by-right” land uses in all residential zones** – this has led to the creation of many new “Missing Middle” housing units in Grand Rapids in the past 2-3 years. He also advised that, given that the City of Marquette owns a considerable amount of property, we should consider making City-owned land available specifically for affordable/Missing Middle housing development, and using Brownfield Plans and TIF as a form of subsidy to attain affordability in new housing projects. Finally, Mr. Allen advised that new advancements in modular housing have made it possible to develop high-quality single-family homes at affordable prices that would be unattainable through traditional stick-built construction.

The Committee also received a presentation from Dan Parolek, who was the creator of the term **“Missing Middle Housing”** and has championed many projects to address the creation of housing that is targeted for middle income families. His presentation provided the following items worth noting:

- “Missing Middle Housing” falls between single family lots and urban high density, and is defined as **“a range of house-scale buildings with multiple units – compatible in scale and form with detached single-family homes – located in a walkable neighborhood.”**



- Communities should stop using the term density because it scares people.
- The preferred style is a fourplex.

- The ideal place for development of these units are neighborhoods adjacent to Downtown as those are transition areas.
- Parking requirements imposed are a hindrance to development.

The Committee held discussion with Dan and asked several questions. The summary of those questions and answers are available in the meeting minutes.

The Committee received a presentation from Shannon Morgan and Jill Ferrari of Renovare Development regarding their project in Munising and the application of creative financing and community subsidization. Ms. Morgan and Ms. Ferrari provided information on two topics that are particularly relevant to Marquette. First, they recommended that the City use Brownfield TIF as a form of subsidy to attain affordability in future housing projects, as this has been done successfully in many other communities in Michigan and nationwide.

Second, Ms. Morgan and Ms. Ferrari shared techniques for redeveloping blighted “problem properties” like the old Marquette General Hospital property in central Marquette. Based on their extensive experience redeveloping similar properties in Michigan, they recommended using Brownfield TIF, 4% Low-Income Housing Tax Credit, MSHDA 9% tax credit, New Market Tax Credits, and other federal, state, and local incentives to attain affordability. They also mentioned that the County Land Bank could serve as a pass-through to access certain tax credits and incentives at the old hospital property, as land banks have served a similar function in other redevelopment projects in Michigan. Finally, they cited the following projects as examples of what could be done at the old hospital property in Marquette:

Mason Run (Monroe, MI): A large, abandoned hospital campus very similar to the one in Marquette which was redeveloped into 250 Missing Middle homes, with write-ins guaranteeing future affordability for low- and middle-income residents. This was a Renovare Development project.

Grand Traverse Commons (Traverse City, MI): An old psychiatric hospital which has been gradually redeveloped into a mixed-use development including 62 market-rate condos, 68 low-income rental units, and dozens of retail stores, offices, and restaurants. Currently, 91 affordable senior housing units are being built on the old hospital campus. This ongoing, long-term redevelopment project has utilized Brownfield TIF, Low-Income Housing Tax Credits, and Historic Tax Credits. Over 500,000 square feet of the old hospital remain to be redeveloped in the coming years.

Read more here: <http://gtchd.org/444/Grand-Traverse-Commons>.

Munising Marketplace (Munising, MI): A mixed-use development currently being undertaken by Renovare Development on the site of the old fire hall and DPW garage in Munising. It will consist of a 3-story building with thousands of square feet of new commercial and office space on the ground floor and 38 upper-level rental housing units, with 35% of these units being affordable for households earning less than 80% of the Area Median Income (AMI).

City Policies and Codes

The Committee reviewed the Community Master Plan and Land Development Code.

Community Master Plan (Excerpts attached as Appendix D)

Director Stachewicz presented information to the Committee on the sections of the Community Master Plan (CMP) that directly discussed or addressed housing affordability. It was noted that the CMP is the basis for implementation of projects as it has been vetted by the entire community and some of the strategies discussed are being implemented by Administrative Staff through the Land Development Code.

Land Development Code

City Planner and Zoning Administrator David Stensaas gave a presentation to the Committee on the sections of the Land Development Code (LDC) that were drafted to directly address housing affordability, these included:

- Lot sizes
- Mixed-Use Zoning Districts
- Accessory Dwelling Units (ADUs)
- Parking

Subsequent discussion by the Committee at the next meeting yielded robust discussion with the Committee focus on ADUs, allowing more Multi-family housing across the City in the form of duplexes and ADUs, tackling on-street parking challenges, as well as stormwater and permitting challenges.

Marquette Brownfield Redevelopment Authority

The Committee recognized that the MBRA recently incorporated “Affordable and Workforce Housing” as a component of their Project Priority Policy, and considers housing affordability when reviewing potential Brownfield projects,

City Surplus Property

The Committee reviewed the Municipal Property Inventory which identifies property that has been identified as surplus and is available for sale and development. There are currently two properties identified which would support residential development (Wright Street and North McClellan). The Committee noted that the Board of Light and Power (BLP) owns large tracts of undeveloped land that is not currently being used for recreation purposes, however this has not been discussed with the BLP as of the writing of this report.

RECOMMENDATIONS

The following are recommendations from the Committee. It should be noted that each of these recommendations are a potential project within themselves that would require further review and dissection by the appropriate Board/Committee/Commission/Administrative Department, as well as a robust community process.

- I. Define the City Role in Affordable/Missing Middle Housing:** The Committee feels that high level discussion is warranted regarding the City having a stake in the

development process through some form of participation. Such a role could include providing special financing, land, or other incentives such as density bonuses.

II. Review and Update City Policies and Codes: The Committee believes the following amendments to the Land Development Code should be considered:

- A. Allow Accessory Dwelling Units and Duplex Units as a Permitted Use.
- B. Adjust lot size requirements to accommodate duplexes.
- C. Relax minimum parking requirements for multi-family developments where appropriate.
- D. Create incentives for developments that maximize the number of units in projects and/or guarantee a certain number of affordable units.
- E. Increase the permissible height requirements in certain zoning districts to permit more housing creation. Such a policy could be considered as part of any unit maximization bonuses to create more affordable housing.
- F. Streamline the permitting process by amending the LDC to permit the preliminary site plan review to be binding with conditions. This would lessen the burden on up-front development costs.
- G. Add a suggestion box on the city zoning web page.

The Committee also believes the Winter Parking ban should be re-evaluated and consideration given towards a policy that permits limited on-street parking. Such a policy change would allow a reduction in minimum parking requirements and may lead to increased maximization of housing unit development. This will require extensive consultation with the Dept. of Public Works, and on-street winter parking may not be universally applicable.

III. Seek Partnerships: The Committee encourages the engagement with the following potential partner agencies:

- A. Marquette County Land Bank – The City has previously partnered with the Land Bank for the redevelopment of single family lots in the City and the Land Bank could be a key player for the former Hospital site. As well, the new MSHDA MOD program has been evaluated by the Land Bank as having potential for the former Hawks Ridge Condo property.
- B. Marquette Brownfield Redevelopment Authority – The MBRA has already adopted “Affordable and Workforce Housing Development” as a priority for future projects and the City should seek opportunities. As well, the MBRA can utilize alternate financing mechanisms that could provide money to close the gaps on affordable projects.
- C. Board of Light and Power – The MBLP holds a majority of the vacant municipally owned land in the City of Marquette. They may be a key player in providing land for development as long the land is not currently being used for recreation purposes.
- D. Michigan Economic Development Corporation – The DDA has been successful in obtaining grants for upper-story housing renovation over the years. Their recently adopted Downtown Plan encourages such development and the Committee wholeheartedly supports them with their efforts.

- E. Marquette Housing Commission – Work with the MHC to address the challenges many Marquette residents face in obtaining low-income housing in the City of Marquette.
- F. Seek public-private partnerships to develop affordable and Missing Middle Housing with private housing developers.
- G. Promote economic development that will provide better-paying, family-sustaining jobs in the City of Marquette, and continuing partnerships with local and state economic development agencies.
- H. Marquette-Alger Local Planning Board – Work with the MALPB to address the homelessness challenges faced by many City residents and eliminate homelessness in the City of Marquette.

APPENDIXES

- 1. Appendix A – Meeting Minutes
- 2. Appendix B – Neighborhood Housing Report
- 3. Appendix C -CUPPAD Marquette County Housing Assessment
- 4. Appendix D – Marquette County Master Plan Survey Data
- 5. Appendix E – Missing Middle Marquette Walking Tour

Appendix A
Meeting Minutes

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD-HOC HOUSING COMMITTEE
March 10, 2020**

A regular meeting of the Marquette City Ad-Hoc Housing Committee was duly called and held at 11:00 a.m. on Tuesday, March 10, 2020 in the upper level conference room of the Municipal Service Center.

ROLL CALL

Present: E. Bonsall, M. Curran, S. Jones, R. Chapman, J. Stark, D. Smith, W. Premeau

Absent: A. Adan (excused)

AGENDA

It was moved by R. Chapman, seconded by S. Jones, and carried 7-0 to approve the agenda as presented.

NEW BUSINESS

1. Election of Officers

Community Development Director D. Stachewicz advised now was the time for the election of officers. He advised the City Commission had designated E. Bonsall as the Chair in their action.

It was moved by D. Smith, seconded by M. Curran, and carried 7-0 to close the nomination and appoint E. Bonsall as the Chair.

E. Bonsall stated that he nominates D. Smith to be Vice-Chair, if he is willing. D. Smith stated that he would accept being Vice -Chair.

It was moved by E. Bonsall, seconded by S. Jones, and unanimously approved (7-0) to appoint D. Smith as the Vice-Chair.

E. Bonsall asked if anyone would like to serve as Secretary. D. Stachewicz advised it was merely signing the minutes. J. Stark volunteered.

It was moved by E. Bonsall, seconded by S. Jones, and unanimously approved (7-0) to appoint J. Stark as the Secretary.

2. Approval of 2020 Meeting Schedule

Community Development Director D. Stachewicz advised now was the time for the adoption of the 2020 Meeting Schedule.

It was moved by S. Jones, seconded by J. Stark, and unanimously approved (7-0) to adopt the 202 Meeting Schedule as presented.

3. Charge for the Committee – Discuss the goals/expected outcome for the Committee

E. Bonsall said the City Commission was rather ambiguous with the charge and it has been left up to the Committee. He advised the City Commission has requested a report due by September 30th and suggested the report include background data, what has been done, and a recommendation for further action.

M. Curran asked what the City Commission deems to be the problem. E. Bonsall said the primary concern he hears is related to housing affordability. D. Stachewicz advised a good start would be to come to a consensus on what their definition of affordable housing is. E. Bonsall advised that MSHDA provides definitions for low income, however, this may be more of an issue with the missing middle housing.

R. Chapman advised that accessibility is an issue that will need to be discussed.

S. Jones said that density is an issue that will need to be discussed as well.

M. Curran advised that accessibility is addressed with new construction and in some cases, it cannot be realistically addressed in older buildings that at one time met codes.

E. Bonsall said they should explore the housing issues based upon who needs the housing. S. Jones said they could attempt to identify a lack of a certain type of housing. She also said that housing is being affected by the cap on short-term rentals as people would like to move here but the cap prevents them from having some income towards their home.

M. Curran said that steep housing construction costs are being partially caused by bureaucratic issues and he gave an example of the new construction code requirement for motion sensor light switches in housing.

E. Bonsall said their discussion will speak towards needing a diversity of housing.

M. Curran asked what the vacancy rate was for the Marquette Housing Commission. J. Stark said they are 100% full. M. Curran said he has 15 units vacant in total. S. Jones advised the number of rentals directly affects rental cost.

Discussion ensued regarding rental costs. J. Stark said she believes rent has nearly doubled in town. Marquette Housing Commission Director S. Maki advised that as a recent renter, she sees three challenges and those are laundry, cost to rent in the City, and the ability to have pets. S. Jones said the issue of pets is a landlord issue. S. Maki concurred with the free market concept.

W. Premeau said the entire City is a Brownfield and asked if anyone building housing could apply for benefits. D. Smith said that they could apply but would be judged on the merits of their proposal. W. Premeau said the State of Michigan has added \$85,000 to the cost of a house and the cost gets higher with rental inspections.

M. Curran advised that Michigan has what is called a Single State Code and local municipalities are trying to enforce multiple codes on top of it.

E. Bonsall noted that Marquette Brownfield redevelopment Authority has included preference points for applications that include affordable housing. He also said part of the committee charge should be disseminating that information.

D. Smith asked if someone buying a building would be required to retrofit it to the current building code. M. Curran said that in most cases you are not required to retrofit with the exception of small items such as smoke detectors.

D. Smith asked if the building process was a one-stop shop. D. Stachewicz advised that building codes are managed by Marquette County, however, his shop has a one stop process for most land use applications.

M. Curran said that the key for all processes is consistency with inspectors.

D. Smith asked if there was an inventory of available property zoned for Multi-Family. D. Stachewicz advised he could make an analysis for the next meeting.

S. Maki advised that the density issue should be at the forefront given other communities reluctance to go up. D. Stachewicz advised the Planning Commission is currently discussing density in the downtown and there have been community members against the concept. S. Jones advised density associated with rowhouses would be more popular than the traditional duplex.

D. Smith said a good test of the concepts will be the workforce housing scheduled to be constructed next to the new hotel at Founders landing.

D. Stachewicz summarized their talking points and advised that he will provide them assistance at the next meeting with examples of definitions for affordable and workforce housing to aid the committee in deciding their charge. He also said the committee has led him to believe they will look at the interface of short-term rentals and associated impacts. He said it was quite apparent to him that government requirements are important to the group, as well as density and the impact of the student population.

S. Jones asked for a breakdown of the short term rentals by numbers of homestays vs. all others.

E. Bonsall advised the committee should dedicate 1 meeting to examine the impact of short term rentals on the housing market. S. Jones said people buying properties for short term rentals are not buying affordable homes in her opinion.

4. Housing History

D. Stachewicz summarized the document he put together for the committee which pulled all of the housing related recommendations from the Community Master Plan and also provided how the administrative staff have addressed them.

W. Premeau stated the Planning Commission is working through the Land Development Code and finding that some sections of the Code directly affect other sections. He said the Planning Commission has a lot of work ahead of them. He also said they have provided for Accessory Dwelling Units, but you cannot locate them due to an open space requirement for the lot.

E. Bonsall stated that such an issue and parking will need to be discussed.

M. Curran advised the Committee should look at data from NMU over 10 years to see where they are staying and if NMU is doing enough to reduce the burden on the local economy. E. Bonsall concurred that students have a major impact and should be part of the discussion. He said he would like to see NMU invited to a future meeting.

5. Timeline

E. Bonsall advised the timeline for the Committee.

COMMITTEE MEMBER COMMENT

None

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 12:15 p.m.

Jackie Stark
Ad-Hoc Housing Committee Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD-HOC HOUSING COMMITTEE
August 11, 2020**

A regular meeting of the Marquette City Ad-Hoc Housing Committee was duly called and held at 11:00 a.m. on Tuesday, August 11, 2020.

ROLL CALL

Present: E. Bonsall, S. Jones, R. Chapman, J. Stark, A. Adan

Absent: M. Curran, W. Premeau, D. Smith

AGENDA

It was moved by R. Chapman, seconded by S. Jones, and carried 4-0 to approve the agenda as presented.

MINUTES

It was moved by J. Stark, seconded by R. Chapman, and carried 4-0 to approve the March 10, 2020 minutes as presented.

NEW BUSINESS

1. Definition of Affordable Housing Definition

Community Development Director D. Stachewicz gave a background on Federal standards and the Community Master Plan.

E. Bonsall recommended the committee use the following standards for a definition: Affordable Housing should be considered to be households that spend 30% or less of their income for housing. For the purposes of other categories, Low Income Housing earns below 80% of the Median Income and Workforce Housing earns 80 to 120% of the area Median Income.

It was moved by E. Bonsall, seconded by J. Stark, and unanimously approved (4-0) to utilize the recommendations of E. Bonsall as committee definitions for Affordable Housing.

2. Housing Data Discussion

E. Bonsall presented data from the Marquette County Master Plan Survey Data. He advised he felt there were some good comments provided. S. Jones advised that she was taken back by the number of comments provided where people expect to have a new home for little money. She also said that it seems that people no longer are interested in a "fixer-upper", which has traditionally been considered a starter home. J. Stark advised that people need to be aware of big ticket items with a home such as a furnace or major appliance.

R. Chapman said he thought the comments were interesting as well and agreed that some of the comments seemed to indicate people feel they have some entitled expectations. A. Adan said he is concerned about barriers to entry. He said they should consider younger people with student loans and assist on a case by case basis. He also said the data needs to be examined further.

J. Stark said the reality is that most people will not be able to buy their first home in the City of Marquette and most affordable homes are located outside of the City. She also said that brings transportation issues such as personal vehicle or public transportation.

E. Bonsall said once someone gets a certain distance from the City, your transportation costs increase.

A. Adan said he was concerned that only 8.9% of people age 25 to 34 own a home. S. Jones sent data to the group that indicated the national average was 34% in 2017.

S. Jones said that one of the issues for the “Missing Middle” housing is that it is not subsidized and affordable housing is.

D. Stachewicz recommended that the committee also consider data on construction costs in their deliberations.

3. Timeline

It was moved by S. Jones, seconded by J. Stark to recommend that the City Commission extend the deadline for the Ad-Hoc Housing Committee report to January 15, 2021 due to the challenges associated with COVID-19

COMMITTEE MEMBER COMMENT

The Committee discussed future meetings and requested the following data (assignments in parenthesis): Marquette inventory/vacancy rates for owned/rented properties (Stephanie/Mark/Jackie) and potential areas for development/redevelopment on land owned by the City (Dennis).

The Committee also agreed to hold 90 minute meetings from this point forward with the meetings beginning at 10:30 a.m.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 12:01 p.m.

Jackie Stark
Ad-Hoc Housing Committee Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD-HOC HOUSING COMMITTEE
September 8, 2020**

A regular meeting of the Marquette City Ad-Hoc Housing Committee was duly called and held at 11:00 a.m. on Tuesday, September 8, 2020.

ROLL CALL

Present: E. Bonsall, A. Adan, R Chapman, M. Curran, S. Jones, D. Smith, and J. Stark

Absent: W. Premeau

AGENDA

It was moved by S. Jones, seconded by R. Chapman, and carried 7-0 to approve the agenda as presented.

MINUTES

It was moved by S. Jones, seconded by J. Stark, and carried 6-0 to approve the August 11, 2020 minutes as presented. M. Curran abstained.

NEW BUSINESS

1. Discussion – Inventory and Vacancy Rates for Marquette Owner Occupied and Rental Properties

Chairman Bonsall gave an introduction on the topic and advised this was planned as part of a series of topics on housing.

Director Stachewicz shared his screen with the group and S. Jones presented a summary of the data to the committee. M. Curran asked if the data included commercial rental properties. S. Jones advised those are not included in the data. The data was summarized as reflecting the median price for housing in Marquette has been between \$150k and \$225K for the past 5 years.

Chairman Bonsall and J. Stark said the data trends appear to be closer to \$225K. E. Bonsall said there appears to be a 12% increase in housing cost. S. Jones said the median price did not increase 12%.

The committee reviewed the own/rent comparison and concluded there is a higher proportion of rentals in the City. The committee asked how many persons could be in a rental. Director Stachewicz advised up to 4 unrelated or more is permitted as a general rule with other allowances. S. Jones said it has been hard to drill down data for smaller commercial rentals. Director Stachewicz advised the data is likely in the Assessing Database but it would need to be a defined project where a report was ran and cross-checked against the rental code database.

R. Chapman said the data confirmed some trends and said it would be good to know if there are renters who are looking to buy a home.

J. Stark and Marquette Housing Commission (MHC) Director Kivi gave an update on the status of vacancy rates for the housing managed by the MHC. Director Kivi said they are full and have no vacancy. She also said the data can be skewed depending on the time a report is run due to changeover. Director Kivi said that their biggest challenges also come from turnovers in the units. She also said another challenge that they do not have an answer for is declining waiting lists. Director Kivi said another big challenge is that people from outside of the U.P. come here to obtain the housing vouchers and then return to where they came from to use the vouchers as they are not County-specific. There was discussion regarding policy change with regard to the vouchers, however, it is a Federal program that promotes choice for people.

Chairman Bonsall said it appears there is a need for low income housing. Director Kivi said proper screening is important as it affects quality of life for the residents. She said the homeless issue is causing pressure on the MHC to rent to people with a criminal background, etc. M. Curran advised that the Salvation Army should be more involved with housing and providing work for the homeless. There was

discussion regarding reaching out to the Salvation Army. J. Stark asked if zoning permitted multiple family zoning. Director Stachewicz advised that the new Land Development Code (LDC) promotes multiple family zoning in many areas and also in a new mixed use designation that is found throughout the City. He also advised that the affordable housing challenges in the Community Master Plan have been addressed through the LDC with permissions for alternatives such as Accessory Dwelling Units. J. Stark asked if someone could put an apartment over a garage. Director Stachewicz advised that you now may according to the permissions in the LDC.

2. Vacant Property Available for Housing Development

Director Stachewicz gave an overview of the City Municipal Property Inventory Map.

Chairman Bonsall discussed whether or not the City has the ability to facilitate missing middle housing. J. Stark asked if any of the land is designated for housing. Director Stachewicz advised the lands are designated by the Future Land Use Map in the Community Master Plan. S. Jones said City Zoning has opened up a lot of development opportunities. Chairman Bonsall said he would like to see the City partner with NMU to provide more raw land for housing opportunities. He also said the old hospital campus area has some potential, however, the demolition costs on the old hospital are very cost prohibitive. M. Curran advised that the hospital has begun selling some of the small outlots.

A. Adan said he would like to see the City incentivize density in developments. There was a discussion about density of housing units. M. Curran advised the more height you gain, the more costly development is. S. Jones spoke about the preferences of one or two bedroom apartments. M. Curran advised that in the construction world, adding a second bathroom isn't a major cost. He said the major costs are bathrooms and kitchens. M. Curran reminded the group that there is a huge cost burden from government permits. He said site plan review in the City should be amended to allow more flexibility for a developer by only requiring a building footprint with permitted variations allowed.

S. Jones said there is also property available on the west side of Lakeshore Boulevard. Discussion ensued about how to educate the community so development could actually be approved on the west side of Lakeshore Boulevard.

Director Stachewicz spoke about the listing he forwarded the group over the weekend regarding the tiny home cost. There was discussion about the high cost and whether or not the committee should explore them as an option. M. Curran said he felt they were a waste of land.

J. Stark asked about the former Shopko and Office Max property. S. Jones said she believed those properties had accepted offers the past week. Director Kivi advised that AirBNB Homestays are another option to permit people to own a home and share the costs.

COMMITTEE MEMBER COMMENT

R. Chapman said he liked the idea regarding the Salvation Army brought up by M. Curran and Chairman Bonsall said he would bring it up at the next Room at the Inn meeting.

A. Adan requested a walking tour so the housing committee could pick housing designs they would like to promote in the City. The committee agreed to discuss at a later date.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 11:58 a.m.

Jackie Stark
Ad-Hoc Housing Committee Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD HOC HOUSING COMMISSION
October 13, 2020**

A regular meeting of the Marquette City AHHC Commission was duly called and held at 10:30 a.m. on Tuesday, October 13, 2020 by remote means (due to the COVID-19 pandemic).

ROLL CALL

Present: R. Chapman, S. Jones, M. Curran, J. Stark, D. Smith, A. Adan, Chair E. Bonsall

Absent: W. Premeau

AGENDA

It was moved by S. Jones, seconded by M. Curran, and carried 7-0 to approve the agenda as presented.

NEW BUSINESS

1. Approval of the September 8, 2020 Meeting Minutes

The minutes of September 8, 2020 were approved as presented.

2. Presentation – Marquette Land Development Code – David Stensaas, City Planner

City Planner and Zoning Administrator D. Stensaas introduced himself and presented details about the planning and zoning efforts and actions related to housing availability and affordability that have taken place in recent years. He discussed the adoption of a highly revised Community Master Plan in 2015 and an update to the CMP in 2018 that included extensive discussion about affordable housing and housing affordability. He also explained the many zoning techniques that were adopted with the Land Development Code in early 2019. There were a number of questions from committee members and some discussion.

3. Presentation – Grand Rapids Affordable Housing – David Allen, Innovalab Development

David Allen of Lighthouse Communities, Inc. of Kent County, stated that he had been working for 25 years in community development and had been a member of the Grand Rapids city commission and the director of the Kent Co. Land Bank. David Allen also served on the Grand Rapids Housing Advisory Committee which generated the "Housing NOW!" recommendations in 2018. He discussed the "Housing Now!" initiative in Grand Rapids, what led up to the housing shortage and affordability crisis there, and what recommendations of the initiative have been adopted. He also discussed the importance of collecting data prior to making proposals. He discussed state funding requirements for grants and how Tax Increment Financing and Brownfield funding can fill gaps that developers face in providing affordable housing. He stated "zero lot line" housing as a way to increase density and stated that it is becoming more common and stated that modular housing is a good solution to affordability.

4. Discussion – Zoning and Affordable Housing

The discussion of zoning and affordable housing was skipped until after the walking tour presentation.

5. Presentation – Marquette Missing Middle Housing Tour – Antonio Adan and Evan Bonsall

A. Adan presented a PowerPoint of a walking tour that he conducted of "missing middle" homes that he conducted. Discussion of the presentation included the issues that associated surface parking present. He also stated that some data that would be valuable to know includes "how many housing units have been built in the last five years" and "what percentage of those units is workforce housing".

DISCUSSION

A brief discussion regarding zoning and housing affordability included the topics of the cost of land driving

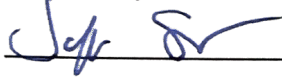
developer decisions about where to develop. M. Curran stated that the cost of retrofitting older buildings to meet fire codes for multi-family housing can be too high for a project to pencil out. D. Stensaas stated that increasing density by allowing duplexes and Accessory Dwelling Units as a permitted use in single family zoning districts is a good idea, but that public opinion about that idea should be evaluated. He also stated that increasing the density of dwelling units will increase the density of motor vehicles and the scarcity of parking space on small lots often presents a wicked problem and that he recommends that the consideration to allow some front yard parking during the winter parking ban should accompany other considerations of allowing greater density of dwellings in those single family districts.

E. Bonsall stated that the committee would be meeting until June, with a final report then and an intermediate report released in January.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 11:59 a.m.

Prepared by:

A handwritten signature in blue ink, appearing to read 'Jackie Stark', is written over a horizontal line.

Jackie Stark, Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD HOC HOUSING COMMISSION
November 10, 2020**

A regular meeting of the Marquette City AHHC Commission was duly called and held at 10:30 a.m. on Tuesday, October 13, 2020 by remote means (due to the COVID-19 pandemic).

ROLL CALL

Present: R. Chapman, S. Jones, M. Curran, J. Stark, D. Smith, A. Adan, Chair E. Bonsall

Absent: W. Premeau

AGENDA

It was moved by S. Jones, seconded by D. Smith, and carried 7-0 to approve the agenda as presented.

NEW BUSINESS

1. Approval of the October 13, 2020 Meeting Minutes

It was moved by R. Chapman, seconded by M. Curran, and carried 7-0 to approve the October 13, 2020 meeting minutes as presented.

2. Discussion – Zoning and Affordable Housing

Chairman Bonsall opened the discussion from last meeting and noted the information that was provided via a link in the correspondence. S. Jones said she thought it was interesting, however, she thought the Accessory Dwelling Units were not the answer for Marquette. She also said it provided good information for promoting multi-family housing for the Missing Middle component. D. Smith appreciated the multi-tiered approach with some subsidies and loans. Chairman Bonsall agreed with regards to multi-family housing and multi-tiered financing and said he believes the City of Marquette needs to have some skin in the game above and beyond regulation. M. Curran said Habitat for Humanity could be an option to encourage them to continue to construct new homes. A. Adan spoke about the Payment in Lieu of Taxes presented. D. Stachewicz advised the City does have those programs for existing developments.

Chairman Bonsall asked if anyone has any thoughts about the previous zoning discussion. M. Curran advised that stormwater would be an issue when you speak about increasing density. D. Stachewicz concurred. There was discussion regarding front yard parking allowances. D. Stachewicz advised the LDC does permit parking lots in neighborhoods and that may be a better option other than front yard parking. He said front yard parking is one of the biggest complaints his office receives. He also said the Community Master Plan has promoted alternating on-street parking since 2004, however, it presents a challenge for DPW and Police to enforce if implemented.

M. Curran spoke about the potential for underground parking or parking under units. D. Stachewicz advised that much of the remaining land would require parking ground-level parking under units due to environmental constraints on the land. J. Stark said that the City should manage people's expectations with regards to parking in certain historic or medium-density neighborhoods like the East Side and that affordable housing may not be able to be city-wide. Discussion ensued regarding front yard parking and several members concurred that it can be an eyesore. S. Jones said that many people who buy property outside of the City want a large yard and that the people who can afford property in the City as looking for first floor bedrooms.

Chairman Bonsall advised that now was the time to speak about zoning issue recommendations for their committee report due in January. He mentioned Accessory Dwelling Units (ADU), allowances for more multiple family housing, front yard parking challenges, on-street parking opportunities, and other items. S. Jones said an item that frequently comes up is permitting. M. Curran said that would be hard to tackle. D. Stachewicz spoke about local, County, and State permitting and the ability to advocate for changes.

J. Stark asked about permissions for ADUs, duplexes and triplexes. D. Stachewicz advised that ADUs are currently permitted and explained the mechanism for permissions. There was discussion regarding allowing ADUs and duplexes as a Use by Right. R. Chapman asked if there was a limit on the number of bedrooms. D. Stachewicz said that single family units may not house more than four unrelated persons. D. Stensaas spoke to the Planning Commission upcoming amendments related to ADUs and duplexes.

Chairman Bonsall spoke about the comments from the chat section. He specifically noted a question about the who the target market is and what is current rental demand. A. Adan referenced the CUPPAD report and advised it would be a good idea to seek more information on rental needs. S. Maki said that her experience shows that the rental demand is for low income persons. She said the main challenges are transportation and parking for low income individuals. She said the City should really prioritize the target populations. Chairman Bonsall advised they should all be looked at. J. Stark said that we should remember that we do have a Housing Commission to work on low income housing. S. Jones said she thought the target was going to be the missing middle as nothing seems to be meeting that need. D. Smith concurred with the thought that the focus of the group should be on the missing middle.

J. Stark spoke about rentals being an important part of a steppingstone for buying a house. J. Stark spoke about how Short Term Rentals (STRs) play into the discussion. D. Stachewicz said he recalled the committee spoke about STRs as potentially removing houses from the market unless they are a Homestay, which would assist with home ownership.

DISCUSSION

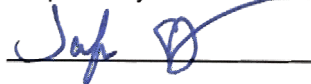
Chairman Bonsall said he would like to close the meeting with a few updates. He said related to housing affordability, there are options of manufactured and modular homes. S. Jones said they do have finance challenges with certain types. Chairman. Bonsall said the more panelized option is what he was referring to. He said he had spoken to Renovare Development regarding a potential project. D. Stachewicz advised he had followed up with them this morning. Chairman Bonsall also said the next meeting will include a presentation on the Old Hospital. Chairman Bonsall advised the CUPPAD housing study should be available next meeting as well.

A. Adan said he thought the future survey should still be a priority in the future report. J. Stark said she is interested in the permitting aspect and what they could recommend to still allow the purpose to be met in an easier way.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 11:50 a.m.

Prepared by:

A handwritten signature in blue ink, appearing to read 'Jackie Stark', followed by a horizontal line.

Jackie Stark, Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD HOC HOUSING COMMISSION
December 6, 2020**

A regular meeting of the Marquette City AHHC Commission was duly called and held at 10:30 a.m. on Tuesday, December 6, 2020 by remote means (due to the COVID-19 pandemic).

ROLL CALL

Present: R. Chapman, S. Jones, M. Curran, J. Stark, A. Adan, Chair E. Bonsall

Absent: D. Smith and W. Premeau

AGENDA

It was moved by S. Jones, seconded by M. Curran, and carried 6-0 to approve the agenda as presented.

NEW BUSINESS

1. Approval of the October 13, 2020 Meeting Minutes

It was moved by S. Jones, seconded by R. Chapman, and carried 6-0 to approve the November 10, 2020 meeting minutes as presented.

2. Presentation – Missing Middle Housing – Dan Parolek, OPTICOS Design

Chairman Bonsall introduced Dan Parolek, founder of OPTICOS Design and the inventor of the idea known as “Missing Middle” housing.

Dan gave a presentation to the Committee that provided the following highlights:

- Missing middle falls between single family lots and urban high density
- Stop using the term density because it scares people
- His favorite style is a fourplex
- He identified via Google Street View ones we have in Marquette
- He said the low hanging fruit are the neighborhoods adjacent to downtown due to them being a transition area
- Missing Middle can be created by modifying existing zoning districts or creating new ones
- Communities can use form based coding to embed types
- He showed examples of how to conduct a missing middle assessment
- He advised parking requirements are a hindrance
- He presented examples of successful Missing Middle developments

M. Curran asked about how we get away from McMansion idea which is what people want here. D. Parolek said this is about providing choices to people and not forcing a housing type. He also said filling the gaps for single family households is important.

Steph asked if he has found these developments need to be subsidized in order to work. D. Parolek said in large markets they may not but they may need gaps in smaller cities. He recommended cities review the case studies and use them as benchmarks.

J. Stark said there is not a lot of empty space for new buildings and asked what he would recommend for existing neighborhoods. D. Parolek said he would recommend the City start with ADUs being allowed by right and more permissions for infill. S. Jones said infill could be used on old MGH lots. Chairman Bonsall said he talked to a small developer who wanted to do this on those lots but zoning was an issue.

M. Curran asked how to market the higher level units because his experience has shown that people want first floor living. D. Parolek said the higher units will likely sell for less and the windows on the

units will help with ending more attractive.

J. Stark said we do have large single family units that could be converted. S. Jones said that creates fire code issues. D. Parolek concurred and said anything over 3 units kicks in commercial code.

S. Jones said she has clients that would appreciate the different housing types. D. Parolek related a story about the challenges for his family to find this type of housing as there is a lack of diversity in choices. He said all cities are struggling with this currently.

J. Stark asked if the no car community was located next to transit or if it was self-contained. D. Parolek said it is a mix of uses and also adjacent to rail. He also said there is a mix of mobility options and grocery delivery.

D. Parolek asked about city efforts. D. Stachewicz advised the City has tackled ADUS, Form Based Codes and lot sizes.

The Committee thanked D. Parolek for his time.

3. Presentation – Development Financing – Shannon Moran and Jill Ferrari, Renovare Development

Chairman Bonsall introduced Shannon Morgan and Jill Ferrari from Renovare Development. They both gave a brief biography and S. Morgan spoke about her previous Marquette Experience with the Old Orphanage. They spoke about a Munising project for a workforce development center with housing that they are working on completing.

They Spoke about the many aspects of project financing and the many challenges with private owners, lending institutions, etc.

A. Adan asked about subsidies related to artists communities. J. Ferrari said that cost will drive projects and may lead to subsidies. S. Morgan spoke about shared space and programming. She also said it leads to a conversation about financial incentives that the community would need to have. She said ultimately it comes down to the right tools and financing package to complete equitable development. Chairman Bonsall agreed and said incentives will definitely be a discussion for the committee in the future.

Chairman Bonsall thanked them for their presentation and expertise.

4. Presentation – Local Development – L.R. Swadley, Swadley Development

Chairman Bonsall introduced local developer L.R. Swadley. Mr. Swadley said the increasing costs have affected housing development. Said housing cost has gone up significantly in the past several years. He said materials, land, labor, and indirect costs have all increased. He said materials are 45% of cost and beyond the control of people in Marquette. He also said land costs are creeping up but not have skyrocketed.

Mr. Swadley said each home takes 15 subcontractors to complete. He said the average new home cost in the Marquette area is \$400K without land costs.

He said the little details will add up when looking for solutions. He said he was glad to hear the committee is looking at workforce housing options. He said it is vital to employers.

M. Curran asked if low interest rates are affecting price and stated he feels it drives prices up. Mr. Swadley said it may drive people to buy more than what they need. He said the consumer is all about the monthly payments.

A. Adan asked how permits have transpired over the last years. LS said fees are important source of income in Lieu of headlee amendment. Mr. Swadley said zoning permits aren't so much for single

family. He said the new larger developments cost more. He also said the zoning fee is not that much but the requirements of engineered plans and other compliance items add to the cost.

J. Stark asked what the remaining participants City can do to move the hospital along even though they don't own it. S. Morgan said the City should get it in a brownfield and also master plan the site. J. Ferrari said the City could have the property owner donate it to the land bank to reset the taxes back to zero. Mr. Swadley said the City should do an inventory and sell the property that could be developed.

Evan thanked everyone for participating. He also spoke about the report he will draft and get to the committee soon.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 12:00 p.m.

Prepared by:

Jackie Stark, Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD HOC HOUSING COMMISSION
January 12, 2021**

A regular meeting of the Marquette City AHHC Commission was duly called and held at 10:30 a.m. on Tuesday, January 12, 2021 by remote means (due to the COVID-19 pandemic).

ROLL CALL

Present: R. Chapman, S. Jones, M. Curran, J. Stark, A. Adan, Chair E. Bonsall, W. Premeau, and D. Smith (arrived late)

Absent: None

AGENDA

It was moved by S. Jones, seconded by R. Chapman, and carried 7-0 to approve the agenda as presented.

NEW BUSINESS

1. Approval of the November 10, 2020 Meeting Minutes

It was moved by R. Chapman, seconded by S. Jones, and carried 7-0 to approve the November 10, 2020 meeting minutes as presented.

2. Review and Approval of Report to City Commission

Chairman Bonsall presented the draft report to the Committee. He said He would appreciate comments as they move through the document. R. Chapman noted a typo in the section Housing Costs and Trends section.

Chairman Bonsall advised the Committee about an upcoming work session with the City Commission. He also said CUPPAD will be presenting their data at the meeting.

J. Stark said a majority of the voucher users are from the area and the Committee discussed that that message should be more accurate and agreed that S. Maki will send an updated sentence once she checks the data. M. Curran said it is important that the City Commission get a clear picture. The Committee edited the report accordingly.

Chairman Bonsall presented the section on National Trends. S. Jones said she thought the section was well written and an accurate representation of the current trends.

Chairman Bonsall presented the section on other communities. He said he working on this section in-depth. The Committee had no feedback on that section.

Chairman Bonsall presented the section on strategies brought forward by Shannon Morgan and Renovare Development. R. Chapman said the old hospital is a very important project and he would recommend it be highlighted. Chairman Bonsall said he thought they would have had a more robust presentation on the old hospital. He also said the old hospital would be the focus of a future meeting. S. Jones said she would like to hear the history from Veridea. Chairman Bonsall amended the report with the concurrence of the Committee. D. Stachewicz advised what he knew that wasn't proprietary and confidential. He spoke to very high renovation and demolition costs, as well as challenges with MEDC support for the project. Chairman Bonsall spoke to the further need for a separate meeting

Chairman Bonsall presented the section on zoning and said that the City Commission took action on the LDC last night that supports some of their recommendations.

There was robust discussion regarding the identification of BLP property being available for possible development. M. Currant said the way it is currently worded the community would be upset because they would think the Committee wants to develop north trail property. D. Stachewicz advised it would

be good to discuss BLP property as they do have holdings that seem to be idle. The Committee agreed to leave the concept in the document with clarification that the properties currently being used for trails would not be considered.

Chairman. Bonsall presented the recommendations for partnerships. Committee discussion ensued and the consensus of the Committee that the word subsidization should be changed to participation.

Chairman Bonsall presented the recommendations for Zoning and Land Development Code. M. Curran said he would like to see a suggestion button for the zoning department. He also said he would like staff to more helpful and help people fit a project into the community. D. Stachewicz said his staff is helpful and gave an example. M. Curran said he felt that some of the staff are helpful and some do not feel empowered to do so on their own initiative. Chairman Bonsall amended the report to reflect the discussion. J. Stark said the recommendation for the permit process should be clarified. M. Curran and W. Premeau said the current process requires too many requirements without being guaranteed approval. They advocated for a process of preliminary approval by the Planning Commission subject to staff approval of technical requirements. D. Stachewicz offered language for the Committee.

Chairman Bonsall presented the recommendation regarding the possibility of on-street parking in the winter. The Committee offered their experience living on various streets and questioned whether or not such a policy could be implemented. D. Stachewicz advised that the recommendation is general, and all recommendations would need to be vetted by Boards, Committees, and Administrators. The Committee agreed to leave the recommendation as written.

Chairman Bonsall went through the recommendations regarding other partners such as the County Land Bank, BLP, MEDC, and others. S. Jones said developers should be added as potential public-private partnerships. The Committee agreed and the document was amended to reflect the discussion. J. Stark said she would like to see economic development referenced in the report. S. Jones said they should encourage continued economic development partnerships. D. Smith said any recommendation should include a reflection on houses versus employment. He noted the challenges that Iron Mountain is having with jobs and not a lot of housing.

Chairman Bonsall said he would like the Committee input on the presentation on low-income housing in the report. He said the Committee has identified and discussed low-income housing previously and would like feedback. D. Smith said his interpretation from discussion was that low-income housing is that it is hard to do because of Federal or State regulatory challenges. He said an example was that people have challenges being able to get into such housing. Chairman Bonsall said this was a good point and some people simply do not qualify if they are within a certain range. J. Stark said the Orphanage is a unique example. M. Curran asked about whether the Marquette Housing Commission had any thoughts. S. Maki said there are many people paying \$700 to \$1300 rent range and that she sees the need for more workforce housing. M. Curran said he thinks if there is more workforce housing that there would be more opportunities for low income housing to open for people who need it. Chairman Bonsall spoke about creating a balance and said he would like to see some recommendation regarding future discussion with the Marquette Housing Commission. S. Maki said the Committee should address the homeless population. She said the Marquette Housing Committee has a continuum care committee and they should be involved. E. Bonsall said that would be the Marquette-Alger Committee. S. Maki and D. Smith recommended an amendment to add language. The Committee agreed.

Chairman Bonsall advised that completes the review and would entertain a motion

It was moved by S. Jones, seconded by D. Smith, and carried 7-0 to approve the report with the amendments made at the meeting.

The Committee discussed the need to review the final document.

S. Jones withdrew her motion.

The Committee agreed to a special meeting on January 14th at 8:00 a.m. ET.

Chairman Bonsall thanked everyone for their time.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 12:00 p.m.

Prepared by:

Jackie Stark, Secretary

**OFFICIAL PROCEEDINGS OF THE
MARQUETTE CITY AD HOC HOUSING COMMISSION
January 14, 2021**

A special meeting of the Marquette City AHHC Commission was duly called and held at 8:00 a.m. on Thursday, January 14, 2021 by remote means (due to the COVID-19 pandemic).

ROLL CALL

Present: R. Chapman, S. Jones, M. Curran, J. Stark, Chair E. Bonsall, W. Premeau, and D. Smith

Absent: A. Adan

AGENDA

It was moved by M. Curran, seconded by D. Smith, and carried 7 -0 to approve the agenda as presented.

NEW BUSINESS

1. Approval of the January 12, 2021 Meeting Minutes

It was moved by R. Chapman, seconded by M. Curran, and carried 7 -0 to approve the November 10, 2020 meeting minutes as presented.

2. Review and Approval of Report to City Commission

Chairman Bonsall said now was the time to review the changes to the report that were recommended by the Committee. He said the only changes were those noted by the Committee at the last meeting.

M. Curran asked if the Committee should place more detail about work force housing and the interface with low income housings. Chairman Bonsall said he would like to see that as a separate meeting.

It was moved by M. Curran, seconded by S. Jones, and carried 7-0 to approve the report to the City Commission as presented.

Chairman Bonsall thanked the committee for their hard work and reminded the Committee about the upcoming work session.

D> Smith asked about the strategy for the work session with the City Commission. Chairman Bonsall said the Committee shouldn't feel pressured and he will take the lead as liaison.

ADJOURNMENT

The meeting was adjourned by Chair E. Bonsall at 8:09 a.m.

Prepared by:

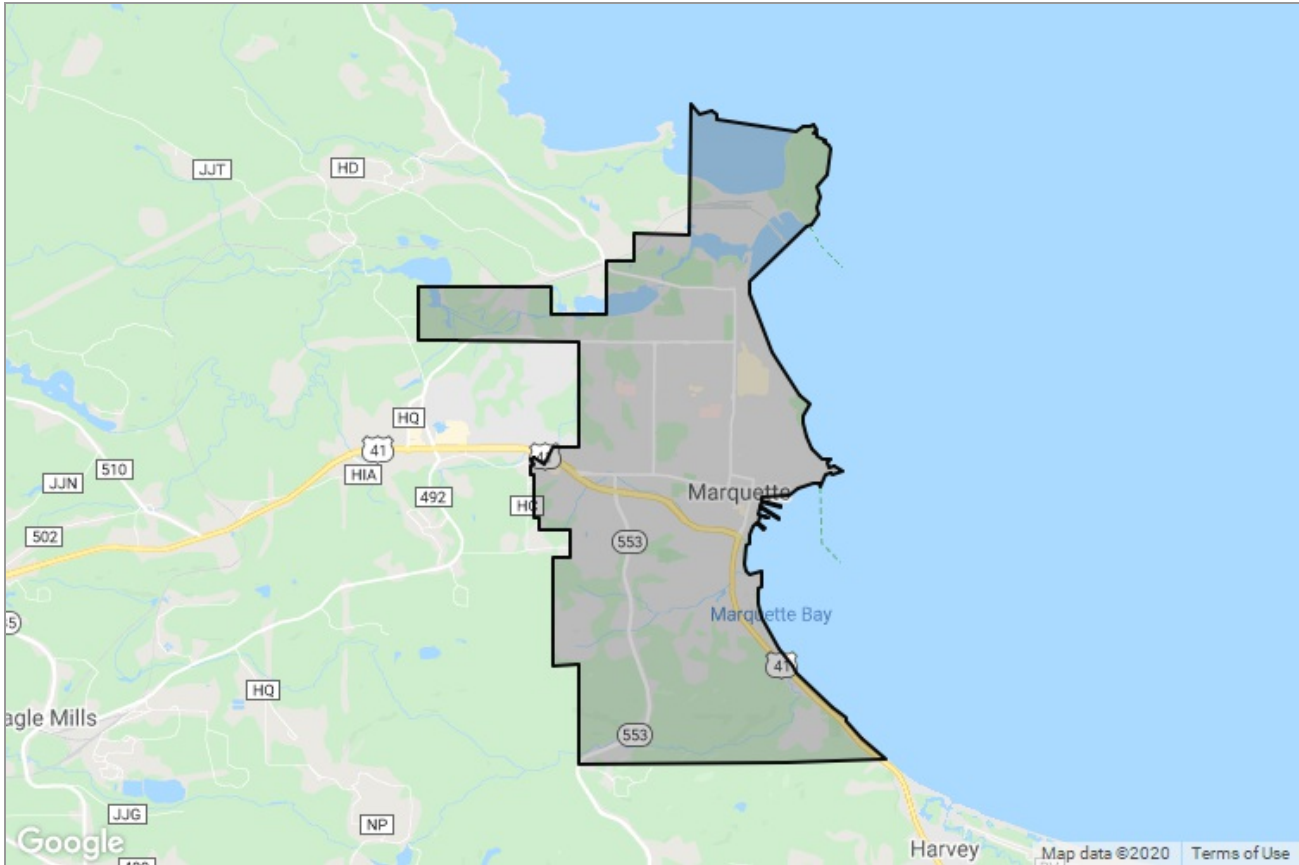
Jackie Stark, Secretary

Appendix B
Neighborhood Housing Report



NEIGHBORHOOD REPORT

Marquette, Michigan



Presented by

Stephanie Jones | REALTOR® | GRI



Work: (906) 228-2772 x35 | Mobile: (906) 362-3823 |
Fax: (906) 228-8779

Main: NAR@StephanieSells.com

SELECT REALTY
1901 W Ridge St
Marquette, MI 49855

Neighborhood: Housing Stats and Charts

	Marquette (City)	Marquette County	Michigan	USA
Median Estimated Home Value	\$220K	\$195K	\$209K	\$253K
Estimated Home Value 12-Month Change	+2.3%	+2.3%	+3.4%	+3.5%
Median List Price	\$260K	\$183K	\$220K	\$130K
List Price 1-Month Change	+4%	-3.4%	+0.5%	+0.1%
List Price 12-Month Change	+8.3%	+1.4%	+10%	+4.1%
Median Home Age	51	54	38	41
Own	48%	69%	71%	64%
Rent	52%	31%	29%	36%
\$ Value of All Buildings for which Permits Were Issued	—	\$20.2M	\$4.57B	\$271B
% Change in Permits for All Buildings	—	-3%	-7%	+4%
% Change in \$ Value for All Buildings	—	+6%	-7%	+5%

Median Sales Price vs. Sales Volume

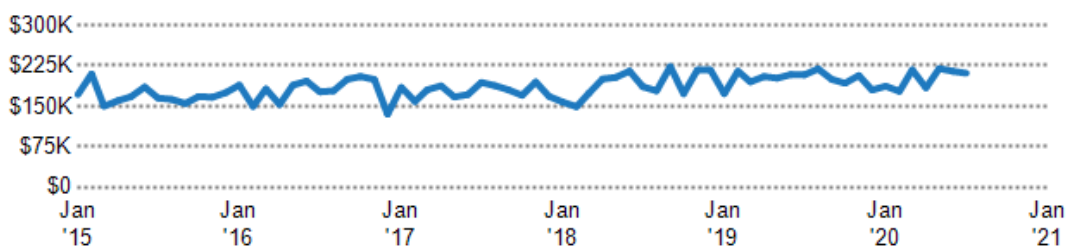
This chart compares the price trend and sales volume for homes in an area. Home prices typically follow sales volume, with a time lag, since sales activity is the driver behind price movements.

Data Source: Public records and listings data

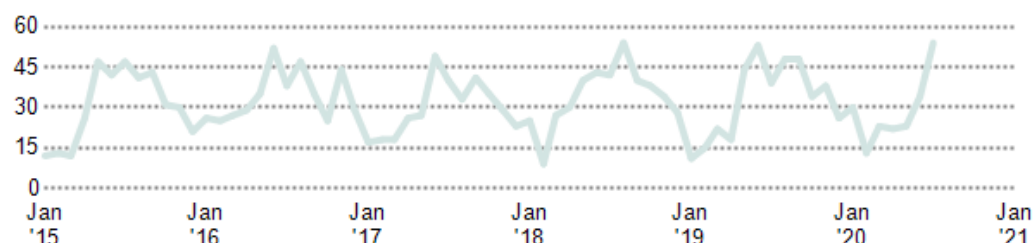
Update Frequency: Monthly

- Median Sales Price Public Records
- Median Sales Price Listings
- Sales Volume Public Records
- Sales Volume Listings

Median Sales Price



Sales Volume



Median Listing Price vs. Listing Volume

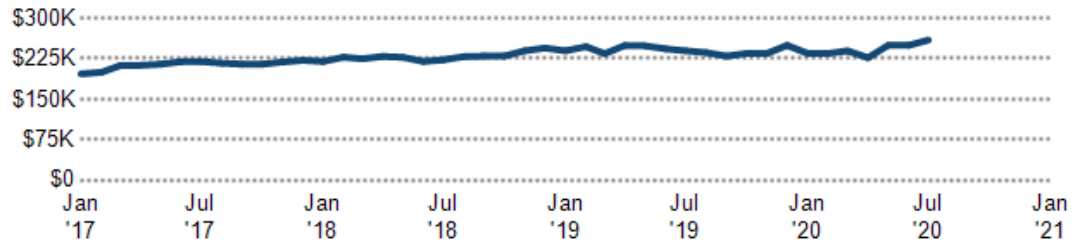
This chart compares the listing price and listing volume for homes in an area. Listing prices often follow listing volume, with a time lag, because supply can drive price movements.

Data Source: On- and off-market listings sources

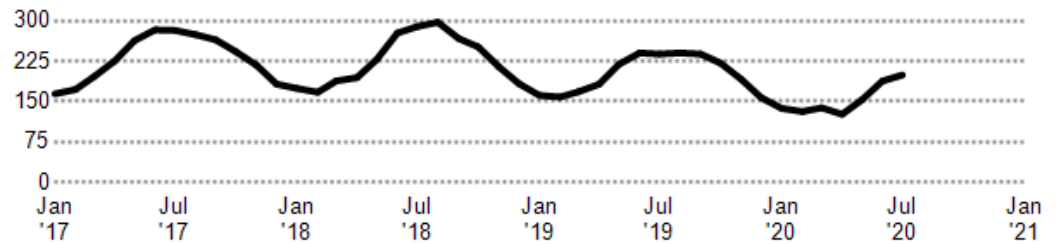
Update Frequency: Monthly

■ Median List Price
■ Listing Volume

Median List Price



Listing Volume



Neighborhood: People Stats and Charts

	Marquette (City)	Marquette County	Michigan	USA
Population	20.9K	66.9K	9.96M	323M
Population Density per Sq Mi	1.84K	37	176	—
Population Change since 2010	-2.4%	-1%	+2.2%	+7.7%
Median Age	28	39	40	38
Male / Female Ratio	51%	50%	49%	49%

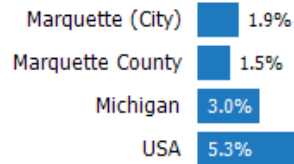
Education Levels of Population

This chart shows the educational achievement levels of adults in an area, compared with other geographies.

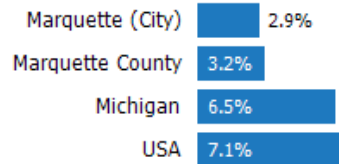
Data Source: U.S. Census American Community Survey via Esri, 2016

Update Frequency: Annually

Less Than 9th Grade



9-12th Grade/No Diploma



High School Graduate



Associate Degree



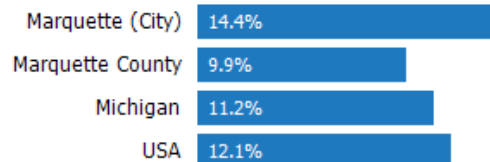
Bachelor's Degree



At Least a College Education



Grad/Professional Degree



Population of Children by Age Group

This chart shows the distribution of the population of children by age range — from birth to 17 — in the area of your search.

Data Source: U.S. Census

Update Frequency: Annually

■ Marquette



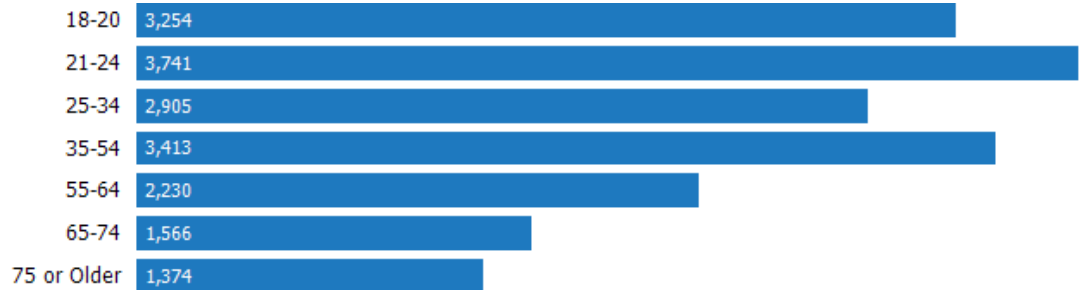
Population of Adults by Age Group

This chart shows the distribution of the population of adults by age range — from 18 to 75-plus — in the area of your search.

Data Source: U.S. Census

Update Frequency: Annually

■ Marquette



Households With Children

This chart shows the distribution of households with children, categorized by marital status, in the area of your search.

Data Source: U.S. Census

Update Frequency: Annually

■ Marquette



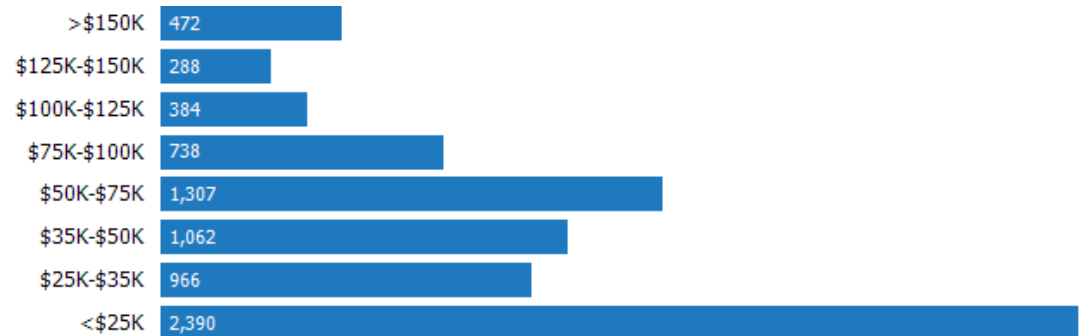
Household Income Brackets

This chart shows annual household income levels within an area.

Data Source: U.S. Census

Update Frequency: Annually

■ Marquette



Presidential Voting Pattern

This chart shows how residents of a county voted in the 2016 presidential election.

Data Source: USElectionAtlas.org

Update Frequency: Quadrennially



Neighborhood: Economic Stats and Charts

	Marquette (City)	Marquette County	Michigan	USA
Income Per Capita	\$29,168	\$25,550	\$28,938	\$31,177
Median Household Income	\$40,398	\$50,771	\$54,938	\$60,293
Unemployment Rate	—	13.1%	14.9%	11.1%
Unemployment Number	—	4.52K	744K	17.8M
Employment Number	—	30K	4.25M	142M
Labor Force Number	—	34.5K	4.99M	160M

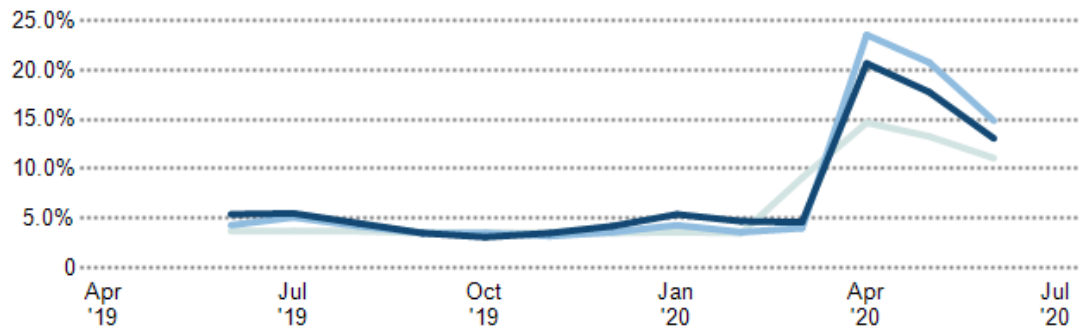
Unemployment Rate

This chart shows the unemployment trend in the area of your search. The unemployment rate is an important driver behind the housing market.

Data Source: Bureau of Labor Statistics

Update Frequency: Monthly

■ Marquette County
■ Michigan
■ USA



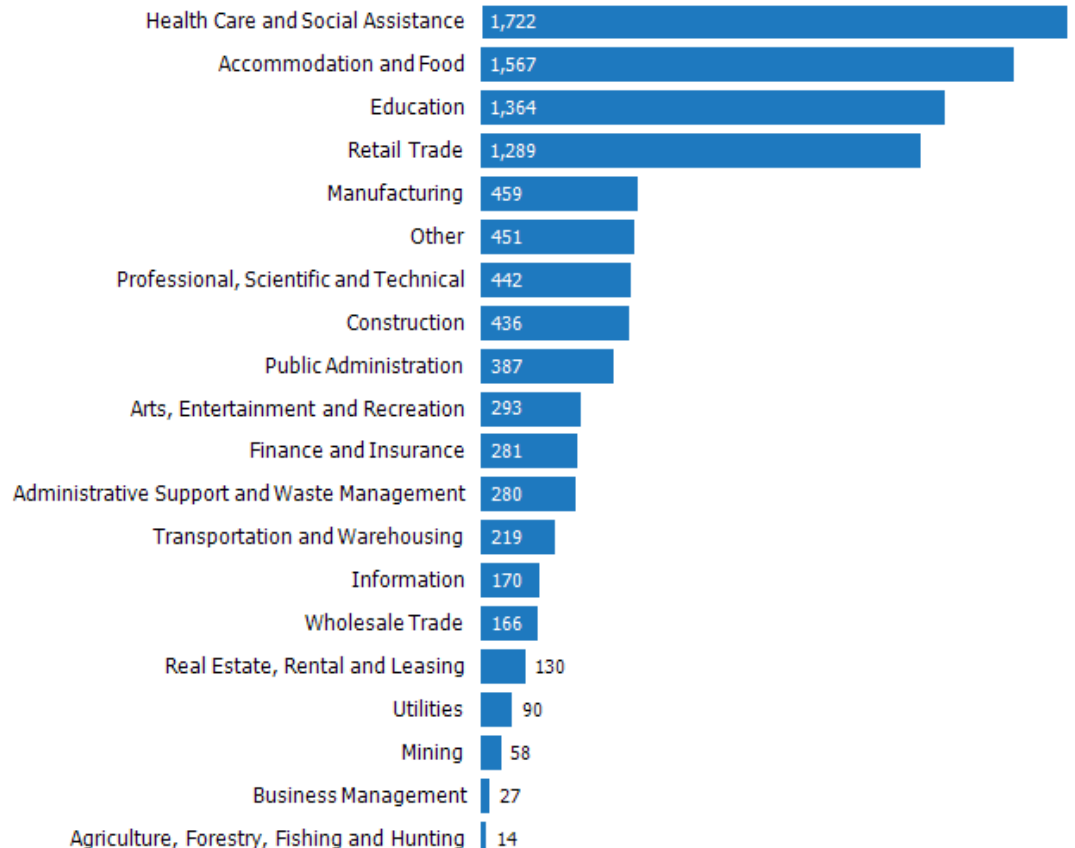
Occupational Categories

This chart shows categories of employment within an area.

Data Source: U.S. Census

Update Frequency: Annually

■ Marquette



Neighborhood: Quality of Life Stats and Charts

Quality of Life in 49855

	Marquette (City)	Marquette County	Michigan	USA
Elevation (in feet)	245	245	179	—
Annual Rainfall (in inches)	35.01	35.01	33.27	—
Annual Snowfall (in inches)	72	71.96	60.38	—
Days of Full Sun (per year)	67	69	69	—
Travel Time to Work (in minutes)	12	18	24	27
Water Quality - Health Violations	—	0	—	—
Water Quality - Monitoring and Report Violations	—	1	—	—
Superfund Sites	1	1	96	2,395
Brownfield Sites	Yes	Yes	Yes	Yes

Average Commute Time

This chart shows average commute times to work, in minutes, by percentage of an area's population.

Data Source: U.S. Census

Update Frequency: Annually

Marquette

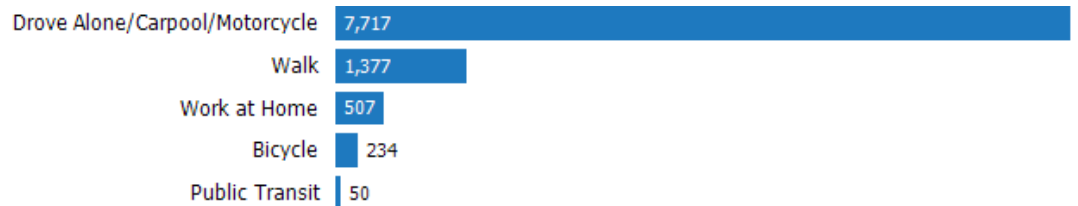


How People Get to Work

This chart shows the types of transportation that residents of the area you searched use for their commute.

Data Source: U.S. Census

Update Frequency: Annually



Average Monthly Temperature

This chart shows average temperatures in the area you searched.

Data Source: NOAA

Update Frequency: Annually



About RPR (Realtors Property Resource)

- Realtors Property Resource® is a wholly owned subsidiary of the National Association REALTORS®.
- RPR offers comprehensive data – including a nationwide database of 164 million properties – as well as powerful analytics and dynamic reports exclusively for members of the NAR.
- RPR's focus is giving residential and commercial real estate practitioners, brokers, and MLS and Association staff the tools they need to serve their clients.
- This report has been provided to you by a member of the NAR.



About RPR's Data

RPR generates and compiles real estate and other data from a vast array of sources. The data contained in your report includes some or all of the following:

- **Listing data** from our partner MLSs and CIEs, and related calculations, like estimated value for a property or median sales price for a local market.
- **Public records data** including tax, assessment, and deed information. Foreclosure and distressed data from public records.
- **Market conditions and forecasts** based on listing and public records data.
- **Census and employment data** from the U.S. Census and the U.S. Bureau of Labor Statistics.
- **Demographics and trends data** from Esri. The data in commercial and economic reports includes Tapestry Segmentation, which classifies U.S. residential neighborhoods into unique market segments based on socioeconomic and demographic characteristics.
- **Business data** including consumer expenditures, commercial market potential, retail marketplace, SIC and NAICS business information, and banking potential data from Esri.
- **School data and reviews** from Niche.
- **Specialty data sets** such as walkability scores, traffic counts and flood zones.



Update Frequency

- Listings and public records data are updated on a continuous basis.
- Charts and statistics calculated from listing and public records data are refreshed monthly.
- Other data sets range from daily to annual updates.

Learn more

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Appendix C

CUPPAD Marquette County Housing Assessment

HOUSING MARKET ASSESSMENT

MARQUETTE COUNTY

DECEMBER 2020



CENTRAL U.P.
REGIONAL PROSPERITY
INITIATIVE

ABOUT THE HOUSING MARKET ASSESSMENT

The Central Upper Peninsula Planning and Development Regional Commission (CUPPAD) is a voluntary association of local governments that coordinate regional planning efforts related to economic, social, and physical development and conservation within its six-county region of Alger, Delta, Dickinson, Marquette, Menominee, and Schoolcraft Counties.

A number of housing-related challenges are present within the six-county region. These challenges include an increase in the amount of homes being purchased for seasonal residence, growth in the number of houses that are not being used for primary residences but rather as an investment tool through the use of Airbnb or Vacation Rental By Owner (VRBO), a mismatch between residential incomes and housing stock availability, and housing affordability. These issues are nuanced and differ among the six counties within CUPPAD's planning area.

CUPPAD has developed a multidisciplinary study to collect, organize, and review demographic, economic, and housing data that are influencing housing issues. Additionally, Focus Groups were formed to ground truth the data and to provide additional, real life anecdotes regarding experiences with housing issues. The data and community narratives inform this report. Full data sets can be available upon request.

MARQUETTE COUNTY

Marquette County leaders in the public and private sector have been paying close attention to the housing market and how trends have shifted in recent years. One topic of importance to leaders is how to maintain affordability with both new development and redevelopment efforts given high construction costs and skilled labor shortages. In Ishpeming and Negaunee, residents appreciate the affordable cost of living, but remark that it can be challenging to spur new housing development efforts; more than half the housing stock in these communities is over 50 years old and often in need of repair. In the City and Township of Marquette, housing prices are rising consistently and threaten displacement, particularly for potential younger home buyers. In addition, rent prices are at an all time high.

The following report was developed through data collection and analysis, as well as through feedback from public and private sector industry leaders, such as economic development specialists, contractors, lenders, and landlords. Data was largely sourced from the American Community Survey 2012-2017 5-year surveys.

A NOTE ABOUT THE CORONAVIRUS (COVID-19)

Please note that while this report is being released during a major global health pandemic, the bulk of the work including data collection, analysis, and focus group meetings occurred prior to the outbreak.

Impacts from Covid-19 are unprecedented in the modern world. Social distancing, self-isolation and self-quarantining, and travel restrictions have led to a reduced workforce across all economic sectors and caused many jobs to be lost. Schools and childcare facilities have closed down, and the need for commodities and manufactured products has decreased. Further, these societal adjustments are not expected to change until a vaccine is produced to protect the population against the sometimes deadly virus. As such, there are unforeseen economic affects that will exacerbate hardships for certain demographics. As of November 2020 we still face uncertainty in many topics, such as to when a vaccine will be produced and exactly how long and to what extent the economy will be impacted.

The majority of data contained in this report should be considered "pre-Covid" and does not reflect, for instance, impacts to wages or employment that are anticipated to result from the pandemic.

ANALYSIS IN BRIEF

Key findings

Trends indicate a hot housing market.

Since 2000, the increase in housing prices in Marquette County ranks highest of Michigan's 83 counties.

This trend does now show itself equally across the county, however - one half of homes in Ishpeming and Negaunee are valued less than \$100,000, while 40 percent of homes in Marquette City and Township are valued over \$200,000. Per November 2020 realtor.com data, the average listing price between the three communities varies by as much as \$160,000 (see page 26).

Local developers have referred to homes priced around \$250,000 as "the sweet spot," as trends indicate this is a comfortable price point for prospective buyers and, for new builds, developers are able to profit from the sale. Approximately one-third of homes in Marquette are currently listed for sale around this price point, compared to less than five percent in Ishpeming and Negaunee.

Home prices are increasing more quickly than incomes. Median household incomes have risen by 36 percent between the years 2000 and 2017, while home sale prices have risen by 68 percent. Housing affordability is threatened when there is a gap between a rate of change in housing

prices and the rate of change in incomes (see pages 11, 25).

A housing affordability challenge persists for renters.

Although there are affordable housing services within the county, nearly half, 48 percent, of Marquette County renters are paying more than 30 percent of their income on rent, compared to only 17 percent of homeowners (see pages 32-33).

This impacts in particular those at the lower end of the income spectrum; 76 percent of renters earning at the lower end of the income spectrum - less than \$20,000 per year - are paying more than 30 percent of their income on rent. More than 50 percent of renters in the subsequent income bracket - those earning \$20,000 to \$35,999 annually - are facing the same issue. The median rental price for all housing types in the City of Marquette listed in November 2020 is over \$1,000 per month (see page 31). This indicates that a large proportion of lower income renters are impacted by rental rates that are pushing them beyond their means.

Conversations with the focus group participants revealed that there are no vacancies and lengthy wait lists for subsidized housing opportunities (see page 38).

ANALYSIS IN BRIEF

Key findings

One third of all households are headed by someone of retirement age in Marquette County. Further, those aged 45-64 comprise the largest age group in the county. As this age group ages, the retirement-aged population is projected to increase by the year 2030 (see page 9). This trend has implications for housing, as older residents may look to downsize and/or may require assisted living, in-home care, or healthcare linked with housing. Focus group participants in Ishpeming and Negaunee noted that older people wanting to sell often do not have an option for low maintenance living. Many want to take their pets or need main floor or options with an elevator and don't want to leave their communities of Ishpeming, Negaunee, Gwinn, or Skandia.

There is a high demand for a mix of housing formats. Market data shows that the median list price for condos and townhomes are substantially higher than that of single family homes in the City of Marquette (see page 30). This, coupled with the large proportion of elderly homeowners, indicate a near-term need for housing options that meet the needs of this demographic.

A large proportion of homes are older and in need of upgrades. Roughly 40 of

homes in Marquette City and Township and 72 percent of homes in Ishpeming & Negaunee were built before 1950 or pre-WWII era. A look at homes listed for sale on the market reveal that older homes are priced lower than those more recently built (see pages 27-28). Older homes are less likely being maintained and may be out of sync with housing trends. Focus group participants expressed a desire for educational resources that teach residents how to affordably care for aging homes.

Current zoning may be limiting new development opportunities and impacting affordability. In Marquette, Focus Group participants noted that lot sizes and setbacks are limiting infill opportunities, tools that could incentivize affordability. Participants noted that by allowing a diverse array of housing types - multi-family, accessory dwelling units, cottage housing in more single family neighborhoods, density can increase without drastically changing neighborhood character (see page 38).

Opportunities exist to link new developments in conjunction with transit. Coordinating housing developments with existing infrastructure is the easiest target for quick and cost-effective antidotes to sprawl.

ANALYSIS IN BRIEF

Key findings continued

The stock of rental units is notably low and in high demand within portions of the community. At the time this report was written there were no rental units listed in Negaunee. In Marquette, the current asking median rental price for any size or housing type is over \$1,000, which is close to \$300 more than the median rental price according to American Community Survey data in 2017.

Conversion from some single family units to multi-unit residences could benefit the community. Communities should review local ordinances for district regulations that only permit single family by-right (R-1 zones) and amend those to allow more possibilities. For further discussion of this see page 30.

Single family households headed by women earn the least across all family types (see page 15). These households are the most susceptible to suffering financial burdens from housing costs. Further, this reality is magnified in light of Covid-19, as many single-parent women headed households are disproportionately impacted by the economic hardships caused by the virus. For instance, distancing requirements impact access to childcare and, without flexibility in work schedules or the option

to work from home, mothers often are forced to make difficult choices between adequate childcare and employment. Front-line workers such as those in the service or healthcare industries are also predominately female and have more interaction with the general population despite distancing requirements. Spillover impacts of this global pandemic are broad and far-reaching and will inevitably impact housing and the ability to make ends meet for some segments of the population.

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age distribution

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SECTION 1

DEMOGRAPHICS

POPULATION AND HOUSEHOLD
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AGE DISTRIBUTION.....P. 9

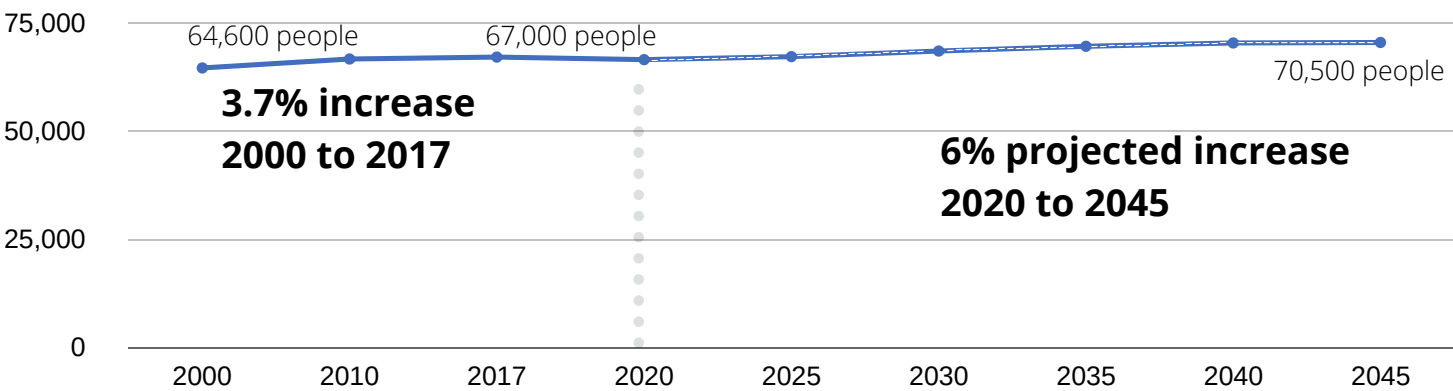
01 - DEMOGRAPHICS

Population and Household Trends

Population projections were obtained from the State of Michigan's Department of Technology, Management and Budget forecasts. The forecasts take into account historic rates of death, birth, immigration and out migration.

>> Understanding growth and shrinkage trends help planners and policy makers anticipate for the changing dynamics within their communities.

Chart 1. Marquette County Population: 2000-2017 and Projections: 2020-2045



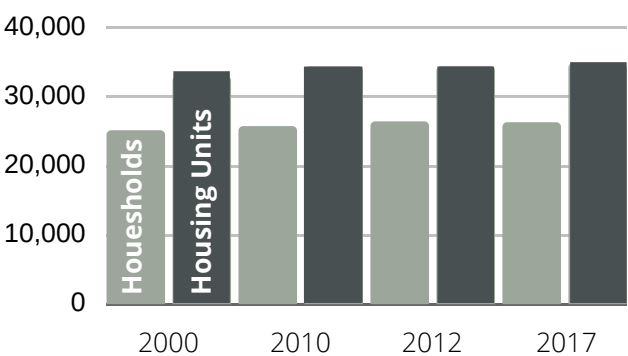
Marquette County's population has increased slightly since the year 2000. The county experienced a population loss from 1980's to 2000, after experiencing a steady increase from the 1950's to 1980. The county's population is projected to increase by six percent by 2045.

ACS-5 year estimates. 2017. S1901. Decennial Census. 2000, 2010. DP-1.
State of Michigan Department of Technology, Management and Budget. Bureau of Labor Market Information and Strategic Initiatives. "Michigan Population Projections by County through 2045." September 2019.

Number of Housing Units and Number of Households

The comparison of housing units to the number of households within a community is a basic measure of supply and demand. >> **Housing units should exceed the number of households within a community by a small margin, in order to ensure there is an adequate supply of dwelling units to house the total population.**

Chart 2. Number of households compared to housing units, Marquette County, 2000-2017



The total number of households within Marquette County has grown by 1,000 households over the last two decades. Approximately 1,850 housing units have been added to the community over the same time period. The surplus in housing units might be explained by second home units, as second homes add a housing unit but not a household to the housing inventory.

01 - DEMOGRAPHICS

Age Distribution

Population and demographic data on are based on analysis of the Census Bureau’s American Community Survey (ACS) and the age projections are sourced from the State of Michigan’s Department of Technology, Management and Budget forecasts. Estimates account for the civilian, non-institutionalized population.

>> The age structure of a population affects key socioeconomic issues. For instance, communities with young populations (high percentage under age 15) might focus attention on schools, while counties with older populations (high percentage ages 65 and over) should invest in health sectors.

Age Distribution Today

The largest portion of the population is considered “working age” or between the ages of 18 and 65. The 18-34 age group is largest in Marquette, due, in part, to the presence of Northern Michigan University. The age group of school-aged children is slightly larger than the age group of retirees in Negaunee and Ishpeming.

As the large 35 to 65 year old group ages, the communities should be prepared to address an increase in healthcare needs and shifts in housing demands, as well as changes to the tax base.

Table 1. Age Distribution, 2017

Age Group	Marquette City & Township		Negaunee & Ishpeming	
	Count	Percentage	Count	Percentage
Population Under 18	2,800	12%	2,500	23%
Population 18-34	10,300	44%	2,300	20%
Population 35-65	7,000	30%	4,400	39%
Population 65 and over	3,200	14%	2,100	19%

ACS-5 year estimates. 2017. S1903, Census tracts. State of Michigan Department of Technology, Management and Budget. "Michigan Population Projections by County through 2045." September 2019.

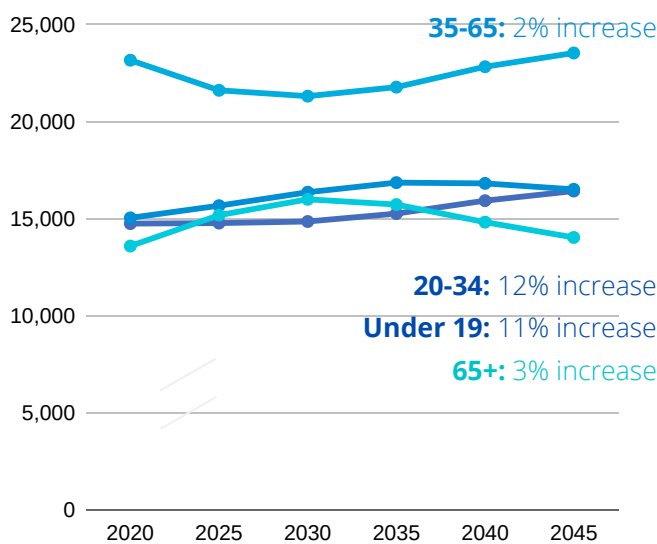
Population Projections: Marquette County

Statewide projections forecast an increase across all age groups. School-aged children and adults aged 20-34 are projected to increase the most, by 11 and 12 percent respectively.

The 65 and older age group increases in number by nearly 18 percent by the year 2030, and then subsequently levels out to today's population totals, increasing by only 500 more people by 2045.

The 35 to 65 year old age group is the largest in the county.

Chart 3. Change in Age Distribution Projection, Marquette County, 2020-2045



SECTION 2

SOCIOECONOMICS

MEDIAN HOUSEHOLD INCOMES

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LIVING WAGE

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02 - SOCIOECONOMICS

Median Household Income

Median household income, also referred to as the Area Median Income (AMI), is the midpoint of a region's income distribution – half of households in a region earn more than the median and half earn less.

In the U.S., median household incomes vary by a number of factors, such as geography, family structure, age, race, sex, and education. The following pages will explore various median household income indicators and how these measures relate to housing and policy.

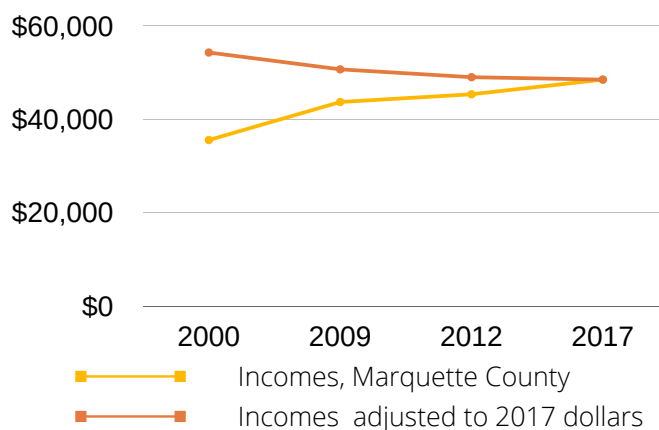
>>Income data highlights variations among populations and can help leaders evaluate policies to address associated challenges.

Median Household Income Over Time

The median household income in Marquette County in 2017 is \$48,500. Median household incomes rose by 36 percent between 2000 and 2017 (see chart 4). However, when adjusted for inflation to 2017 dollars we see that incomes have not kept up with inflation and actually decreased by 11 percent. Notably, incomes rose slower between 2009 and 2017 than they did between 2000 and 2009, due to the 2008 recession and recovery period between 2010 and 2014.

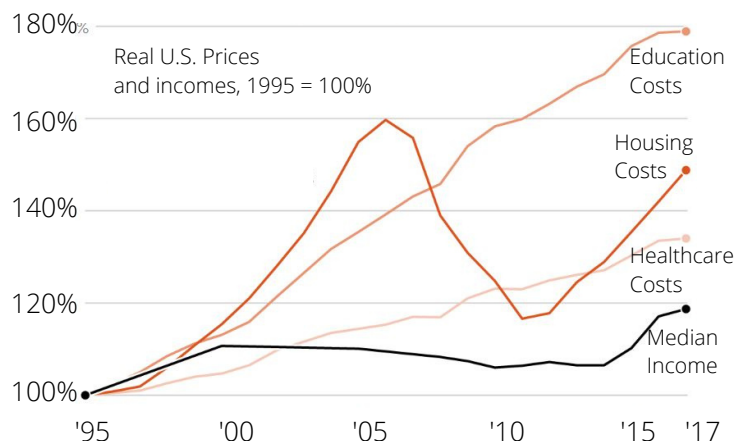
A 2019 study conducted by the Organization for Economic Cooperation and Development looked at rates of change in a number of indicators between 1995 and 2017 (see chart 5). While median incomes rose by 20 percent within this 22 year spread, spending on healthcare, education, and housing rose between 30 and 80 percent (see chart 5). The study found that American households spend significantly more of their budgets on housing and less on items like food than they did in previous decades. Rising costs leave households facing difficult choices between choosing to pay for more immediate needs like housing and food rather than education and preventative and/or regular healthcare like checkups and dentist appointments.

Chart 4. Median household income 2000-2017, Marquette County



ACS-5 year estimates. 2012, 2009, 2017. S1901. Decennial Census. DP03. https://www.bls.gov/data/inflation_calculator.htm

Chart 5. Change in Household Expenses, 2000-2017, U.S.



NY Times. Tara Siegel Bernard and Karl Russell. October 3, 2019. "The Middle-Class Crunch: A Look at 4 Family Budgets"

02 - SOCIOECONOMICS

Area Median Income by Household Type

The Area Median Income (AMI) is the midpoint of a region’s income distribution – half of families in a region earn more than the median and half earn less. Households are broken into two groups: families and non-families. A family household is two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same home. A non-family household may consist of a person living alone or multiple unrelated individuals living together. These two household groups are further divided into subgroups: families (1) with (2) without children, (3) married couple families, (4) single parent households, etc. and non-families (1) female householder and (2) male householder. Family and non-family numbers contain the universe of family and non-family types in their counts.

>> U.S. ACS data shows that median incomes vary depending on the type of household described.

Sixty percent of all households in Marquette County are families (see chart 6), with married-couple families accounting for 80 percent of total families and 48 percent of total households in the county (see chart 7). Non married and/or single parent households account for approximately 20 percent of familial households in the county. There are three times the amount of female single parent families than male single parent families in the county.

More than half of the households in the City and Township of Marquette are non-families, likely due to the presence of Northern Michigan University. In Ishpeming and Negaunee, 53 percent of households are families and 47 percent are non family households (see chart 8).

Chart 6. Household composition: families & non families, Marquette County

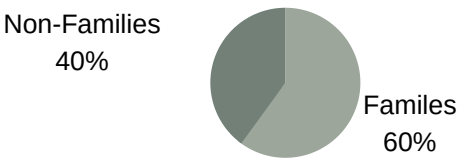


Chart 7. Estimated number of households by type, Marquette County

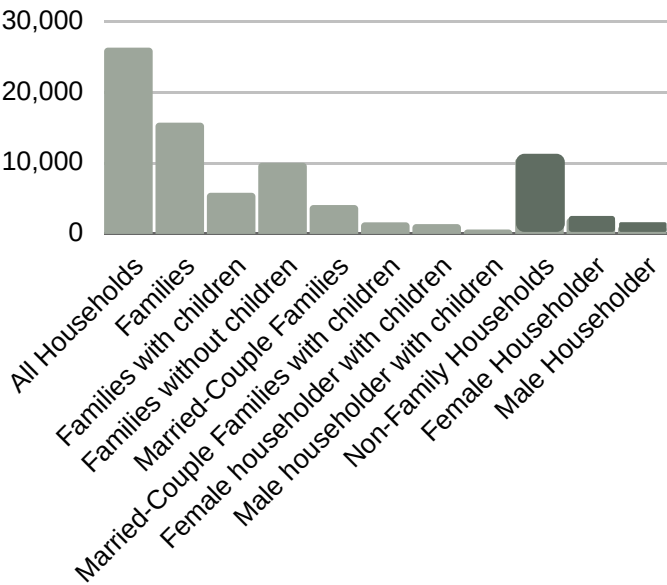
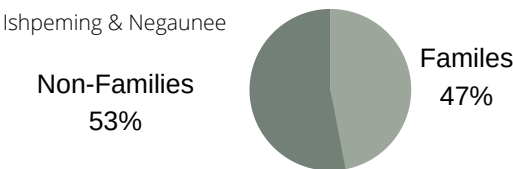
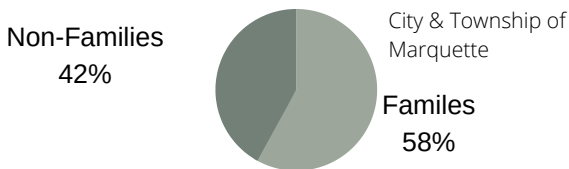


Chart 8. Household composition: families & non families, City & Township of Marquette (left), Ishpeming & Negaunee (right)



02 - SOCIOECONOMICS

Area Median Income by Household Type, cont.

The Area Median Income (AMI) is the midpoint of a region’s income distribution – half of families in a region earn more than the median and half earn less. Households are broken into two groups: families and non-families. A family household is two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same home. A non-family household may consist of a person living alone or multiple unrelated individuals living together. These two household groups are further divided into subgroups: families (1) with (2) without children, (3) married couple families, (4) single parent households, etc. and non-families (1) female householder and (2) male householder. Family and non-family numbers contain the universe of family and non-family types in their counts.

>> U.S. ACS data shows that median incomes vary depending on the type of household described.

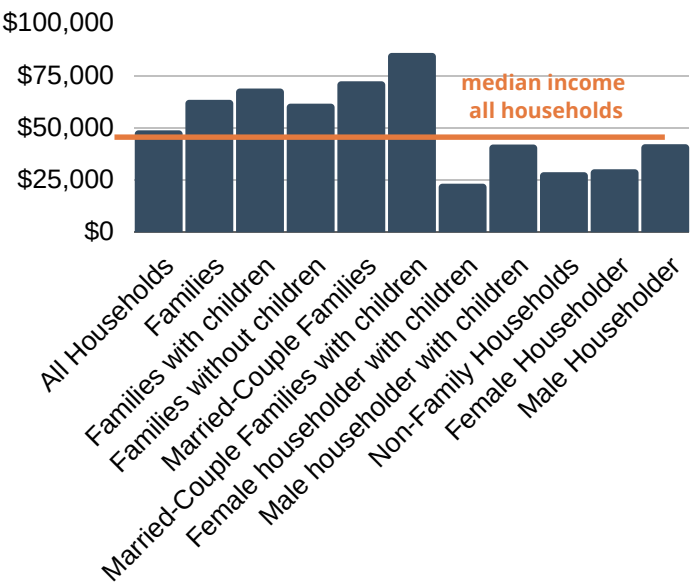
Married couples with children are the highest earners across household types (see chart 9). Married-couple families with children earn approximately \$20,000 more than the county-wide median household income.

Non-family households earn approximately \$20,000 less than the median household.

Single male householders with children (3 percent of families) earn approximately \$7,000 less than the median household income (\$41,700), but \$19,000 more than single female householder homes with children (8 percent of families; \$22,800 annually).

Females earn approximately \$12,000-\$19,000 less annually than their male counterparts across all single earner household types.

Chart 9. Median household income by household type, Marquette County



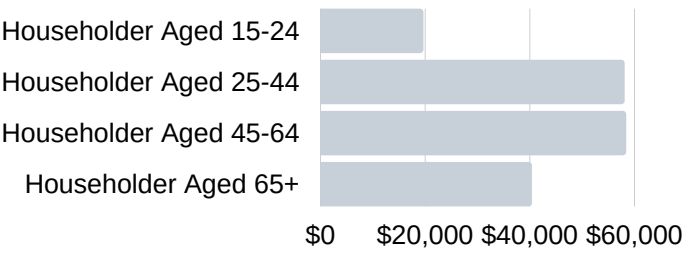
02 - SOCIOECONOMICS

Area Median Income by Age of Householder

Age can make a significant difference when comparing financial resources. Some who have been in the workforce for a number of years will earn more than those who are just starting out; retirement-aged residents tend to earn less than those that are active in the workforce, as these populations are likely living on a fixed income of social security or retirement savings.

Important to keep in mind is the share of the population in each age bracket, and how this will change in upcoming years. According to the U.S. Department of Housing and Urban Development, by 2050 the population of individuals who are 65 and older in the United States is projected to double, growing faster than any other age group.

Chart 10. Median household income by age

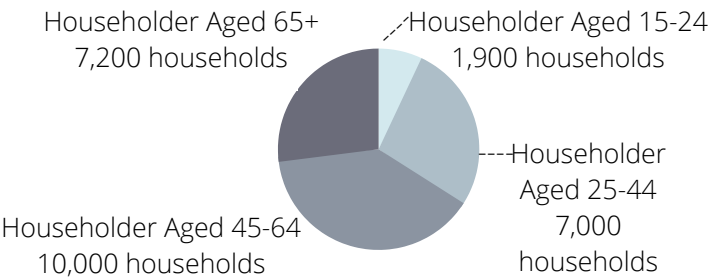


The majority of households in Marquette County are headed by someone aged 45 to 64 (see chart 10); these households also earn the most of all age groups.

There are a nearly equivalent number of households that are aged 65+ as those between the ages of 25 and 44. Earnings are quite different between these two groups, however, with retirees earning approximately \$18,000 less than the younger cohort. This is an important statistic to keep in mind when considering providing housing amenities and the associated costs for elderly populations.

Householders aged 15 to 24 or older comprise 7 percent of the total households in the county and are the lowest income earners.

Chart 11. Number of households by age group



ACS-5 year estimates. 2017. S1903, S2301. Marquette County

Age and Housing

- **Today, one in four households is headed by someone of retirement age in Marquette County. The largest age group in the county is nearing retirement, those aged 45-64.**
- It is common for elderly populations to require a smaller home, less maintenance, ground-level or elevator accessible units, transportation services, nursing homes, assisted living and/or in-home care.
- To assist these populations, housing should be ADA accessible, can be linked with healthcare, and amenities should be matched to meet resident needs.

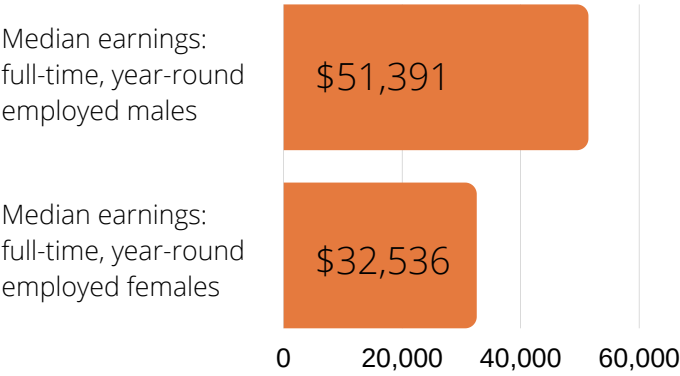
02 - SOCIOECONOMICS

Area Median Income by Sex

Area median incomes may also vary by sex, with women earning less than their male counterparts. There are a few factors contributing to this, such as the types of jobs prevalent in a community, workforce policies that fail to address the gender wage gap and/or support women with children, and familial roles that trend toward women staying home for some duration of time to care for children.



Chart 12. Median earnings by sex



ACS-5 year estimates. 2017. S2414. Marquette County, Michigan & United States.

On average, women earn approximately 63 cents to every dollar a man earns in Marquette County. This is much lower than the national and statewide average of 80 and 77 cents, respectively.

The wage disparity between males and females can exist for several reasons, including discriminatory practices and gender roles within a family: gender biases can occur in hiring and pay decisions, there may be a difference in performance bonuses between women and men, and women are more likely to have to balance their careers with home duties, resulting in mothers taking more time off work for family-related reasons. Strategies to increase female earnings in the county will help to raise household incomes more broadly and make the region more attractive for employment.

Addressing the Wage Gap

Single family households headed by women earn the least across all family types, making these households the most susceptible to suffering financial burdens from housing costs. When housing costs are high, one must choose between spending their limited incomes on housing versus other necessities. Spillover impacts of this scenario are broad, ranging from childhood hunger and learning and behavioral challenges to family displacement and homelessness.

Strategies to increase women's earnings might include:

- Removing barriers and/or supporting women to

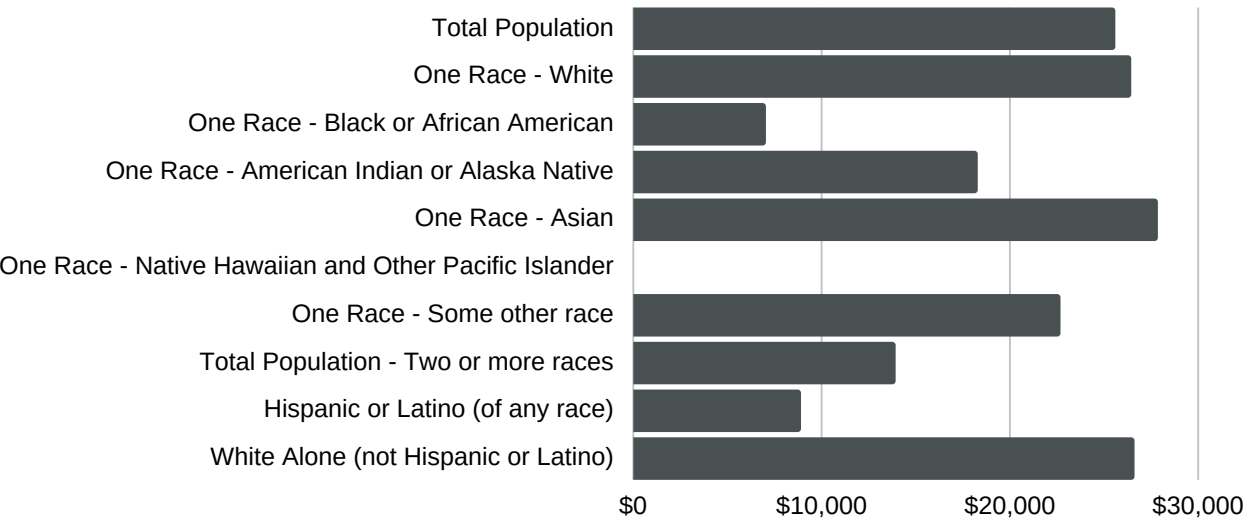
- engage in higher wage (traditionally male-dominated) industries;
- diversifying the economic base to provide additional opportunities;
- enhancing growth in sectors of which women might more often be employed;
- offering flexible, "family friendly" work schedules that allow employees to balance household duties with employment;
- supporting families during childbirth with paid maternity leave;
- offering opportunities for remote work options.

02 - SOCIOECONOMICS

Per Capita Income by Race

Incomes can vary by race and ethnicity in the U.S. While education is widely viewed as the key to upward mobility for all races, a 2016 analysis from the Pew Research Center found that the benefits of schooling do not manifest in equal upward mobility. For example, among those with a bachelor’s degree, Black or African American people earn significantly less than whites (\$82,300 for Black householders vs. \$106,600 for whites). In fact, the study found that the income of Black or African American people at all levels of educational attainment lags behind that of their white counterparts. Despite decades of understanding that racial disparities exist, the wealth gap continues to widen among racial groups.

Chart 13. Per capita earnings by race



The per capita income of Black or African American, American Indian or Alaska Native, and Hispanic or Latino residents is notably less than that of white and Asian residents in Marquette County.

While people of color comprise a small proportion of the population, the per capita income differences between these racial groups is stark.

“On Views of Race and Inequality, Blacks and Whites Are Worlds Apart.” Pew Research Center’s Social & Demographic Trends Project, 27 June 2016, www.pewsocialtrends.org/2016/06/27/1-demographic-trends-and-economic-well-being/.

Implications for Home Ownership

Home ownership rates generally rise for all Americans who have higher incomes and more education, but the differences between home ownership rates for Black and white households persist. As of 2016 in the U.S., 72 percent of white householders own their own home, compared with 43 percent of Black householders. As is the case with household

wealth, the white-Black gap in home ownership is also widening somewhat; in 1976, the home ownership rate among Blacks was 44 percent vs. 69 percent for whites. The same is true despite educational attainment – 58 percent of Black householders with a college degree own their home, compared with 76 percent of Whites.

02 - SOCIOECONOMICS

Area Median Income & Housing Affordability

The Area Median Income (AMI) is the midpoint of a region’s income distribution – half of families in a region earn more than the median and half earn less.

>> For housing policy, income thresholds set relative to the area median income—such as 50% of the area median income—identify households eligible to live in income-restricted housing units and the affordability of housing units to low-income households.

The U.S. Department of Housing and Urban Development (HUD) calculates different levels of AMI by household size.

For Marquette County, with an area median family income of \$62,900 in 2018, HUD defines housing affordability assistance thresholds for various household sizes as:

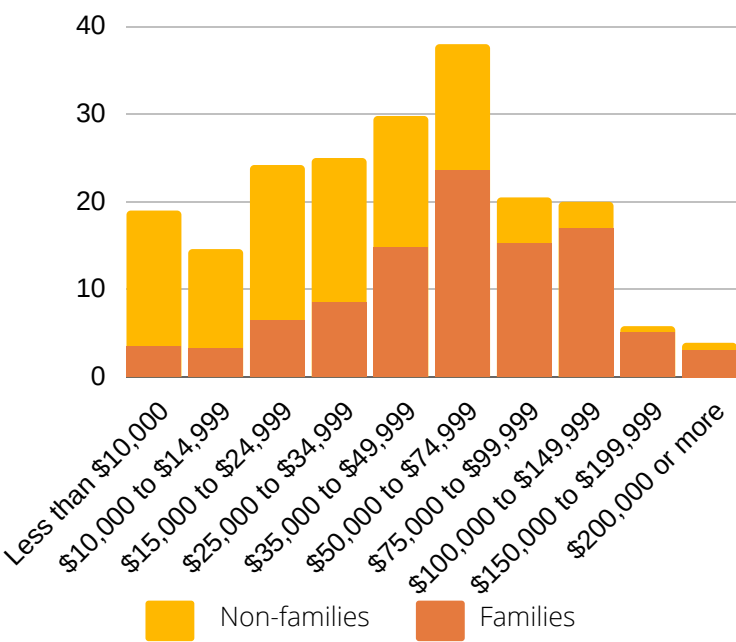
- 1 person: \$35,250 or less
- 2 people: \$40,250 or less
- 3 people: \$45,300 or less
- 4 people: \$50,300 or less

Those living below the income listed above could qualify for federal housing assistance programs.

Approximately 60 percent or 6,400 non-family households earn less than \$34,999 annually, which is roughly the affordability assistance threshold for a one person household.

Forty-six percent or 7,000 familial households earn less than \$49,999, the approximate affordability assistance threshold for households up to four people.

Chart 14. Distribution of Median Household Incomes of Families and Non-Families, as Percentage of Total Households



ACS-5 year estimates. 2017. S1901.

Ensuring housing affordability for all households

Approximately 13,000 households are living at or below the HUD threshold for housing affordability assistance in Marquette County. Further, 25 percent or 2,800 non-family households and 16 percent or 2,500 family households earn less than \$24,999 annually. These metrics indicates a need for housing choice amongst the spectrum of incomes, including those living on a limited budget. Local leaders should

understand the match between household incomes and the spectrum of housing price points that is available within the community and, if needed, develop policies to meet the needs of residents.

Further discussion of existing affordable housing programs in the county can be found on page 34.

02 - SOCIOECONOMICS

Living Wage

Another affordability indicator is the “living wage calculator,” a metric developed by researchers at the Massachusetts Institute of Technology. The living wage calculator depicts the annual salary or hourly rate that an individual in a household must earn to support his or herself and their family. The measure accounts for typical household expenses including housing, food, medical expenses, childcare, and transportation within the local area. The estimate assumes the sole provider is working full-time (40-hour work week or 2080 hours per year). Similar to the HUD AMI measure, the living wage differs between household types, as factors such as household size and the presence of children impact the assumptions that form the “living wage” estimate. This data is calibrated to Marquette County.

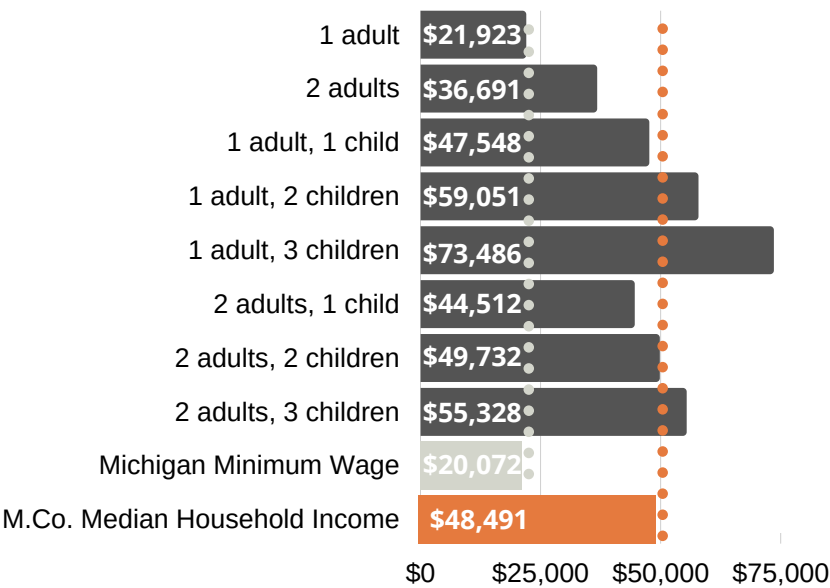
>>The living wage calculator goes beyond measuring how much one earns, depicting how incomes compare to the local cost of living.

The **orange dotted line** depicts household types that require incomes that are above or below Marquette County's median household income. Households that are not earning this living wage are those that would most benefit from social programs and access to affordable and deeply affordable housing.

The income required for 2 adult households with children is less than that required of 1 adult households with children, as childcare is presumably needed in a 1 adult household. This is opposite of reality, as married couple families earn substantially more than single parent homes in Marquette County.

The state minimum wage, **shown in the gray dotted line**, is lower than the area's living wage for all household types.

Chart 15. "Living Wage" Income needs by household type



1. Glasmeier, Amy. Massachusetts Institute of Technology. “Living Wage Calculation for Dickinson County, Michigan” <https://livingwage.mit.edu/counties/26043>. 2. ACS-5 year estimates. 2017. S1903. Marquette County

\$22,000

considered baseline for cost of living needs for one person in Marquette County

75%

of households earn more than \$23,000 annually.

This translates to 13 percent of families and 44 percent of non-families (**approximately 2,000 families and 4,700 non-families**) earning less than the lowest "living wage" threshold.

SECTION 3

HOUSING

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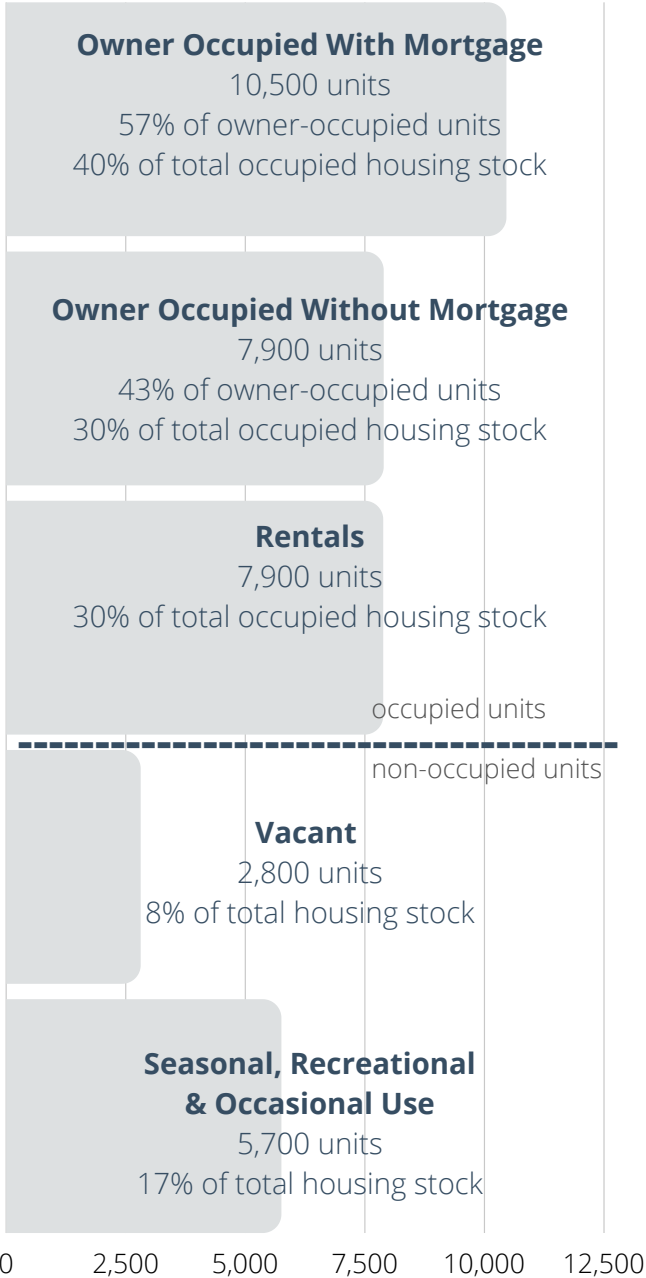
03 - HOUSING

Housing Tenure & Occupancy

In the most basic terms, housing tenure describes two forms of housing occupancy: renters and owners. There are degrees of variation within these classifications, from owning a home outright (mortgage-free) to mortgaged, renting publicly or privately, subleasing, short term vacation rentals, etc. Housing tenure does not define the type of home; for instance, renters may live in single family homes and home owners may live in multi-family condominiums.

>>Housing policy should offer a range of tenure options in order to support the diversity of the community. One form of tenure may work for a household at one point in life, but not another.

Chart 16. Housing occupancy, Marquette County



>> Average home ownership rates: 70%

Home ownership rates in Marquette County are typical of what they are nationally and throughout broader Michigan; approximately 68 percent of occupied homes are owner-occupied in the United States and 71 percent in Michigan.

>> Proportion of homeowners living mortgage-free: 43%

Approximately 43 percent of homeowners are living free and clear of a mortgage. These households are likely older residents that have lived in the same home 20-30 years, or long enough to pay off their mortgage. This trend is seen nationally; 41 percent of homes owned by Baby Boomers were mortgage-free in 2017. This could be a population that is eventually looking to downsize in order to lessen the load of maintaining their home. Units such as condos and townhouses could be appealing formats for this large group of homeowners.

>> Many homes used as secondary residences, camps, and/or seasonal rental homes: 17% of total housing stock

Seasonal, recreational & occasional use are not occupied year-round nor the primary residence of the homeowner. Vacation rentals, such as those listed on AirBnB or VRBO, would fall in this category, as would “camps” or cottages.

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Housing Tenure & Occupancy, cont.

Same information as previous page; focus on city-level data.

>> High rental rates in Marquette City & Township (46%), low in Ishpeming & Negaunee (25%)

Housing tenure looks drastically different when zoomed in to city-level data. Rental units comprise almost half of all occupied units in Marquette City & Township, and only a quarter of occupied units in Ishpeming & Negaunee. There are more rental units in Marquette than there are owner occupied units with a mortgage in both areas combined.

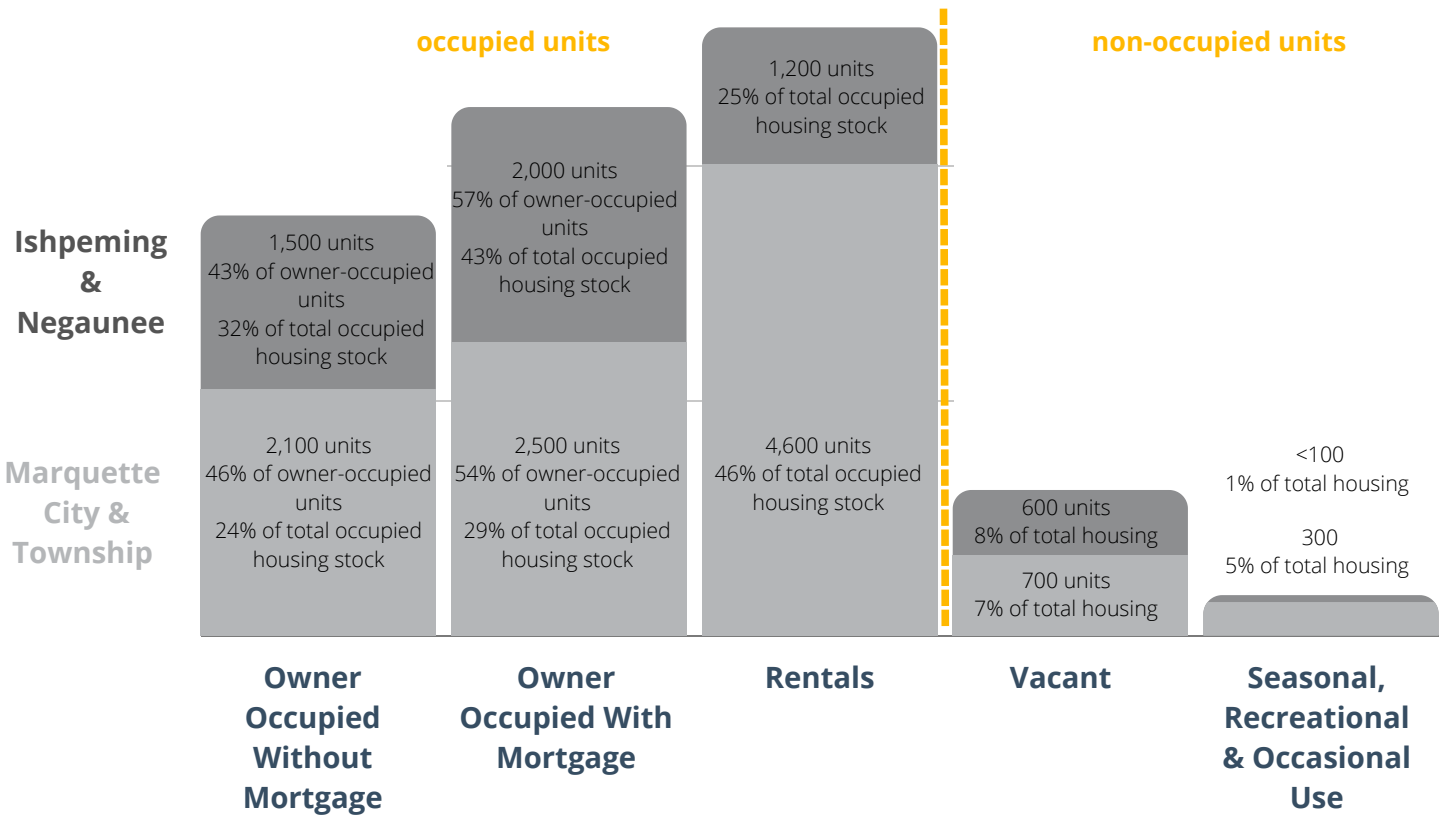
>> Nearly equivalent units with a mortgage in Ishpeming & Negaunee and Marquette.

While there are approximately 4,000 more occupied housing units in Marquette than in Ishpeming & Negaunee, there is a similar number of mortgage holders in the two areas (2,500 in MQT; 2,000 in I&N). This could indicate a more approachable home ownership market in Ishpeming and Negaunee than in Marquette.

>> Majority of seasonal homes in county rather than city area.

There are nearly 6,000 units considered seasonal within Marquette County (see chart x), but less than 500 of them are within the city areas.

Chart 17. Housing occupancy, Marquette City & Township (bottom); Ishpeming & Negaunee (top)



03 - HOUSING

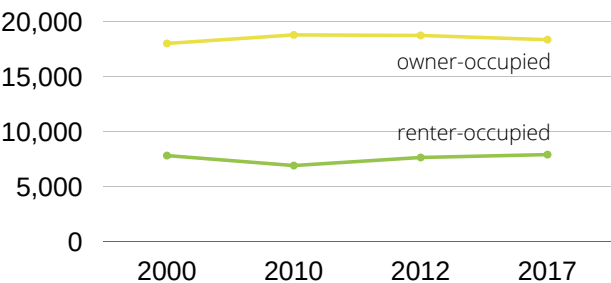
Housing Tenure Over Time

Many factors may impact housing tenure, such as community demographics, incomes, levels of housing prices, finance interest rates, down payment requirements, and housing availability.

>>It is important to observe changes in tenure over time, so that policy may adjust as needed to continue to support a range of tenure options.

The amount of owner-occupied units decreased slightly and the amount of renter-occupied units increased between 2010 and 2017 (see chart 18). This recent decline in homeownership could be the start of a downward shift and is consistent with nationwide trends.

Chart 18. Number of owner- and renter-occupied homes, 2000 - 2017, Marquette County



Declining Home Ownership Among Younger Generations

According to a report from the Urban Institute, a research-oriented institution that focuses on economic and social policy, home ownership for the millennial-aged population (people born between 1981 and 1997) in particular has decreased when compared to previous generations. The report cites census data that looks at home ownership rates for people aged 25-37 in 2015 (millennials today) compared to those same rates in 1990 (baby boomers) and

2000 (gen x-ers); home ownership rates in 2015 for this age group are approximately 7 percent lower than in previous generations.

Factors (of statistical significance) that are influencing decreased home ownership rates among younger generations:

- delayed marriage,
- increased racial diversity,
- levels of education debt.

Contrary to popular belief, the report found that attitudes toward home ownership have not changed among people in this generation -- broadly speaking, millennials would like to own their own homes but many are experiencing economic barriers that are preventing them from doing so.

Interestingly, the report also states that millennials are opting to live in more expensive, metro areas. For millennials not seeking an urban lifestyle, the lower cost of living and affordable housing prices may help boost home ownership rates for younger people choosing to put down roots in Dickinson County.

Retaining this population is critical to the future of Dickinson County and its workforce. It is less likely that employers can attract outsiders than keep or bring back those who have left. It is imperative to make an effort to understand these housing challenges before this population is lost.

Data Source: ACS 5-year Estimates. DP04. 2017 & 2012. Census 10-year Estimates. H004. 2010 & 2000. Marquette County. Choi, Jung Hyun, et al. "The State of Millennial Homeownership." Urban Institute, 18 July 2018, www.urban.org/urban-wire/state-millennial-homeownership.

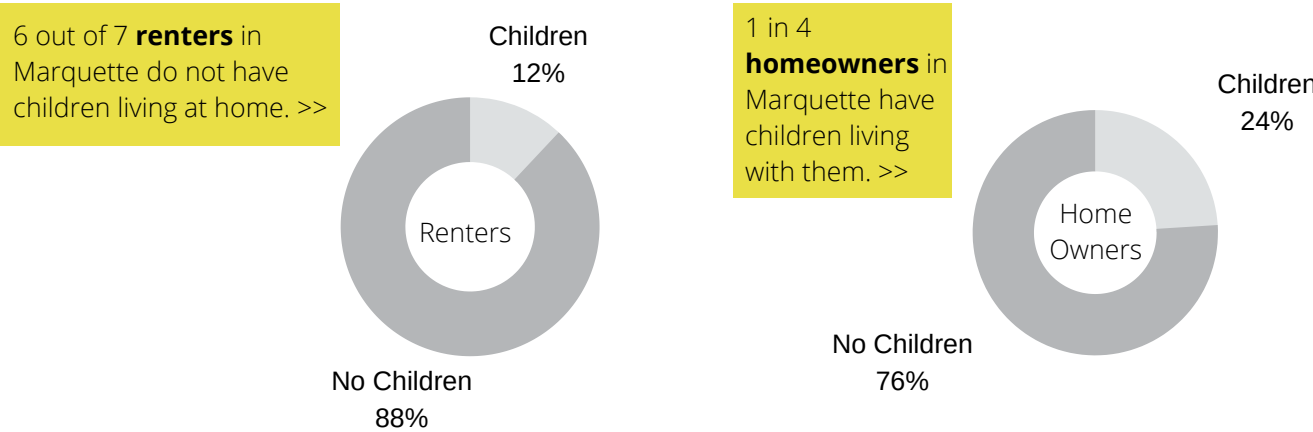
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Housing Tenure by Family Type

Housing tenure by family type provides information about the number and type of households that rent versus own their homes. This provides insights into specific needs such as housing size and amenities, and when paired with zoning and location data, can provide information as to the need for public services such as schools, healthcare facilities, and parks.

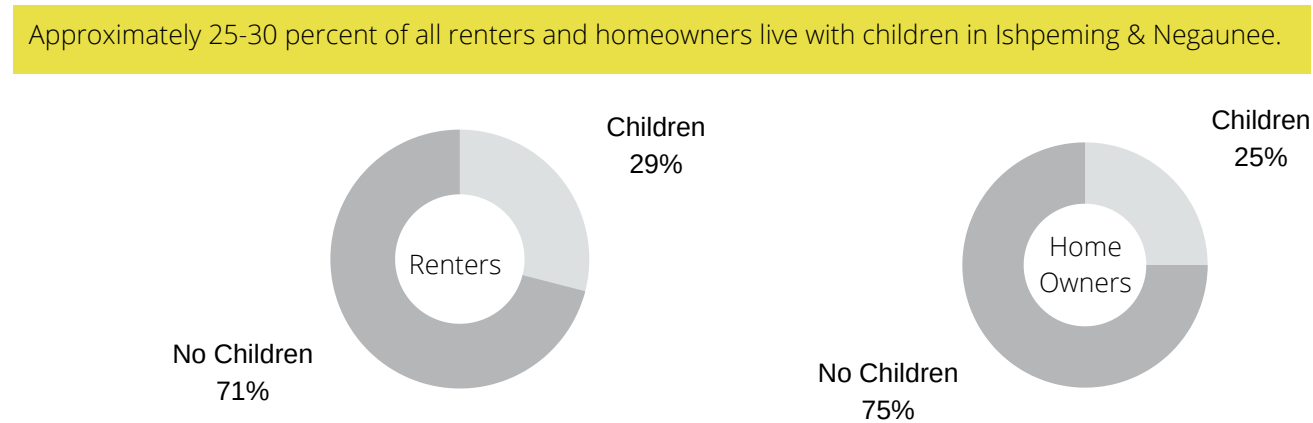
In the City & Township of Marquette, there is a higher likelihood of owner-occupied housing units having children than that of renter-occupied units, which points to the impact of the university on the rental housing market. Approximately 400 of the 3,500 rental units house children in these communities. College-aged renters are often younger and likely to cohabitate with unrelated roommates. **>>Affordability likely plays a critical factor in housing decision-making for this demographic, and will impact their ability to stay and work within the community post-graduation.**

Chart 19. Proportion of households with or without children by tenure, Marquette City & Township



In Ishpeming & Negaunee, approximately 1,000 of the 3,500 owner-occupied housing units house children. Approximately 300 of 1,200 rentals have children living in them. **>>These numbers suggest again that homeownership is more attainable for young families in Ishpeming and Negaunee.**

Chart 20. Proportion of households with or without children by tenure, Ishpeming & Negaunee



03 - HOUSING

Comparison of Housing Price Index

The Housing Price Index is derived from the change in the housing price index published by the Federal Housing Finance Agency. The housing price indexes are calibrated using appraisal values and sales prices for mortgages bought or guaranteed by Fannie Mae and Freddie Mac and are reported quarterly.

>> The index reflects a change in home values over time.

Since 2000 the increase in housing prices in Marquette County ranks highest of Michigan's 83 counties. (The top 15 counties in the state for this indicator shown in chart xx.) According to the Federal Housing Finance Agency's housing price index, housing prices have increased at a 3.1 average annual growth rate over this time period. The annual growth was derived from the change in the housing price index (2000 = 100) published by the Federal Housing Finance Agency.

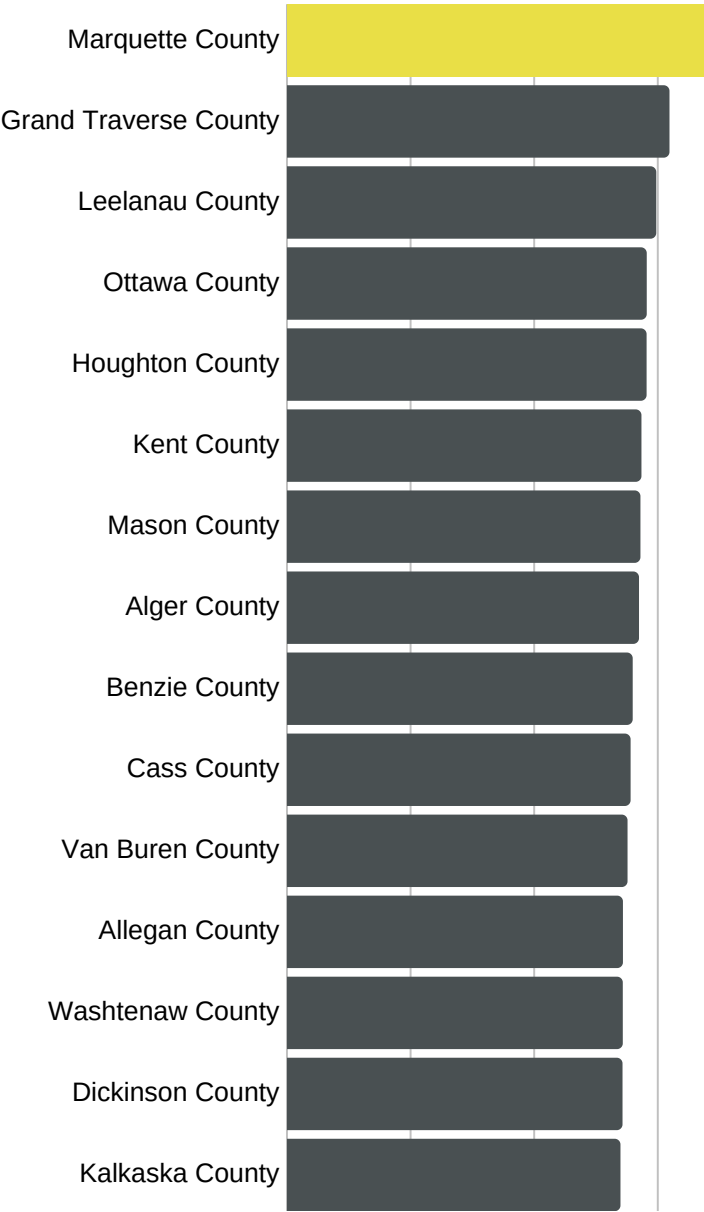
The highest year of growth, 10.35 percent, was between 2003 and 2004. Reflective of the U.S. Housing Crisis, housing prices saw slight declines in the county between 2008 and 2010.

Note that other Upper Peninsula counties - Dickinson and Alger - have also experienced similarly high rates of change in their housing prices over the same period.

Federal Housing Finance Agency. Housing Price Index. Monthly Report. April 2019.. Michigan.

>> Since 2000 the **positive percent change in housing prices in Marquette County ranks highest** of Michigan's 83 counties.

Chart 21. Percent Change in Housing Price Index by County – Purchase Only, 2000 to first quarter 2018



03 - HOUSING

Median Home Value

The median value in the Census data includes all owner occupied units: single family, townhome, twin home, and condominium units.

>> The median home value provides a snapshot of housing prices in the county. Comparing home values with other counties in the state provides context as to whether this price is high or low.

The median price of an owner occupied unit in Marquette County in 2017 was \$142,900. The county ranked 19th in the state for the median value of an owner occupied unit in 2017 and has the highest median home price within the six counties that comprise the central Upper Peninsula region (see table x). The median home price is higher in the county than in the state. As seen in chart xx, home sale prices have risen substantially -- from \$77,200 to \$142,900 -- between 2000 and 2017.

Table 2. Central U.P. Counties Ranked by Median Sales Price, Statewide, 2017

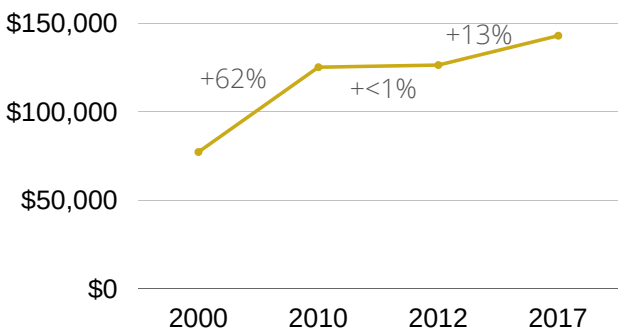
Rank	County	Median Home Price
19	Marquette County	\$142,900
33	Alger County	\$119,000
43	Delta County	\$105,900
47	Schoolcraft County	\$105,000
62	Menominee County	\$95,900
70	Dickinson County	\$92,100
	Michigan	\$136,400
	U.S.	\$193,500

>> 85 percent increase in median home values between 2000 and 2017; 2x faster than median incomes.

Recall the median household income has risen by approximately 36 percent over the same 17 year time period, indicating that home values and therefore household costs are rising at a faster rate than incomes. This can raise housing affordability concerns, especially among younger and older demographics whose incomes are generally lower than middle aged households.

This rise in value can also present itself as equity upon sale of the home, thereby increasing the buying or renting potential for these potential new home seekers.

Chart 22. Median Home Values, Marquette County (Dollars, 2017)



ACS-5 year estimates. 2017. B25077. All counties in Michigan, U.S.

03 - HOUSING

Home Values: Owner-Occupied and For Sale

The graphs below show the price distribution of all owner-occupied units within the community as they are captured by 2017 American Community Survey data, as well as homes that are currently for sale and listed on realtor.com as of November 2020.

The distribution of home values of owner-occupied homes (not on the market) within the two communities is depicted in chart xx, while the distribution of homes prices as they are listed on the market in "real time" is shown in chart xx.

Chart 23. Number of Owner-Occupied Housing Units by Estimated Value

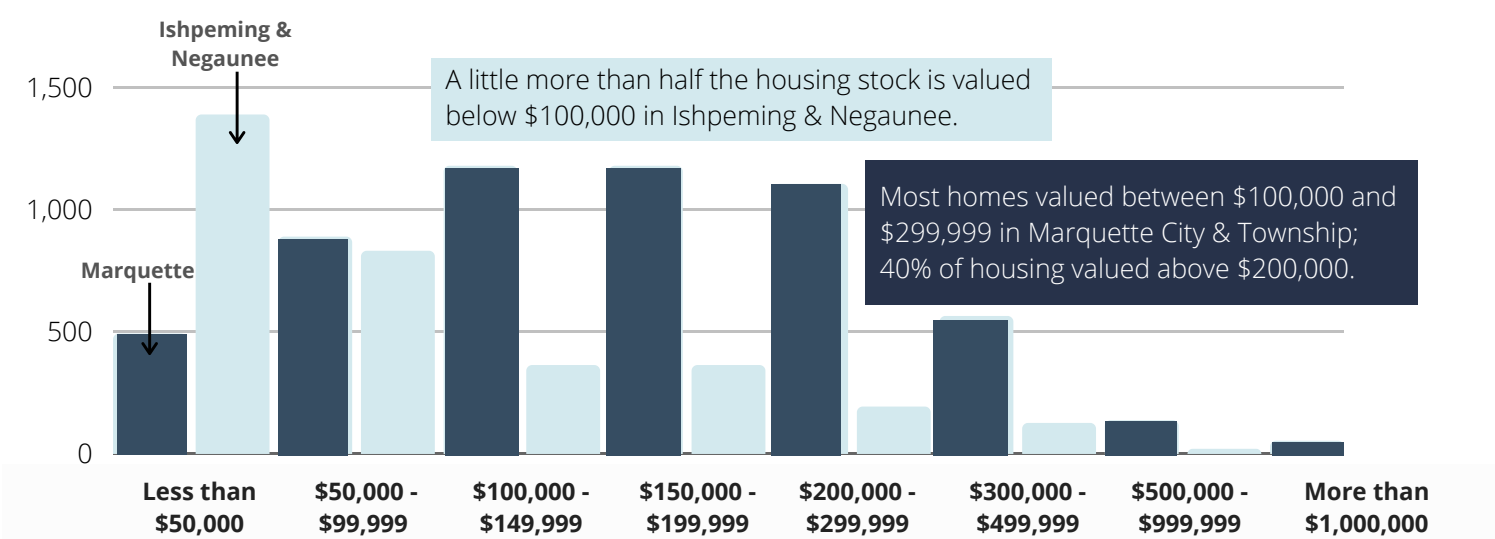
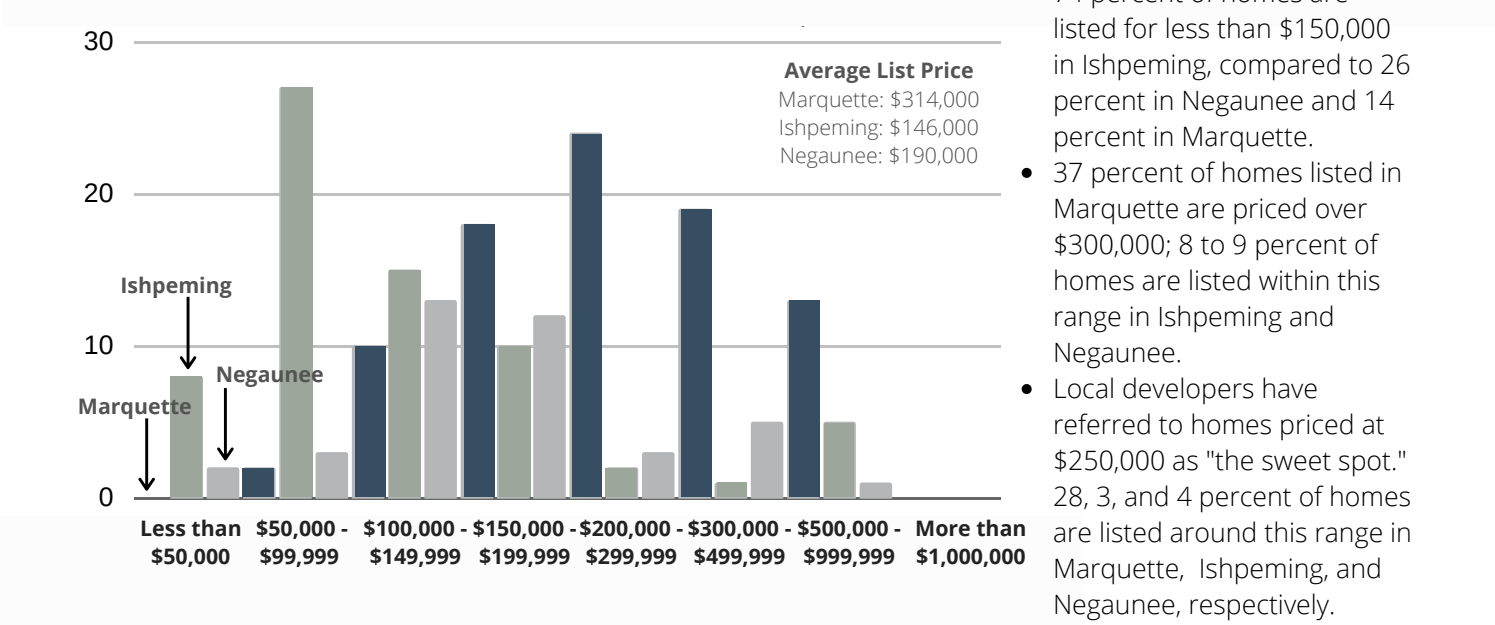


Chart 24. Number of homes for sale by list price



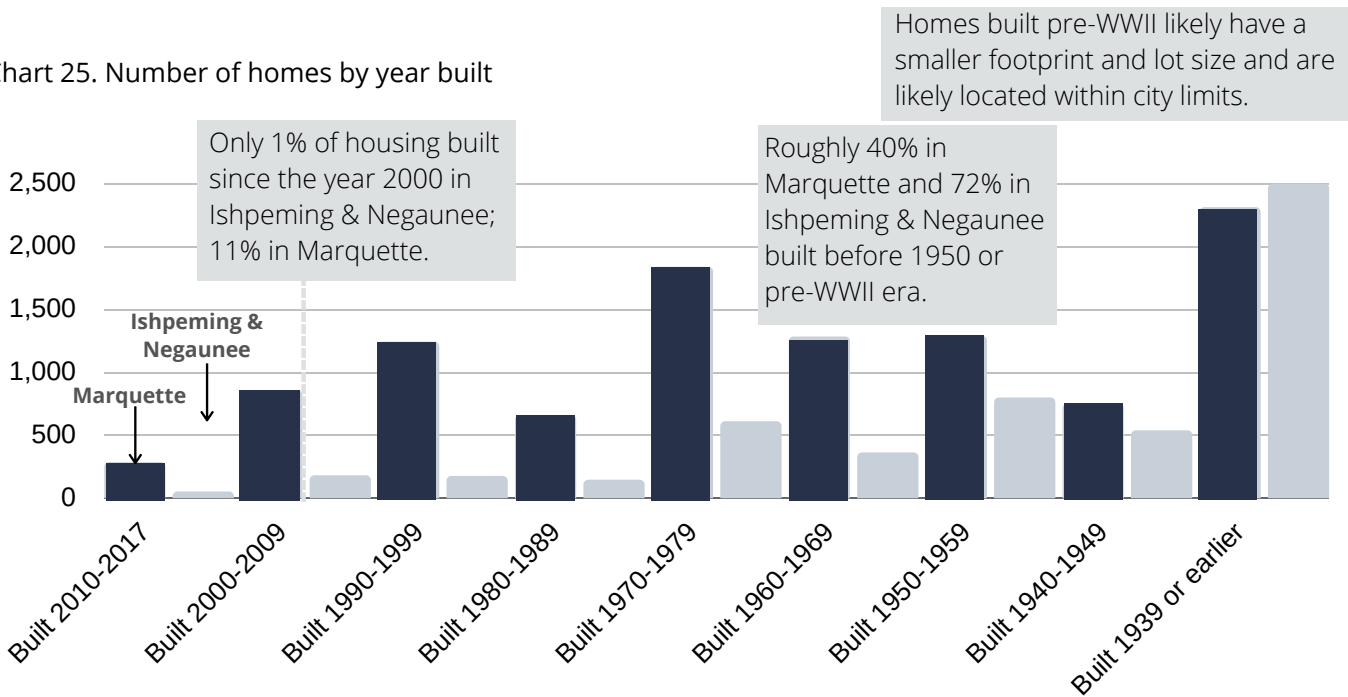
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Age of Housing Stock

The age of housing stock data includes all owner and renter-occupied homes as well as all housing types.

>>The age distribution of housing stock provides a history of home building in the county.

Chart 25. Number of homes by year built



Housing preferences shift post-WWII

Housing preferences shifted post-WWII, when suburban style homes were desirable housing formats nationwide, and supported by the newly implemented Federal Housing Authority's 1934 program that provided insurance on private home mortgages for the first time in American history. While lenders had been spooked by the Great Depression which saw a doubling of home foreclosures, the FHA program required low interest rates in exchange for a guaranteed payment upon default of a loan, giving lenders confidence to provide loans to the average home buyer. The FHA program revolutionized home ownership in America, helping three out of five Americans purchase a home by 1959.

The program also developed design guidelines that were used for evaluating whether or not the mortgage would be insured. The design guidelines were built upon the mores of the time, and fundamentally reshaped housing and development patterns in America.

New homes with a larger footprint were given a higher score, as they would spur demand for labor and materials. Points were given for the presence of garage, thereby incentivizing use of the private automobile. Consideration was given as to the "fit within the neighborhood," which had implications for the segregation of both race and economic class. This development pattern was supported by the rise of private automobile use and industrialization, which made it easier to spread out and cheaper to build.

1. ACS-5 year estimates. 2017. DP04. Census tracts, Marquette County. 2. Zuegel, Devon Marisa. Financing Suburbia: "How government mortgage policy determined where you live." Strong Towns. August 16, 2017. 3. Federal Housing Administration Underwriting Manual. 1934.

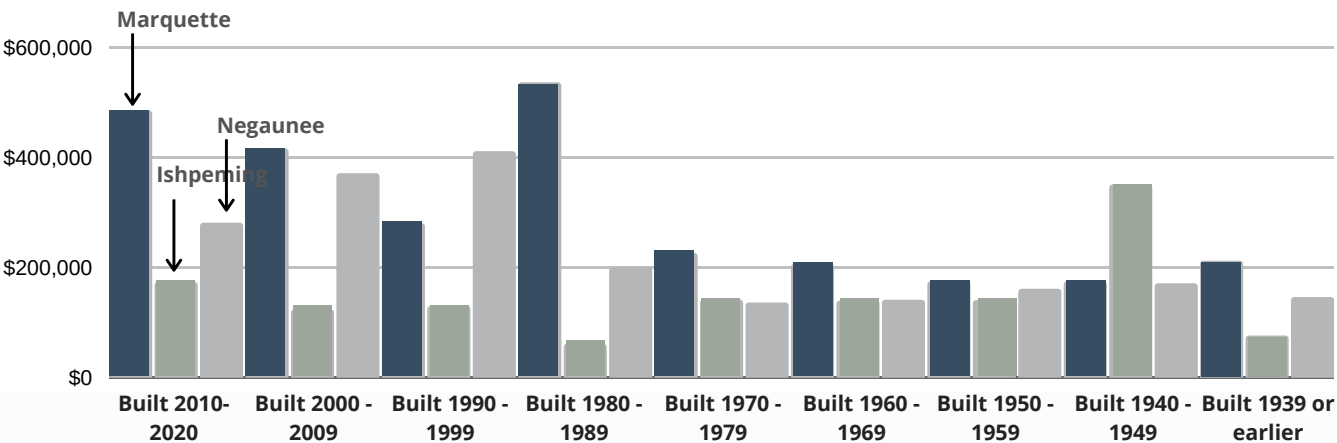
03 - HOUSING

Home Values for Sale by Age

The home values for sale by age data was derived by calculating the median value of homes for sale on the market (collected November 2020) grouped by decade according to the year they were built.

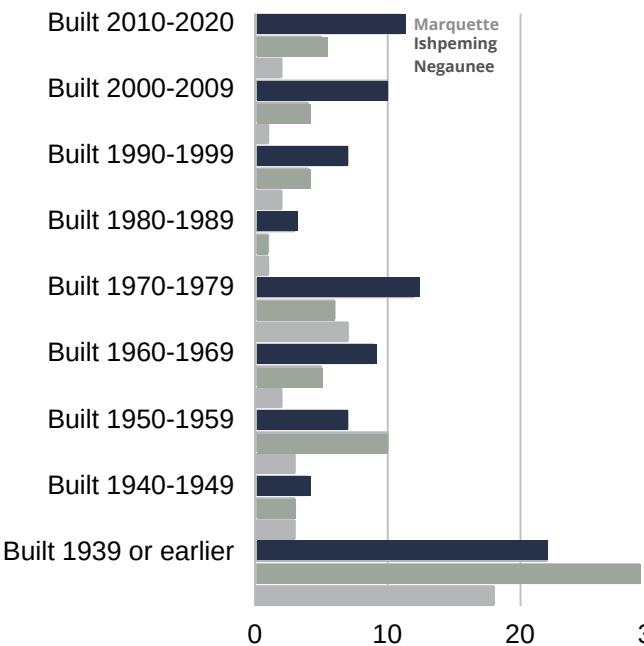
>> Overall, asking home prices tend to decrease by age, revealing that newer homes are valued slightly more than historic properties in Marquette County. The story is slightly more nuanced when honing in at the city level.

Chart 26. Median asking sale price by year built



- In **Marquette**, the median sale price for homes on the market are higher the more recently they were built, as seen in chart xx. The median list price for homes built within the last five decades (before 1970) is over \$300,000. Approximately a quarter of all properties listed were built between 2000 and 2020, indicating growth and/or redevelopment.
- The median home price does not vary much between decades in **Ishpeming** - median prices are below \$200,000 with the exception of 1940s homes. Given the small number of homes listed that were built in this decade, this is likely one home price skewing the data.
- Median home prices increase with age between 2020 and 1990 in **Negaunee**, and then fluctuate only slightly between decades.
- In all three cities the majority of homes listed are built pre-1940 (see chart xx).

Chart 27. Number of homes listed on market by year built



<http://realtor.com> November 2020. Marquette, Ishpeming, Negaunee.

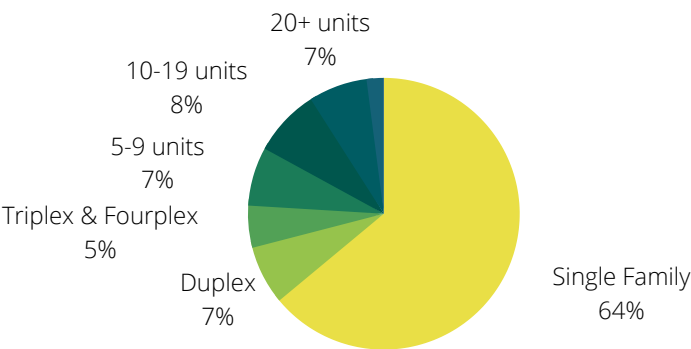
03 - HOUSING

Housing Units by Type

The range of housing formats within a community is referred to as housing diversity. A diverse community has various different dwelling types and sizes. This is generally achieved by offering a wider range of lot sizes and promoting a variety of building forms.

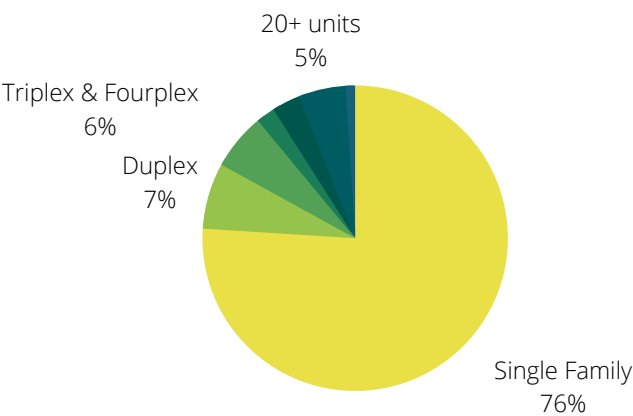
>> By providing greater housing choice, developments can meet the housing needs of their community's diverse residents and household types across the life course, such as students, young families, professionals, retirees, and people with disabilities.

Chart 28. Total number of homes by type, Marquette City & Township



The City & Township of Marquette have a larger proportion of higher density housing, with 15 percent of the housing mix comprised of 10+ unit complexes (see chart 28). There is also a relatively high proportion of "missing middle" units, or duplexes, triplexes, and fourplexes (see page 30 for further discussion).

Chart 29. Total number of homes by type, Ishpeming & Negaunee



Ishpeming and Negaunee have a slightly more homogenous housing mix, with 76 percent of the housing being of a single family format (see chart 29). The two communities have a comparable proportion of "missing middle" units when compared to Marquette, but are lacking in higher density, 10+ units.

Nationally, approximately 60 percent of housing units are characterized as detached single family; 72 percent of homes in Michigan are single family residences.

Downtown areas throughout the county can expand to support other housing formats such as apartments, town homes, and condos. Locating denser housing types in downtown areas with sidewalks, bike lanes, and public transportation infrastructure provides better access to jobs and services and helps to alleviate the perception that car traffic increases with such developments.

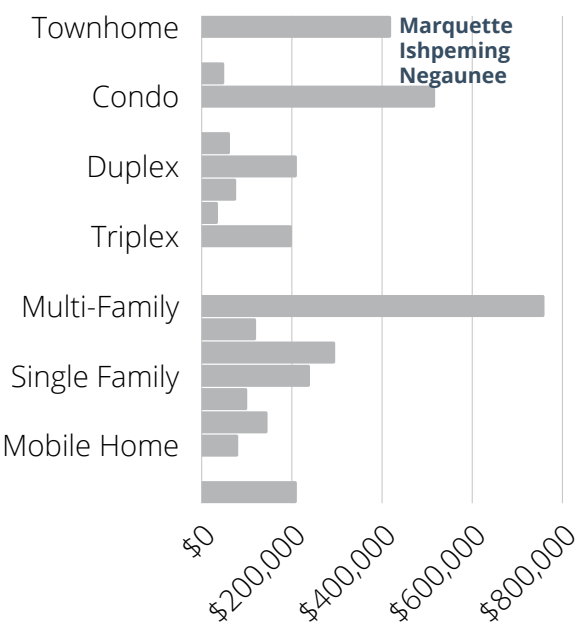
ACS-5 year estimates. 2017. DP04. Census tracts of Marquette City & Township, Ishpeming, Negaunee, Michigan & United States.

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Housing Units For Sale by Type

The home values for sale by type data was created by calculating the median and average value of homes for sale on the market (collected November 2020) grouped by type: single family, duplex, triplex, condo, multi-family (5 or more attached units) and mobile home. The home listings are sourced from realtor.com.

Chart 30. Median asking price for homes by type



<http://realtor.com> November 2020. Marquette, Ishpeming, Negaunee

The median list price for single family homes in November 2020 is \$240,000 in Marquette, \$100,000 in Ishpeming, and \$145,000 in Negaunee. This is higher than 2017 data from American Community Survey.

There are no condos, or triplexes currently for sale in Ishpeming nor Negaunee; the median list price for condos and townhomes are substantially higher than that of single family homes in Marquette. This, coupled with the probable lakeshore proximity of these listing types, indicates that this housing format is highly desirable. It should be noted that at the time of this data collection there were only two identical condos listed, both of which are new construction, giving no indication as to the high and low ends of the market.

Multi-family listings are priced significantly higher in Marquette than they are in Ishpeming and Negaunee, which could correlate with these two communities lacking in this housing type.

The Missing Middle

"Missing middle housing" is a term coined by the firm Opticos Design, which refers to housing types that are similar in scale to single family homes but allow for additional density. These building types, such as duplexes, fourplexes and bungalow courts, were common in the pre-WWII era and provide diverse housing options located within single family neighborhoods. They are referred to as "missing" because they are no longer typically allowed in single family zones and "middle" because they sit in the middle of a spectrum between detached single-family homes and mid-rise to high-rise apartment buildings in terms of form, scale, number of units, and, often, affordability.

Allowing for missing middle housing in traditional single family neighborhoods supports housing diversity and affordability, allowing people from all stages of life to live within the community. Where public support for large, multi-family developments can be hard to obtain, missing middle housing can also be more publicly acceptable, as they spread out housing density over several smaller developments.

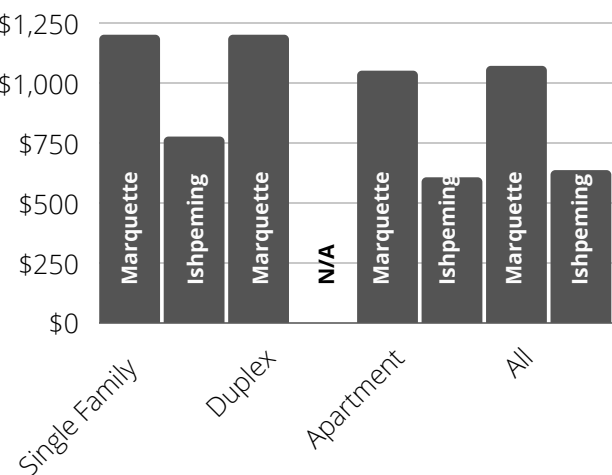
03 - HOUSING

Median Rents: By Type & Central U.P. Comparison

Median rents by type data was generated from craigslist.com and rent.com, two online real estate listing services. Data was pulled November 2020. This data provides a glimpse into the type and value of rental units available within the community.

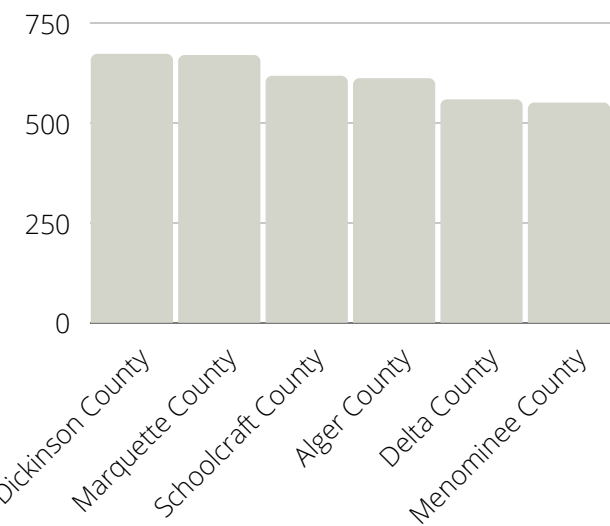
The comparison of median rents was obtained from U.S. Census data. This provides an understanding of how rents in Marquette County compare to other counties within the Upper Peninsula who may share a similar market.

Chart 31. Median monthly rents for homes by type, 2020



<http://craigslist.com>; <http://rent.com>. November 2020. Marquette County.

Chart 32. Median monthly rents ranked by county, Central Upper Peninsula, 2017



ACS-5 year estimates. 2017. B25064. All counties in Michigan.

At the time of this data collection, there were around 30 rental units on the market in Marquette and seven in Ishpeming. The majority of rentals in Marquette are apartments; in Ishpeming the rental market was split between multi-family and single family listings. Median rental prices do not vary by more than \$100 between the three housing formats in Marquette; the median rental price for all housing types is over \$1,000 per month. Single family homes rent for approximately 30 percent more than apartments in Ishpeming. There were no rental listings in Negaunee at the time of this data collection effort, signaling a definite shortage within the community.

According to U.S. Census data, Marquette County's median monthly rent is \$669, similar to Dickinson County's (see chart 32). This tracks well with the craigslist.com rental listings in Ishpeming, where the median rent is \$635, but is much lower than that for the City of Marquette (see chart 31), where the current median rent is \$1,060. It might be assumed that this indicator will increase in the 2020 census data.

Important to note that rent estimates are generated from people selecting the range of rents paid (i.e. "less than \$500, between \$500 and \$1000..."), so the variation between counties can be impacted by the number of respondents filling out the survey.

03 - HOUSING

Income Distribution of Renters; Rents >30 Percent of Income

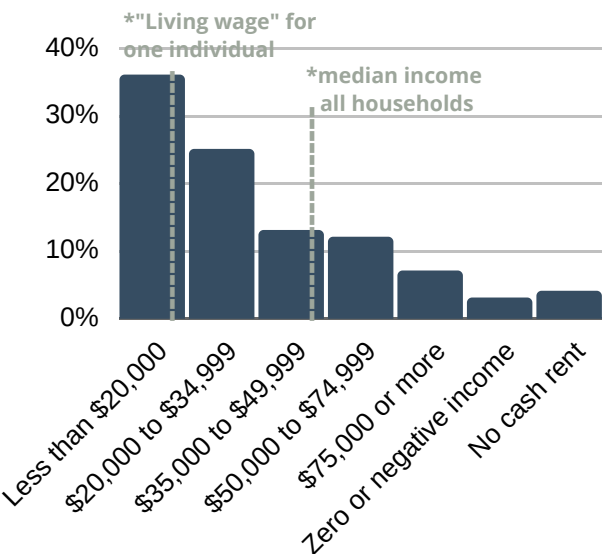
The income distribution of renters as seen in chart 28 can provide insight into housing rental needs; ideally, rental properties are available to meet all income levels.

Chart 34 displays the proportion of renters in each income bracket that are currently paying more than 30 percent of their income on rent.

>> In order to maintain housing affordability, renters should be paying less than 30% of their income on housing per month. This is especially prudent for those at the lower end of the income bracket.

Chart 33 displays the proportion of renters in each income bracket in Marquette County. Approximately 79 percent of renters are earning below the median income for all households. Recall that the "living wage" for individuals is \$22,000; roughly 36 percent of renters earn less than this threshold.

Chart 33. Percent of renters in each income bracket, Marquette County

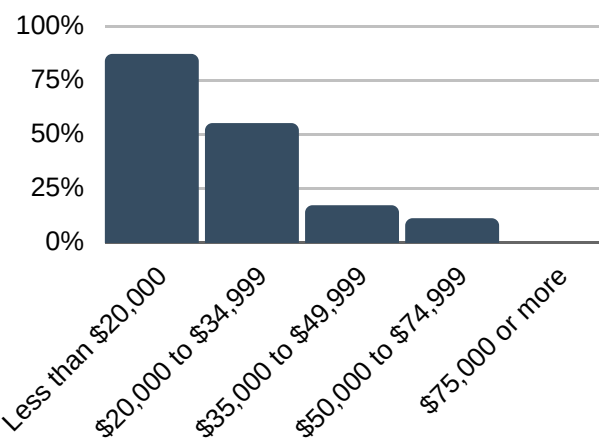


*While the median income is around \$48,500 annually and a living wage for one individual is approximately \$22,000, data does not pair neatly with these numbers. The numbers stated above used the \$49,999 income bracket as a proxy for median incomes and \$19,999 as a proxy for the living wage for one individual.

Chart 34 displays the proportion of renters in each income bracket that are paying more than 30 percent of their income on rent.

The vast majority, 76 percent, of those earning at the lower end of the income spectrum - less than \$20,000 per year - are paying more than 30 percent of their income on rent. This indicates that a large proportion of lower income renters are impacted by rental rates that are pushing them beyond their means. More than 50 percent of renters in the subsequent income bracket - those earning \$20,000 to \$34,999 annually - are facing the same issue.

Chart 34. Percent of renters in each income bracket paying more than 30 percent of income on rent



ACS-5 year estimates. 2017. B25106. Marquette County.

03 - HOUSING

Income Distribution of Homeowners; Housing Costs >30 Percent of Income

The income distribution of homeowners as seen in chart 28 can provide insight into housing rental needs; ideally, rental properties are available to meet all income levels.

Chart 29 displays the proportion of homeowners in each income bracket that are currently paying more than 30 percent of their income on housing costs.

>> In order to maintain housing affordability, residents should be paying less than 30% of their income on housing per month. This is especially prudent for those at the lower end of the income bracket.

Chart 35 displays the proportion of homeowners in each income bracket. The chart looks like the inverse of the renters income bracket. Far less homeowners - 38 percent - are earning below the median income for all households as compared to renters. Roughly nine percent of homeowners earn less than the "living wage" threshold. .

Chart 35. Percent of homeowners in each income bracket, Marquette County



*As before, the median income is around \$48,500 annually and a living wage for one individual is approximately \$22,000. Data does not pair neatly with these numbers, therefore the \$49,999 income bracket as a proxy for

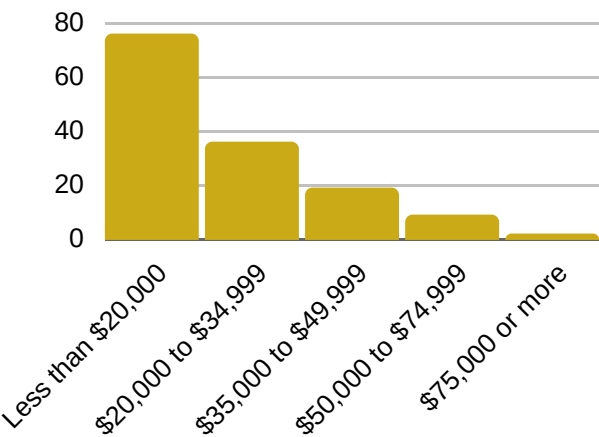
ACS-5 year estimates. 2017. B25106. Marquette County

median incomes and \$19,999 as a proxy for the living wage for one individual.

Chart 36 displays the proportion of homeowners in each income bracket that are paying more than 30 percent of their income on rent.

As with renters, most of those earning at the lower end of the income spectrum - less than \$20,000 per year - are paying more than 30 percent of their income on housing related expenses. Note that this is nine percent of homeowners, as seen in graph 35, compared to 36 percent of renters, as seen in graph 33.

Chart 36. Percent of homeowners in each income bracket paying more than 30 percent of income on housing costs



03 - HOUSING

Affordable Housing Services

For the purposes of this report, affordable housing can be defined as housing units that are rented or owned below market rate or are rented at market rate but accept partial payment through vouchers. Affordable housing units are supplied to residents who qualify based on income or other characteristics, such as age or disability, that may preclude one from obtaining market rate housing. They may be publicly or privately owned.

There are a number of affordable housing programs within the community. Table 3 describes the supportive agency and the role this agency serves in the affordable housing space. These programs are generally supported by the U.S. Department of Housing and Urban Development (HUD).

Table 3. Affordable housing programs

AGENCY	ABOUT
Michigan State Housing Development Authority	MSHDA oversees and administers a variety of rental housing programs. These programs involve Housing Choice Voucher assistance or subsidized housing through Low Income Tax Credits, HOME, CDBG and/or MSHDA Multifamily Development Loans.
Marquette Housing Commission	MHC provides 257 affordable, pet friendly apartments at two locations within the city of Marquette. The Housing Choice Voucher program provides 50 housing choice vouchers for individuals and families throughout Marquette County.
Ishpeming Housing Commission	The Ishpeming Housing Commission provides 127 smoke free units in one Public Housing Complex. IHC offers rental opportunities to senior citizens, families, handicapped and disabled individuals under income-based and flat rent options.
Negaunee Housing Commission	The Negaunee Housing Commission (NHC) offers one Public Housing Community with 80 units for senior, disabled, or single individuals.
Michigan State University Extension Office	A housing counseling agency offering assistance for financial management, budget counseling, mortgage delinquency, default resolution counseling, rental education, and workshops for homeowners.

<https://www.publichousing.com/city/mi-kingsford>; <https://www.dicsami.org/>;
<https://affordablehousingonline.com>

SECTION 4

FOCUS GROUP FEEDBACK

FEEDBACK

Ishpeming & Negaunee.....	p. 36
Marquette City & Township.....	p. 39
Participant log.....	p. 40

04 - FOCUS GROUP FEEDBACK

CUPPAD held Focus Groups on October 28, 2019 for the communities of Ishpeming and Negaunee and July 30, 2020 (virtually) for Marquette City and Township. Participants included a cross section of professionals involved in housing within Marquette County, such as economic development leaders, city and county staff, lenders, realtors, landlords, and major employers. See Table 6 for a list of participants in Ishpeming and Negaunee and table 7 for participants involved in Marquette City and Township.

The purpose of the meetings were twofold. First, the round table discussion provided an opportunity to share a snapshot of existing conditions data, and for the group to ground truth the data for accuracy. Additionally, through sharing local insights on housing and economic conditions within their communities, participants enriched data with their lived experience. Tables 4 and 5 provide a record of feedback received from this meeting. The feedback is grouped by topic.

Table 4. Focus Group Engagement Record, Negaunee & Ishpeming

TOPIC	FEEDBACK
Zoning Codes, Construction Costs	<ul style="list-style-type: none">• Construction costs are high due to a multitude of factors, making new construction too expensive for what people can afford.• Current zoning codes make it easier for redevelopment more than demolition and rebuild.• Zoning codes for rehabilitation do not ensure quality; many homes have ad hoc rehab efforts and are in a state of disrepair.• It's a hot contractor market, making it hard to find skilled labor. This impacts not only new construction, but home repairs, too.• The construction costs are the same in the western part of the county as they are in the east, but they are appraised differently. This hurts development efforts in the western part of the county.
Resources & Marketing	<ul style="list-style-type: none">• Cost of living is important to market for the west end of the county.• Housing Resource Guide is an aggregation of resources for options.• In Negaunee and Ishpeming, there is a lack of buildable land with easy access to roads and utilities due to Mining activities of the past. The majority of vacant land in Negaunee is either old mining land or currently owned by CCI.• It would be nice to see programs that could teach people how to care for aging homes, how to build affordable new homes without a stigma, and programs that teach people how to become homeowners that have money down and money to take care of their investment.

04 - FOCUS GROUP FEEDBACK

Table 4. Focus Group Engagement Record, Negaunee & Ishpeming, continued

TOPIC	FEEDBACK
Real Estate Market & Financing	<ul style="list-style-type: none">• From a real estate perspective, lack of inventory has been a current challenge -- for instance, people wanting to sell but not finding anything to buy, or older people wanting to sell but not having any option for low maintenance living. Many want to take their pets or need main floor or options with an elevator and don't want to leave their communities of Ishpeming, Negaunee, Gwinn, or Skandia.• Speculation that there will be a shift in the market over the next year or so from a sellers market to a balanced market to a buyers market. The high cost of building will continue to lead to little new construction of homes outside of Marquette.• What types of loans do people have on their properties and what is the trend? Many first time buyers are being driven to the west end because they cannot afford Marquette's prices and only qualify for USDA, VA, or FHA products, which have certain standards a house has to meet in order to qualify for these programs. With the cost of construction rising it could become harder to find a reasonable priced house that buyers can afford with the low or no down payment loan products.• There is a difference between manufactured and modular homes; modular homes can be appealing and more affordable than new construction.• MSHDA Mod program could be used to build workforce housing.• Brownfield funds can help close the gap for new development projects.

04 - FOCUS GROUP FEEDBACK

Table 5. Focus Group Engagement Record, Marquette City & Township

TOPIC	FEEDBACK
Development patterns & zoning codes	<ul style="list-style-type: none"> • Marquette is largely built out. There are no new large tracts; new development will be more boutique, etc. • With smaller properties, does land development code allow for single, stackable units? Like 16' lots? • It's possible to develop on lots that are smaller than 16' if you stack 3-4 stories. • Creating nodes of mixed use developments helps. City can/should identify places to locate these nodes (corners, historical higher density use, etc.). • Would zero lot lines, stackable town homes, 14-16' wide be possible? • How can we incorporate multifamily in areas that are currently not allowed? City should identify areas where that would be acceptable. • Changes to zoning code could be addressed in land division ordinance. • "Height is another unicorn in Marquette." • Simple, attached, narrow townhomes have been built for the last twenty years in many communities in larger cities in the Midwest and are really one of the only solutions for the "missing middle" new housing options. • Marquette does allow ADUs; Planning Commission is looking to change regulation on this. • The City of Marquette Land Development Code raises a lot of barriers to Accessory Dwelling Unit (ADU) development, which is a barrier to the sort of incremental, "boutique" expansion of housing supply. • Different regulatory codes create lengthy review. There isn't a "one stop shop;" must go through county, city, DEQ for redevelopment. There are many layers. • There have been many zoning updates to ease development efforts: lot size reduction, setback reduction, creation of mixed use zoning, reduction of parking standards for multi-family housing. • There is currently a waiting list for listing new vacation rentals. • 215 units approved by City in last three years; 176 multi-family, 38 single family. Covid may hamper development.
Affordability	<ul style="list-style-type: none"> • Must look out for housing options for all age ranges; there is a demand for "missing middle" housing. Single people and small families have different preferences - something between large single family home and apartment. • You have to drive until you qualify for your mortgage. But car ownership costs largely left out of the conversation on affordability. • Waiting lists for subsidized housing are 3-6 months long.

04 - FOCUS GROUP FEEDBACK

Table 5. Focus Group Engagement Record, Marquette City & Township, continued

TOPIC	FEEDBACK
Affordability, cont.	<ul style="list-style-type: none"> Clearly seems to be a shortage of low-income housing in Marquette as well as missing middle housing, especially for single people and small families. Finding a 1-bedroom apartment in a four-plex (converted single- family home) can take more than 6 months of intense searching to find. The price is \$700/mo price range and consumes almost half of monthly income. The average selling price is low to mid \$400k; most buyers are those aged 50+. It's difficult to keep prices low. There is a chronic skilled labor shortage, limited opportunities with land availability, and high demand.
Community Engagement	<ul style="list-style-type: none"> Lot size requirements were reduced significantly, from 70 feet to 35 1/2 feet. To reduce lot sizes further, city must first have community conversation about neighborhood preferences. There has historically been pushback about creating smaller lots Don't use urban footprint picture when doing community engagement. There needs to be a broader community conversation on changing zoning codes; there are many ways to do this.
Transportation	<ul style="list-style-type: none"> With improved transit capability, where people are living may become less important. It also helps affordability. Local leaders should look at policy, transit oriented development, and transportation. There is speculation that cities will see lots of money come in post-covid for transportation and infrastructure. There should be motivation to get projects shovel ready. City of Marquette is working on transit behind the scenes to develop route in city.
Financing	<ul style="list-style-type: none"> Given high construction costs, it's hard to build anything unless it's a high end without financing tools to bridge the gap. Larger cities are all facing this issues and coming up with creative capital stacks with a broad array of financing partnerships. "Missing middle" developers are creating multiple condo structures and bringing other sources of financing in such as Community Development Block Grants, different infrastructure funding, etc. to fill in gaps. Market rate component in stackable townhomes, with mixed use. Put under one master condo association with multiple phases.

04 - FOCUS GROUP FEEDBACK

Table 6. Focus Group Participants. Ishpeming & Negaunee

NAME, ROLE, ORGANIZATION	
David Nelson, Planning and Zoning Administrator City of Negaunee	Lauren Luce, Planner, Marquette County
Mary Myers, Director of Business Services,, Lake Superior Community Partnership	Anne Giroux, Finance Manager, Marquette County
Al Pierce, Planning and Zoning Administrator, City of Ishpeming	Crystal Berglund, Associate Broker, Keller Williams First
Kristy Basolo-Malmsten, Director, Negaunee Senior Citizens Center	Dan Perkins, Dan Perkins Construction
Evan Bonsall, Assistant to the County Administrator, Marquette County	Nate Heffron, City Manager, City of Negaunee
	Nick Leach, Township Manager, Negaunee Township
	Katie Wilcox, Embers Credit Union

Table 7. Focus Group Participants. Marquette City & Township

NAME, ROLE, ORGANIZATION	
Evan Bonsall, Commissioner, City of Marquette	Lauren Luce, Senior Planner, Marquette County
Jenn Hill, Mayor Pro Tem, City of Marquette	Anne Giroux, Finance Manager, Marquette County
Fred Stonehouse, Commissioner, City of Marquette	David Stensaas, Planning/Zoning Administrator City of Marquette
Sally Davis, Commissioner, City of Marquette	Dennis Stachewic, Director of Planning and Community Development, City of Marquette
Dennis Smith, Ad Hoc Housing Committee, City of Marquette	Jeff Korpi, Director of Housing and Residence Life, Northern Michigan University (NMU)
Jennifer Tucker, Community Assistance Team Specialist, Michigan Economic Development Corporation	Cat Hardenbergh, Assistant Director of Residence Life, NMU
Deana Johnson, Executive Director, Habitat for Humanity	Ruth Solinski, Human Resources Manager, RTI Surgical
Mike Shimon, Executive Director (past), Habitat for Humanity	Stephanie Jones, Associate Broker, Select Realty
Shannon Morgan, Renovare Development	Michelle Lajoie, Executive Director, Community Action Alger-Marquette
Michele Thomas, Director of Development, Veridea Group	Greg Johnson, Housing Services Director Community Action Alger-Marquette
LR Swadley, Community Developer, Swadley Development, LLC	Jason McCarthy, Planning/Zoning Administrator Marquette Township
Mary Myers, Director of Business Services, Lake Superior Community Partnership	Kelly Wasik, Lake Superior Watershed Partnership

CONTRIBUTORS

Callie New, Planner & Analyst | Consultant
Ryan Soucy, Senior Community & Economic
Development Planner | CUPPAD
Dotty Lajoie, Executive Director | CUPPAD

Appendix D

Marquette County Master Plan Survey Data

Marquette Housing Public Opinion Data

Source: Marquette County 2040 Master Plan Community Survey (2019)

Statistics and Standard Question Responses

1,294 City of Marquette residents responded to the survey. The survey was conducted completely online throughout 2019, and was closed on Dec. 31, 2019. You can see a more visual representation of this summary data in the other Marquette County Community Survey PDF provided, but what follows is a brief written summary of the housing-related survey responses from City of Marquette residents. Some written responses from non-City residents are also included, and specifically labeled as such.

Age breakdown:

Under 25: 39%

25-34: 19%

35-44: 13%

45-54: 11%

55-64: 10%

65 & up: 9%

For comparison, according to the Census Bureau's [2018 American Community Survey \(ACS\)](#), the City of Marquette has a total population of 20,932, and the age breakdown of City residents is listed below. As you can see, the County survey slightly underrepresented seniors, most likely because it was conducted solely online, but it was still very reflective of the City of Marquette's age demographics.

Under 20: 19%

20-29: 34%

30-39: 10%

40-49: 8%

50-59: 10%

60-69: 9%

70 & up: 10%

47% of respondents were homeowners, 41% were renters, and 12% responded "Other" when asked if they owned or rented their primary residence.

"Safe and affordable housing options" were ranked as "Important" by 35% of respondents and "Very Important" by 54%, for a total of 89% ranking housing affordability as an important issue in Marquette. Only 2% said that this issue was "Not Important."

Only 4% listed "Affordable housing choices" as a reason they like living in Marquette, while 75% said they believe there is a need for more "Affordable housing" in Marquette – this made affordable housing the second-greatest community need in the City of Marquette after "Local job opportunities" (77%). It was even ranked ahead of "Road/street maintenance and reconstruction" (69%), "Health and social services" (67%), and "Business and economic opportunities" (61%).

14% said they feel there needs to be "A lot more" single-family and multi-family housing development in Marquette, 46% said "A little more," and only 34% said the amount of single-family and multi-family housing development in Marquette is "Perfect as is."

"If you could, what is one thing you would change, enhance, or improve about Marquette County?"

"There is a very high need for affordable family housing."

"Need decent, lower priced apartments for senior citizens."

"More duplex zoning so families can build affordable housing together."

"I would create more student-friendly housing situations, like converting old homes into apartments or creating an apartment building for students. It was extremely hard for me to find somewhere I could afford to live, most apartments are \$1,500 a month and I don't know a single self-supporting student who can afford that."

"Young people like me want to stay here, but most of us are on limited incomes and need affordable housing options and decent, middle-class jobs, both of which can be very hard to come by - affordable housing is a bigger problem in Marquette, while job opportunities for young people is a bigger challenge in the rest of Marquette County."

"The price to live in a house in Marquette City specifically is way too high. It keeps getting a lot higher and soon I will have to move away. My parents can't afford it for much longer and my dad has to keep looking for extra work to barely be able to afford to stay."

"More affordable housing closer to Marquette. Right now, the only affordable houses for young people like myself are really shabby foreclosed homes." – Ishpeming resident

"Income-based housing and low-income housing. Less condos. Can't afford to live in my hometown of Marquette so I bought a house in Ishpeming." – Ishpeming resident

"That housing in Marquette be more affordable to people working in Marquette. I grew to love the west end. I feel like Marquette is gentrified and unaffordable to working families." – Ishpeming resident

"More low income housing. As a single mom going through college, living here was really, really hard. I had to take loans out for three years straight to pay my rent." – Negaunee resident

"I think housing is an issue - I'm really not sure how some folks do it in the City of Marquette. It seems to be getting out of range for the typical wages we see here." – Marquette Twp. resident

"More affordable housing options for low income and disabled (people). Single person properties or rentals that are affordable and allow people to stay close to town." – Marquette Twp. resident

"More affordable housing and more housing options."

"People want to live in Marquette County. They want to move here and they want to stay here. However, with the prevalence of low-wage jobs and rising housing costs, people struggle to find work and get to work."

"Housing. Not mega-houses. Not condos. Houses that could be lived in by a couple or small family."

“Need more and better off-campus housing options for students, such as studio apartments.”

“Less high-end, unaffordable condos and apartments for well-off retirees and more affordable housing for working families.”

“There is plenty of space for new low- to mid-cost apartment buildings. I would like to see more mixed use developments in Marquette (shops on the bottom level, apartments on upper levels) so that we could have all the amenities of a small city. There need to be more choices for housing if Marquette will grow.”

“Homelessness is a big issue that needs to be addressed with more low-income housing availability.”

“Affordable, single-family housing, especially income-based. There are so many families that cannot be serviced by the current options.”

“More affordable housing, both rental and new single family home construction.”

“We need more affordable rentals in Marquette! Young people are struggling to make ends meet.”

“More affordable housing options and more care and options for the population experiencing homelessness. Marquette County could become a regional leader in this area!”

“I would like property owners to have more freedom. Way too many rules and regulations. Very hard for the young, working class or poor to find housing now.”

“Please share any additional comments here.”

“While in college it was very easy for me to find roommates and split \$1000/mo rent. Now as a young professional that has chosen to stay in Marquette it is very difficult to find affordable housing where you don’t have 2-3 roommates, which has led me to make a decision to move to Forsyth away from most recreational activities/restaurants I used to enjoy. More affordable housing would be a great option.” – Forsyth Twp. resident

“... most of the people I know that work in Marquette have not been able to live there for a few years due to rampant overpricing of rented properties. Taxation is great, I'm all for it, it gets what needs doing done; I feel that there needs to be some kind of regulatory overhaul ... in the (Marquette) city and township ... It's preposterous to me that the people who act as the city’s backbone don't get to enjoy the fruits of their labor on a daily basis, beyond a half hour before or after working a full shift (or two part time shifts) to have a coffee and take in why they live there.” – Negaunee resident

“I feel that there are a lot of run down, outdated housing options in Marquette that need to be fixed up to attract young homebuyers to them because young people don't want to buy project homes. I would prefer to see existing outdated homes updated to be sold versus new development in overpriced subdivisions. The cost of housing in Marquette has gotten ridiculous compared to other major cities like Green Bay and Appleton where you can purchase a lot more house for less than you can in Marquette.”

"I think young people want to stay in the area but we need higher paying jobs and more affordable housing to accomplish that."

"Marquette needs a housing first approach to homelessness and more affordable housing options for low income families looking for a path out of poverty."

"I would also like to note that affordable housing in Marquette City is very much needed. Young people and lower-middle-class people are leaving Marquette for the surrounding areas because the jobs aren't paying enough for the rising cost of housing."

"More affordable housing in areas where there is the most population would be wonderful. NMU student housing in Marquette ... is way too (expensive) for the students, and housing quality is very poor." – Forsyth Twp. resident

Appendix E

Missing Middle Marquette Walking Tour



Missing Middle Housing in the City of Marquette: A Walking Tour

EVAN BONSALE

ANTONIO ADAN

OCT 2020

What is Missing Middle Housing?



“Missing Middle Housing is a range of house-scale buildings with multiple units – compatible in scale and form with detached single-family homes – located in a walkable neighborhood.”

- DANIEL PAROLEK

SOURCE: [HTTPS://MISSINGMIDDLEHOUSING.COM/](https://missingmiddlehousing.com/)

Small single-family homes



Accessory Dwelling Units (ADUs)*



*ADUs require special use permits and are subject to very stringent regulations and limitations. Perhaps for this reason, we were unable to find any actual ADUs on our 90-minute walk through east & central Marquette. Pictured above are a couple of garages that could make excellent potential locations for modest, relatively affordable ADUs.

Dandelion Cottage: Single-family home – or ADU?*



* Under the current City of Marquette Land Development Code (LDC), the Dandelion Cottage (or purpose-built ADUs of a similar size) could not be rented as an ADU without a special use permit, could not be more than 750 sq. ft., could not contain more than 2 residents, would need to have the owner living on-site, and could only be rented to people who are related to the owner by blood, marriage, or adoption.

Duplexes

Duplexes are by far the most common type of Missing Middle Housing in Marquette.

However, duplexes are still subjected to greater permitting, setback, lot size, and parking requirements than single-family homes, even though they are virtually indistinguishable from traditional single-family houses.

The many medium-sized single-family homes in Marquette represent great opportunities for conversion into modest duplexes that could be rented at affordable price points. New duplexes can be built at the scale of single-family homes and rarely feel out of place in any neighborhood.



More duplexes...



Historic homes turned into duplexes



An interesting case study...

This beautiful “duplex court” is owned by one landowner and consists of three repurposed buildings – a historic single-family home, a large accessory dwelling in the back, and a historic church – centered around a shared courtyard.

All 3 buildings have been converted into duplexes, providing a total of 6 rental units within easy walking distance of downtown amenities, and at affordable price points for middle-income households.



Upper-level downtown apartments



Single-family homes... or businesses... or apartments?



Triplexes*



*Triplexes are prohibited in Low-Density and Medium-Density Residential Districts, which cover most neighborhoods in Marquette.

Fourplexes*



*Fourplexes are also prohibited in Low-Density and Medium-Density Residential Districts in Marquette. This lot is zoned Multi-Family (the same as the 100+ unit apartment complexes).

Who needs Missing Middle Housing?

And some additional questions:

1. How many new units have been built in the last 5-10 years, and how many of these were in the low-income or workforce housing price ranges we defined earlier?
2. How great is the demand for new affordable units (rental and owner-occupied) in concrete terms? How could we estimate this demand?
3. What is our goal for creation of new units in the next 5-10 years, and what policies, partnerships, and incentives will be needed to achieve that goal?

Missing Middle Housing can be for everyone, but here are some examples of who could benefit from increasing the supply of Missing Middle Housing in Marquette:

- Northern Michigan University students.
- Young professionals (including young couples) who are working lower-paying entry-level jobs and/or want to live within walking distance of services and amenities.
- Low- and middle-income families with children.
- Retirees on limited incomes.
- Seniors with limited mobility or who are unable to drive, and need to live in accessible, affordable housing in walkable neighborhoods.

Residential Zoning in Marquette vs. Vermont/CNU Report Recommendations

Land Use/Zoning Regulation	Vermont/CNU Recommendations for Neighborhood District	Marquette Low-Density Residential	Marquette Medium-Density Residential	Marquette Multi-Family Residential	Marquette Mixed-Use District
Minimum Lot Area	None.	8,100 sq. ft.	4,500 sq. ft. (6,000 sq. ft. for duplexes)	15,000 sq. ft.	4,800 sq. ft.
Lot Width	50 ft. min., 100 ft. max.	60 ft. min.	37.5 ft. min. (50 ft. for duplexes)	100 ft. min.	40 ft. min.
Front Setback	8 ft. min., 12 ft. max.	20 ft. min.	15 ft. min.	15 ft. min.	0 ft. min.
Side Setback	5 ft. min.	10 ft. min.	5 ft. min., but 13 ft. total required (10 ft. min. for duplexes)	15 ft.	5 ft. min., but 13 ft. total required
Rear Setback	12 ft. min.	30 ft. min.	20 ft. min.	30 ft. min.	20 ft. min.
Max. Height	2.5 stories	31.5 ft.	31.5 ft.	36.5 ft.	44 ft.
Building Width	40 ft.	N/A	N/A	N/A	N/A
Max. Lot Coverage	Analyze local context.	30-60%	30-60%	20%	30-60% for 1- and 2-family
Units per Building, by-right	1-4	1	1	1 or more	1 or more
Units per Building, special use	5+	2	2	N/A	N/A
Buildings per Lot	Not regulated.	1 single-family dwelling per lot	1 single-family dwelling per lot	1 single-family dwelling per lot	1 single-family dwelling per lot
Parking Standards	1 space/unit	2 spaces/unit	2 spaces/unit	1.5 spaces/unit	1.125 spaces/unit
ADUs	Permitted/by-right use.	Special use.	Special use.	Special use.	Special use.

- According to the report, with lot and building dimensional standards, lot area standards are not necessary.
- Our setback and parking requirements are higher than the report recommends.
- We have much more restrictive limits on the number of units permitted than the report recommends.
- Accessory Dwelling Units (ADUs) require a special use permit & are subject to much stricter limits than the report recommends.
- Regulate building width, rather than lot area or the number of units per lot.

Vermont/CNU Report:

<https://accd.vermont.gov/sites/accdnew/files/documents/CD/CPR/CPR-Z4GN-Guide-Final-web.pdf>

Commercial Zoning in Marquette vs. Vermont/CNU Report Recommendations

Land Use/Zoning Regulation	Vermont/CNU Recommendations for Town Center District	Marquette Central Bus. District	Marquette Third Street T-4 District	Marquette Third Street T-5 District	Marquette Mixed-Use District
Minimum Lot Area	None.	None.	None.	None.	4,800 sq. ft.
Lot Width	30 ft. min.	None.	14 ft. min.	20 ft. min.	40 ft. min.
Front Setback	0 ft. min.	0 ft. min.	5 ft. min., 18 ft. max	5 ft. min., 18 ft. max	0 ft. min.
Side Setback	0 ft. min.	5 ft. min.	0 ft.-3 ft. min.	0 ft. min., 6 ft. max.	5 ft. min., but 13 ft. total required
Rear Setback	12 ft. min.	10 ft. min.	3 ft. min.	3 ft. min.	20 ft. min.
Max. Height	3.5 stories	60 ft.	2 stories/30 ft.	4 stories/48 ft.	44 ft.
Max. Building Width	120 ft.	N/A	N/A	N/A	N/A
Max. Lot Coverage	100%	30-60% for 1- and 2-family	70%	90%	30-60% for 1- and 2-family
Residential Units per Building, by-right	2 or more	2	1	1 or more	1 or more
Residential Units per Building, special use	1	1, 3+	2	N/A	N/A
Buildings per Lot	Not regulated.	1 single-family dwelling per lot	1 single-family dwelling per lot	1 single-family dwelling per lot	1 single-family dwelling per lot
Residential Parking Standards	1 space/unit – on-street parking counts	1.125 spaces/unit	1.125 spaces/unit	1 space/unit	1.125 spaces/unit
ADUs	Permitted/by-right.	Special use.	Special use.	Special use.	Special use.

- The Land Development Code (LDC) update made a lot of progress on reducing mixed-use zoning restrictions, meeting or exceeding best practices for lot dimensional standards, height, parking, etc.
- The report recommends eliminating lot coverage limits for “Town & Village Center” districts like these.
- The report recommends permitting ADUs and structures with 2+ dwellings by-right, rather than requiring special use permits.

Vermont/CNU Report:

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Vermont/CNU Report:

Recommended Best Practices for Accessory Dwelling Unit (ADU) Zoning

ACCESSORY DWELLING UNITS

Occupancy

Accessory dwelling regulations should not require the owner to occupy the primary building on the same lot.

Adjust to Context

While this language recommends specific proportional percentages, these should be adjusted to the context using the Character Survey below, and could be further modified by:

1) Allowing waivers or a range of proportional percentages for constrained circumstances where the principal building or lot, limits compliance with these proportions.

2) Allowing pre-existing buildings, such as carriage houses and garages, to be converted to an accessory dwelling even if they do not meet these proportion limits.

A. One accessory dwelling is allowed for each single-family dwelling provided these requirements are followed.

1. The accessory dwelling must be located on the same lot or lots as the single-family dwelling.
2. The accessory dwelling may be located within the single-family dwelling, or may be attached to it or may be in a detached structure.
3. An accessory dwelling in a detached structure other than a pre-existing building such as a carriage house or garage must meet these additional requirements:
 - a. The facade of the accessory dwelling must be at least 20 feet further from the street than the facade of the single-family dwelling.
 - b. The width of the accessory dwelling parallel to the street may not exceed 60% of the width of the single-family dwelling, to provide for walkable streetscapes where active facades address sidewalks and parking and loading are located behind buildings;
 - c. The height to the eave of the accessory dwelling may not exceed 80% of the height to the eave of the single-family dwelling.
4. Additional parking spaces are not required for an accessory dwelling.

Current Marquette Zoning Map

The brown, orange, and salmon pink areas below are where triplexes and fourplexes are allowed. The yellow and tan areas are where they are prohibited. ADUs are not permitted uses in any of these areas, and duplexes are permitted uses only in the brown, orange, salmon, and black areas.

