

Meeting Van Buren County's Housing Needs Together

BREAKING DOWN BARRIERS TO HOUSING



ADDRESSING THE HOUSING CRISIS ON A COUNTY LEVEL



VAN BUREN COUNTY'S HOUSING CRISIS

Supply Issues

Lack of Skilled Workers

Increasing Construction Costs

High Demand for Rentals

High Interest Rates

Short-term Rentals

Lack of Variety

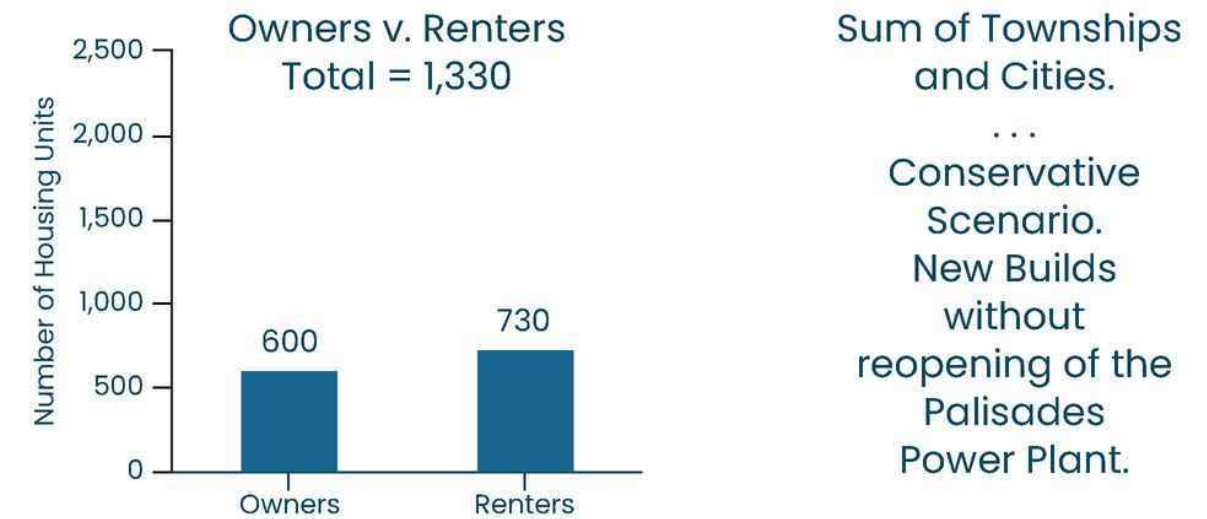
Van Buren County is facing a substantial challenge in meeting housing demand. The primary reasons are insufficient housing supply, an increase in the cost of construction related to building materials, and a lack of skilled construction workers across the state. Also compounding the housing shortage is the lack of variety in housing units. Most housing formats include detached, large lot houses, and conventional apartment buildings.

Recent increases in the costs of construction combined with rising interest rates have placed the price of detached houses out of reach for many households. As a result, there has been a growing demand for rental units. Many owner households migrating into Van Buren County are now searching for smaller houses, cottages, and townhouses with private entrances. Similarly, new renters are searching for "Missing Middle" formats like apartment houses, walkups, and lofts - which typically have shared entrances.

TWO SCENARIOS

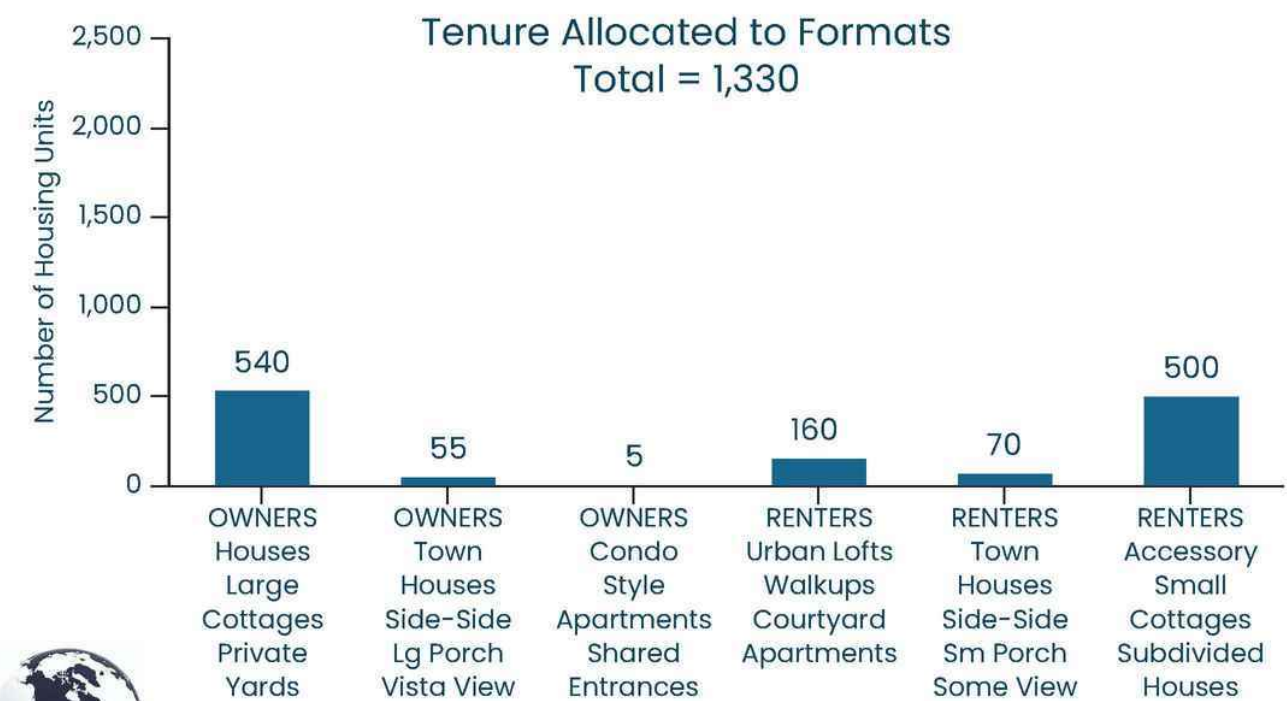
In 2024, Market One and Van Buren County commissioned a county-wide Target Market Analysis prepared by LandUseUSA | Urban Strategies. The study was completed for two alternative scenarios, including a conservative or status quo scenario reflecting current market conditions. The second scenario reflects the market potential if the Palisades Power Plant reopens and provides a significant number of new and good-paying jobs, with positive trickle-through economic benefits for the county and region. Most of that bonus will apply to communities located proximate to the Power Plant.

Conservative (Status Quo) Scenario



Both charts on this page represent a conservative market potential based on in-migration by new households only, and excluding internal movership by existing households. There is a need to CAPTURE these new households that are moving into the county by building new housing units every year. All figures are unadjusted for out-migration, current vacancies, and competitive developments that might be in the construction pipeline.

Conservative (Status Quo) Scenario

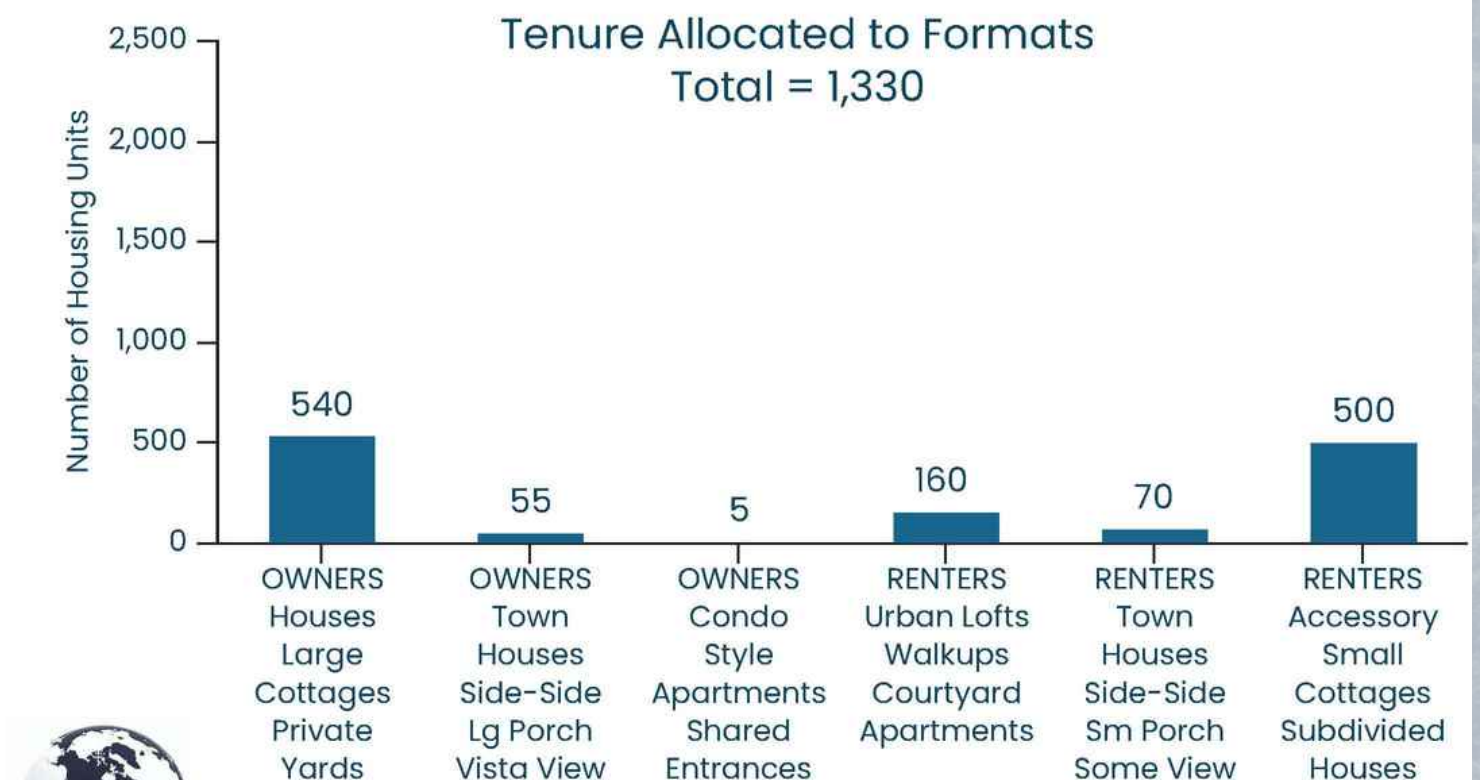


Source: Target market analysis and exhibit prepared by LandUseUSA | Urban Strategies; 2024. Based on the 2023 actual migration of households moving into the local market.

ANNUAL MARKET POTENTIAL

The exhibits shown here represent the annual market potential for new-build units for owners and renters. Meeting the need may be impacted by other factors like the availability of land, zoning, infrastructure (roads, water, sewer, etc.), local-level policies toward new development, developer recruitment, and availability of builders and their contractors. Some housing formats like urban lofts may be developed in small and medium-sized urban places like South Haven, Covert Township (especially near Lake Michigan), Hartford, Paw Paw, Mattawan, and Decatur. In comparison, small houses and cottages with private entrances could be built in nearly any community throughout the county, and at various degrees of compactness (i.e., density in combination with the conservation of public open space).

Conservative (Status Quo) Scenario



LandUseUSA
UrbanStrategies

Source: Target market analysis and exhibit prepared by LandUseUSA | Urban Strategies; 2024. Based on the 2023 actual migration of households moving into the local market.

ANNUAL MARKET POTENTIAL

Conservative Scenario: Palisades Remains Closed, Growth Continues as Before

There currently are about 600 new owners and 730 new renters migrating into Van Buren County each year. This in-migration is a reasonable approximation for the minimum number of new housing units that should be built throughout the county.

OPTIMAL BUILDING FORMATS

540 Owner detached houses and larger cottages with private yards and garages.

55 Owner townhouses with large porches, garages, and waterfront views, glimpses, or breezes.

5 Owner condo-style apartments with shared entrances, ideally with full waterfront views.

160 Renter lofts, walkups, and apartment buildings, ideally with shared courtyards.

70 Renters townhouses, side-by-side with small porches, with glimpses of water or downtowns.

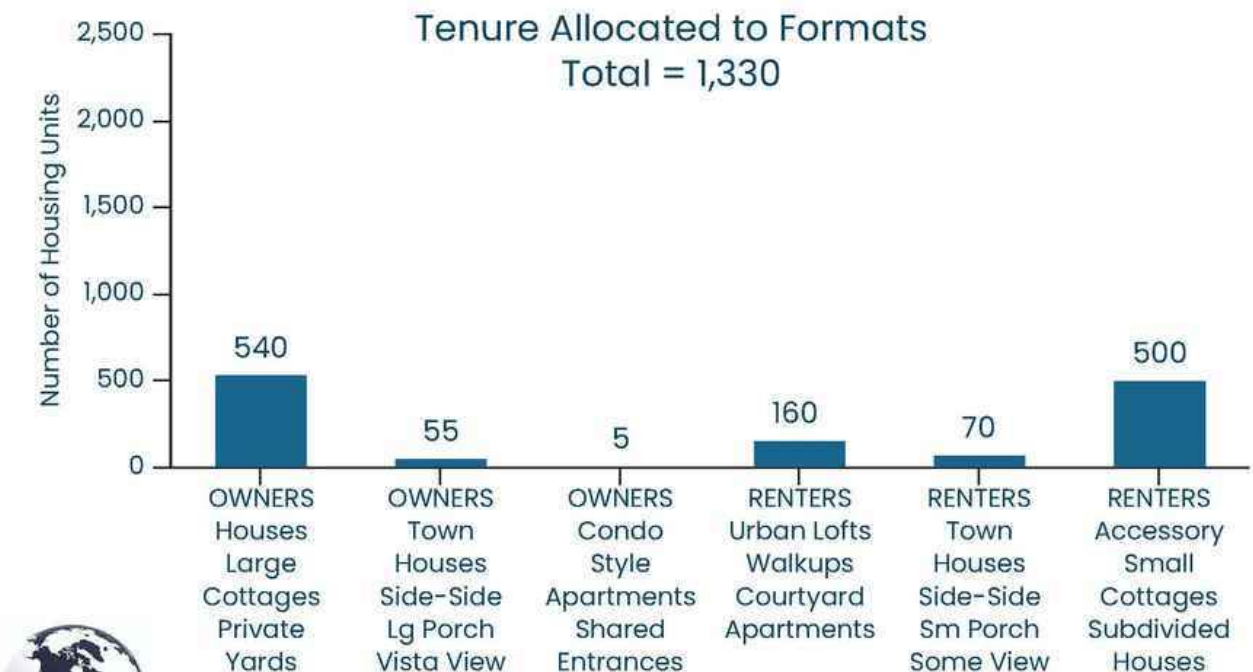
500 Renters cottages, apartment buildings, and accessory dwellings with private entrances.

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Conservative (Status Quo) Scenario



Source: Target market analysis and exhibit prepared by LandUseUSA | Urban Strategies; 2024. Based on the 2023 actual migration of households moving into the local market.

ANNUAL MARKET POTENTIAL

Aggressive Scenario: Palisades Reopens with Significant Trickle-Through Economic Benefits

AGGRESSIVE (GROWTH) SCENARIO

If Palisades reopens, then up to 1,370 new owners and 1,620 new renters could migrate into Van Buren County each year. This represents an aggressive and not-to-exceed scenario, and assumes significant economic benefits for the county and region through the creation of new good-paying jobs at Palisades and supporting types of new businesses.

OPTIMAL BUILDING FORMATS

- 1,200 Owner detached houses and larger cottages with private yards and garages.
- 150 Owner townhouses with large porches, garages, and waterfront views, glimpses, or breezes.
- 20 Owner condo-style apartments with shared entrances, ideally with full waterfront views.
- 360 Renter lofts, walkups, and apartment buildings, ideally with shared courtyards.
- 165 Renter townhouses, side-by-side with small porches, with glimpses of water or downtowns.
- 1,095 Renter cottages, apartment buildings, and accessory dwellings with private entrances.

Annual Market Potential | Van Buren County
Aggressive New Builds | Year 2025



Both charts on this page represent an aggressive market potential based on in-migration by new households only, and excluding internal movership by existing households. There is a need to CAPTURE these new households that could move into the county by building new housing units every year. All figures are unadjusted for out-migration, current vacancies, and competitive developments that might be in the construction pipeline.



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ANNUAL MARKET POTENTIAL

Conservative Scenario: Palisades Remains Closed, Growth Continues as Before



Optimal Building Formats

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ANNUAL MARKET POTENTIAL

Aggressive Scenario: Palisades Reopens with Significant Trickle-Through Economic Benefits

1,200



150



20



360



165



1,095



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MEETING VAN BUREN'S HOUSING NEEDS

Proposed Solutions for Expanding Residential Options



The Highest Demand Exists for Smaller Units

Most migrating households are singles with one wage-earners seeking attainably and tolerably priced choices. The best way to meet their needs is with smaller units, and especially detached cottages and lofts. Smaller units tend to be more efficient with higher prices per square foot, but lower total prices. They also tend to have faster absorption rates. By reducing the footprints of unit sizes, developers also can build more units. This may result in higher density, but should also be offset with the conservation of public open space. As it currently stands, zoning ordinance minimum lot dimensions and floor areas throughout most of Van Buren County's communities will not enable the market to meet the potential for new-builds.



BREAKING DOWN BARRIERS TO HOUSING

Proposed Solutions for Expanding Residential Options

Streamline the development review process

Communities throughout Van Buren County are encouraged to conduct an internal review of their zoning ordinances and policies to ensure that the recommended housing formats are indeed legal and allowed.

Expand Diversity of Housing Formats through Zoning

To increase housing supply with attainable prices, ensure that zoning ordinances allow a variety of housing formats, enable four-plexes to be built-by-right, and consider integrating elements of form-based coding (i.e., rather than use-based).

Limit Parking Minimums

Building new surface parking spaces can generally cost \$20,000, each. Eliminating or lowering parking minimums can increase the availability of land for other uses (including missing housing formats) while reducing construction costs per unit.

Streamline Review Process

1. Ensure that community Master Plans support a variety of housing formats.
2. Create a Development Handbook that explains the review process, required applications, and fees.
3. Reduce and minimize the number of steps that developers must complete during the process.
4. Provide for a conceptual review meeting without any fees.
5. After an application is completed, expedite the process to ensure that subsequent steps can be completed in 30 days or less.
6. Create an internal project tracking system that coordinates the projects under review, and is easily accessible for involved jurisdictions and applicants.



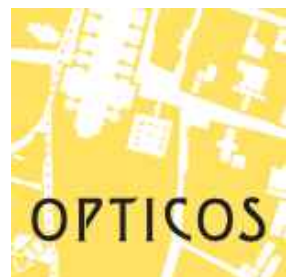
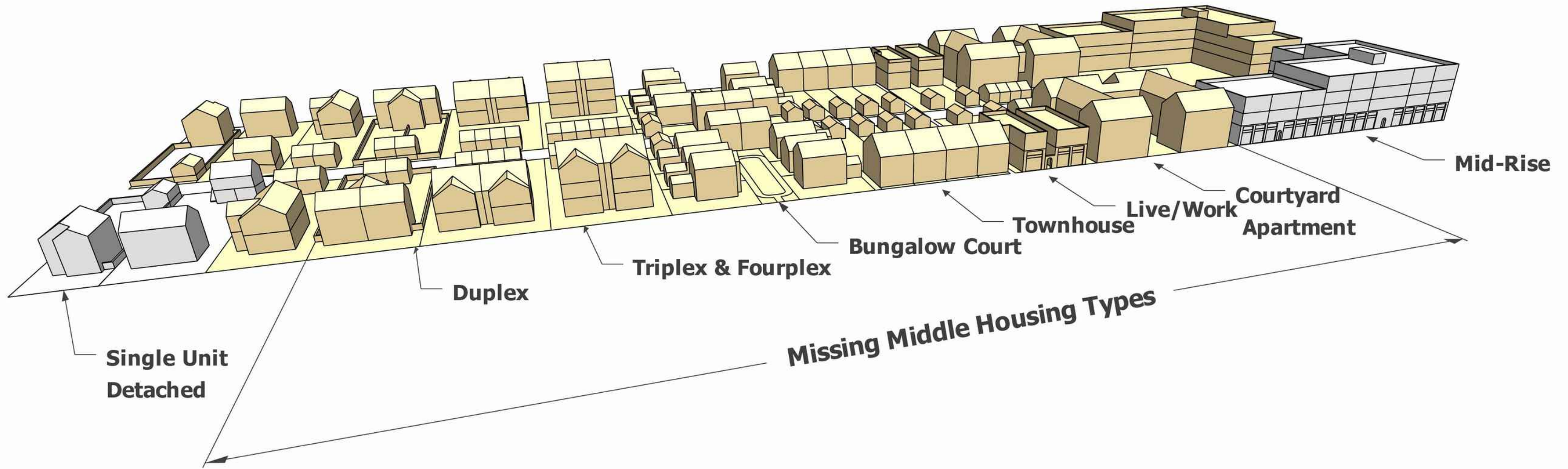


Amend Local Zoning Ordinances to Enable the Development of New Housing and Formats

1. Allow for missing housing formats like townhouses, apartment houses, and accessory dwellings, by right and in a variety of zoning districts.
2. Eliminate barriers to new housing development by allowing for smaller lot sizes and cluster development wherever the infrastructure makes it feasible and practical. **Cluster development is the grouping of residential properties on a development site to use the extra land as open space, recreation, or agriculture.*
3. Consider entering into a 425 Agreement with adjacent communities, to allow for the extension of public services while appropriately sharing in newly generated tax revenues.
4. Establish design standards to allow duplexes, triplexes, and fourplexes in districts zoned for single-family residential housing.
5. Reduce the number of discretionary approvals that are needed to obtain new housing permits.
6. Allow for the development of Accessory Dwelling Units (ADU) by right, with specific standards.
7. Allow first-floor residential units to the rear of retail commercial space.

IMPLEMENTING HOUSING

Building a Plan to Build



Dan Parolek and Opticos Design Group

Missing Middle Housing

IMPLEMENTATION



Build an Inventory

Prepare an inventory with ownership, tax, and zoning information. Include the availability and location of public utilities.



Tax Foreclosure Database

Obtain ownership of tax foreclosure properties that have re/development potential



Land Bank Partnership

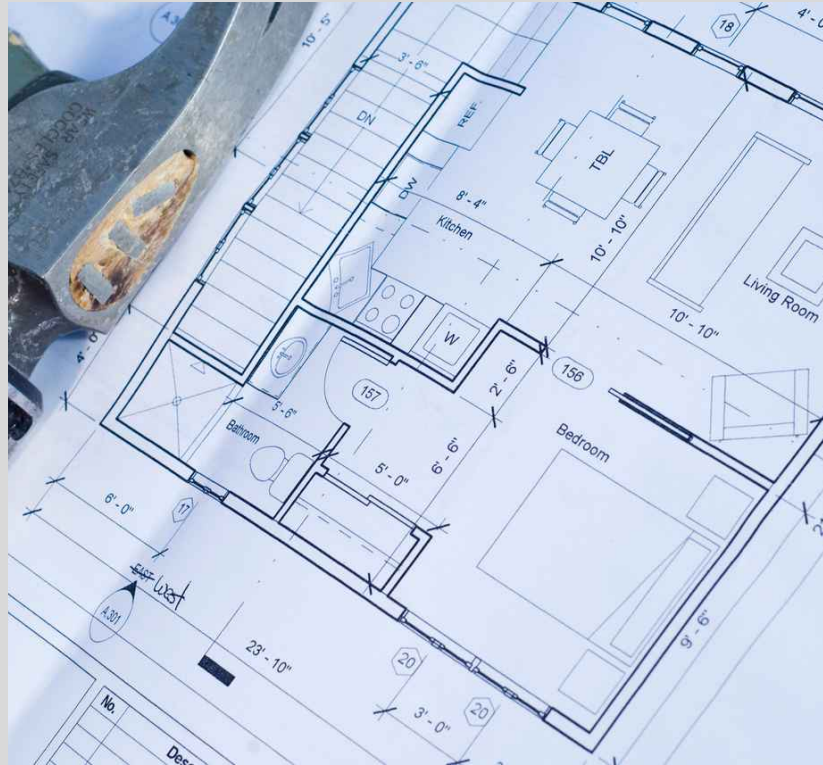
Leverage opportunities provided through a partnership with Van Buren County Land Bank Authority including utilization of Act 381, Brownfield Redevelopment TIF.



Infill & Rehabilitation

Identify key neighborhoods to prioritize and focus infill redevelopment and rehabilitation resources and efforts for new and existing housing. This could be done by identifying opportunity neighborhoods.

IMPLEMENTATION



Improve Zoning & Building Review Process

Ensure that the zoning and building review process is quick and efficient to avoid unnecessary delays. Work with the MEDC Redevelopment Ready Communities program to determine which communities are working through the certification process and promote those communities

Public-Private Partnerships

Local companies and financial institutions should be recruited as partners in housing development, since they depend upon the ability to attract quality employees and customers. This includes industrial companies, and they should be called upon to help finance and fund local housing development activities.

Marketing Van Buren

A direct marketing program should be established by Van Buren County to promote the community and attract developers.

Create a CLT

Explore the creation of a county-wide community land trust (CLT) that can assist with long-term middle-income housing. A CLT is a private, nonprofit organization that owns land on behalf of a community, promoting housing affordability and sustainable development and mitigating historical inequities in homeownership and wealth building.

IMPLEMENTATION



Modular Housing

Identify opportunities to introduce modular housing into the community as an alternative to traditional stick-built units. This can include the use of shipping containers, with design standards to ensure they fit into the community. More information about this is outlined below.



Free Up Funding

Investigate the creation of a county-wide development risk insurance fund that would allow developers and builders to borrow money from lending institutions, while protecting them from foreclosures. This will help free up funding for projects that lending institutions might consider to be speculative in nature.

ATTRACTING NEW HOUSING CONSTRUCTION

Creative Ways to Generate New Housing Development



Acquiring Land

Both lenders and larger developers are shying away from new developments not meeting their investment goals. Van Buren County communities, utilizing existing tools such as a DDA, should strive to acquire land that may be in foreclosure, vacant, blighted, or owned by the Van Buren County Land Bank Authority. This land could then be sold as-is or if possible, with the necessary infrastructure needed to attract potential developers. If land can be obtained at a reduced price through tax foreclosure, then the community can utilize the reduced cost as a negotiating tool to work with developers and secure higher-quality projects.

ATTRACTING NEW HOUSING CONSTRUCTION



Utilizing Planned Unit Development

Through utilization of PUD, Clustered Development Plan, or the Neo-Traditional Neighborhood Redevelopment Plan, communities can pre-plan areas for new neighborhood development or existing neighborhood reinvestment. These tools can offer both the communities and developers with a greater level of flexibility in the permit review process, as well as increased leverage, creativity of design, and offsetting of localized impacts of new development (e.g. traffic, landscaping, noise).

ATTRACTING NEW HOUSING CONSTRUCTION



Extending Infrastructure to the Site

The long-term benefits of extending infrastructure to sites far outweigh short-term incentives. If the community can install utilities to the property already purchased at a lower financing rate, then this will greatly improve the ability to attract builders. With roads, sewer and water already installed, the communities will then have the ability to sell individual lots to builders and eliminate the risk that comes with developing an entire subdivision. This also gives the community flexibility with regard to selecting the developer plus the builder the ability to ensure high-quality construction.

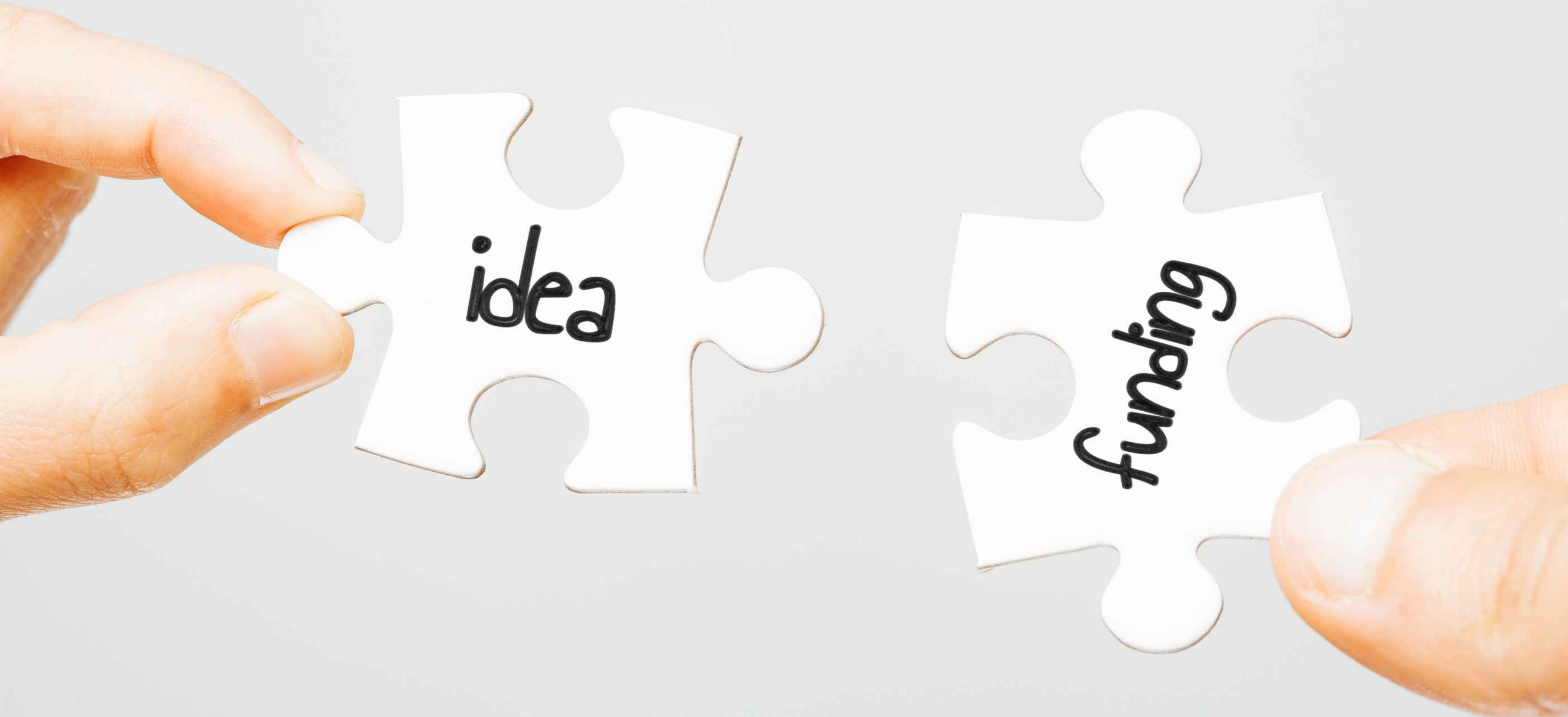
ATTRACTING NEW HOUSING CONSTRUCTION



Collaborate with Modular Home Builders

A possible impediment to future growth for both current and prospective Van Buren County residents in the Lifestyle Clusters within the moderate-to-low-income clusters could be the lack of information, vision, or existing income gap to build a home on a lot. By establishing a relationship and partnership with modular home builders, residents and prospective residents would have an opportunity to build a home at a lower cost than the more traditional home builders that exist in Michigan's market.

HOUSING FUNDING PROGRAMS



**SUPPORTING
HOUSING
FUNDING
PROGRAMS**

MSHDA Multifamily Direct Lending

MSHDA Neighborhood
Enhancement Program

MEDC Community
Revitalization Program

Opportunity Zones

New Market Tax Credits

Low Income Housing Tax
Credit

Obsolete Property Rehabilitation Credit

Brownfield Redevelopment
Authority (Act 381)

Municipal/Non-profit Public
Private Partnerships (P3)

Neighborhood Improvement Authority

Housing and Community
Development Fund

Federal Home Loan Bank

Residential Facilities Exemption

Neighborhood Enterprise
Zone (NEZ)

Attainable Housing
Exemption

USDA Rural Development Grants and
Housing Support

USDA Rural Development

MDARD Rural Readiness
Grant Program

Grants.gov

Community Capital

Philanthropic Capital

Faith Based Property

MARKETING FOR HOUSING DEVELOPMENT

Segment

**Developers, Investors,
Entrepreneurs**

Primary Interests

- Return on investment
- Reducing risk
- Quality/style of development
- Quick tenant placement
- Predictable permitting process
- Zoning and land use

Outreach Tools

- Trade media and press
- Briefings/tours
- Website
- Social media
- Area business reports
- Target Market Analyses (residential/retail)
- Engagement in community building vision
- Info sheets or brochures (i.e. Business development packets)

Established Key Messages to Segment

- Strong market potential
- Access to major urban areas
- Something for everyone
- Committed to continuous improvement
- Strong economy
- Excellent Educational Opportunities
- High quality of life

MARKETING FOR HOUSING DEVELOPMENT

Segment	Primary Interests	Outreach Tools	Established Key Messages to Segment
Visitors/Potential Residents	<ul style="list-style-type: none">• Entertainment opportunities• Fun activities for all age groups• High quality of life• High quality of education• Affordability• Accessibility• Convenience• Safety• Charm	<ul style="list-style-type: none">• Website• Social Media• Word of mouth• Advertisements and paid media• Newspaper or media articles• Radio	<ul style="list-style-type: none">• High quality of life• Access to major urban areas• Something for everyone• Strong economy• Excellent Educational Opportunities

MARKETING FOR HOUSING DEVELOPMENT

Segment

Regional & Intermediary Organizations, Public-Private Partnerships
(Chambers of Commerce, Schools, Foundations, Collages, and Universities, etc.)

Primary Interests

- Promoting and expanding economic development in the region
- Growing the organization's reputation and credibility
- Networking

Outreach Tools

- Websites
- Social media
- Brochures/Fact sheets
- Briefings, meetings
- Engagement in community building vision
- Community educational forums

Established Key Messages to Segment

- Strong market potential
- Access to major urban areas
- Committed to continuous improvement
- Something for everyone
- Strong economy
- Excellent Educational Opportunities

Meeting Van Buren County's Housing Needs Together

BREAKING DOWN BARRIERS TO HOUSING

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