

EASTERN UPPER PENINSULA HOUSING TALKING POINTS

Who is Affected by the Housing Shortage?

- **Employers who would relocate to the area**, but their employees couldn't afford or find adequate and attainable housing.
- **Young professionals and college students** that cannot find or afford a place to live.
- Those **forced to commute long distances** to work or school.
- **Seniors, young adults, middle class families, people of color, and homeless individuals** - mental and physical health and financial wellbeing and stability are affected.
- **Current residents who are missing out on the economic benefits** of building or owning homes or housing units.

EUP Data – Homeowners and Renters (State of MI Housing Data Portal, 2022)

- The **share of homes that are vacant and available** has decreased by 1% in Chippewa County, 2.5% in Luce County, and 1.9% in Mackinac County since 2012.
- The **comparative median home value over time** has increased by \$39,600 in Chippewa County, \$21,300 in Luce County, and \$35,500 in Mackinac County since 2012.
- The **median rent over time** has increased by \$223 in Chippewa County, \$195 in Luce County, and \$174 in Mackinac County since 2011.
- Over a five-year span (2017-2022), rent increased by **22.2% in Chippewa County, 16.5% in Luce County, and 27.1% in Mackinac County.**
- Most cost burdened renters **make less than \$20,000 per year** as of 2022.
 - A household is considered cost burdened when **30% or more** of household income is spent on gross housing costs.
- **Cost burdened** households spent 30-49% of income on gross housing costs. **Severely cost burdened** households spent 50% or more of income on gross housing costs.
- In 2022, **36.8% of renters are cost burdened in Chippewa County, 36.1% in Luce County, and 37.5% in Mackinac County.**
- The **comparative owner cost burden rate** for those **cost burdened** is:
 - Chippewa County 8.8% | Luce County 8.8% | Mackinac County 9.8%
- The **comparative owner cost burden rate** for those **extremely cost burdened** is:
 - Chippewa County 8.4% | Luce County 7.8% | Mackinac County 8%
- The **comparative renter cost burden rate** for those **cost burdened** is:
 - Chippewa County 22.1% | Luce County 21.5% | Mackinac County 21.9%
- The **comparative renter cost burden rate** for those **extremely cost burdened** is:
 - Chippewa County 14.7% | Luce County 14.7% | Mackinac County 15.6%

State of Michigan Data – Homeowners and Renters (MI Statewide Housing Plan)

- Across Michigan, 1.5 million, or 38% of households **struggle to afford the necessities** of housing, childcare, food, technology, health care, and transportation.
- Housing affordability is a major barrier in Michigan. Before the pandemic, **48% of Michigan renters and 18% of homeowners paid too much for housing** (over 30% of their income). This situation worsened after the pandemic.
- Michigan’s housing stock is aging. **Nearly half (47%) of all housing units in the state were built prior to 1970.**
- **Construction of new units in Michigan falls far short of current demand.** The average number of building permits for new construction issued between 2016 and 2020 is **less than half of what it was between 1986 and 2006.** As a result, existing housing—historically the main supply of housing for middle-income and low-income families—is scarce.

Homelessness Data (CLMCAA, 2023-2024)

- In 2023, we had **207 clients request emergency housing services.** 60 of them were able to obtain emergency shelter through our voucher program, with the rest receiving other services including bus tickets to other shelters, assistance from family members, access to resources, etc.
 - **53%** of clients were female
 - **29%** of the clients were children
 - The average household size was **3 people**
- In 2024, through May 5th, we have seen a large increase in demand and have already seen **383 clients requesting emergency housing services.** So far, 50 of them have been placed in emergency shelters with multiple others receiving other assistance including bus tickets to other resources.
 - **60%** of these clients were male
 - **28%** of the clients were children
 - Average household size was **3 people**
 - Most females were from ages **18-30**
 - **37%** of the clients were single males
 - Average length of stay in emergency shelter is **24 days**

Travel Time to Work - 60 or More Minutes - % of Total Population (American Community Survey, 2022 5-Year Estimates)

- **2022:** Chippewa 3.5% | Luce 6.1% | Mackinac 10.3%
- **2020:** Chippewa 3.5% | Luce 4.9% | Mackinac 6.9%
- **2015:** Chippewa 3.3% | Luce 5.4% | Mackinac 6.6%
- **2010:** Chippewa 2.8% | Luce 5.1% | Mackinac 5.7%

Methods to Overcome the Current Housing Crisis

- Collaborative work among local, county, regional, state, and federal stakeholders to align goals and objectives and leverage resources and funds.
- Advocating for, marketing, and providing technical assistance for public financing programs.
- Identifying new methods, policies, and procedures for private financing, if applicable.
- Streamlining local, county, state, and federal requirements for public funding and the pre-construction process.
- Training and developing a workforce that is capable of increasing housing stock.
- Gathering meaningful data to inform and improve policy, resources, and program decision making.
- Removing barriers to housing for those who have extremely low incomes.
- Identifying properties that are currently underutilized or vacant and converting them to adequate and attainable housing.
- Collaborating with employers to increase the amount of workforce housing stock.

Making Pre-Construction and Unit Development Affordable

- Providing Utilities on Vacant Land
 - In rural Michigan, land outside of our “urban” areas **lacks pre-existing infrastructure**.
 - The cost to run electricity, water, sewer, natural gas, and more **raise the price of building a home**, which, in turn, makes the home unattainable for middle income buyers.
- Bringing Vacant and Underutilized Building Space Up to Code
 - The cost to install a fire suppression system, and other building code-specific investments, **raises the price of renovation**, which means the unit may be unattainable for middle income apartment seekers.
- Public funding, or low-interest private financing options, would **help to remove these costs** to home buyers and building owners, expand the housing inventory, and make home ownership and renting more affordable.

Frequently Asked Questions

- **Q: Isn't our population going down? Do we really need more housing?**
- A: Yes, increased housing stock is a need. Construction workers, seasonal tourists and residents, college students, and more increase demand, which makes housing more expensive and scarcer. To add to that, when couples get divorced or children move out of their childhood homes, more housing units are needed.
- **Q: I don't see people experiencing homelessness. Is it a big problem around here?**

- A: Yes; homelessness comes in many forms. Just because someone isn't living on the street doesn't mean they aren't experiencing homelessness. In 2023, 207 people requested emergency housing and so far in 2024, 383 people have requested emergency housing.
- **Q: Is this just about building more homes and apartments?**
- A: No, it's also about building units that are affordable, attainable, and accessible to present and future community members. Citizens are cost-burdened in the EUP, and more attainable housing options will alleviate the burden.
- **Q: I hear a lot about AMI, affordable housing, and low-income housing. What about housing for people in the middle class?**
- A: Depending on the property and how its construction was funded, those in the middle class may be able to live in these places. For example, the Area Median Income (AMI) as of June 2024 is \$81,000 in Chippewa County. This number is used to determine eligibility. We recommend applying to these properties to know for sure if you're eligible for a unit.
- **Q: We need so many other things instead of housing, like jobs. Why is housing getting prioritized?**
- A: Safe, affordable, and accessible housing plays a large role in employer recruitment. Employers who want to relocate to the EUP might change their mind if there isn't adequate housing for their employees. Housing is a piece of the economic development strategy of the EUP.
- **Q: When can we expect to see more housing in the EUP?**
- A: Housing projects take a long time from inception to construction. Large projects that need multiple sources of funding can take up to five years in total. We ask that everyone be patient and know we are working to get more housing projects completed in the EUP.