



VILLAGE OF SUTTONS BAY

Planning Commission

420 N. Front Street, Suttons Bay, MI 49682

December 7, 2022 at 5:00 pm

Special Meeting Agenda

For the public wishing to view the meeting using remote attendance, there will also be a Zoom link (which can be found on our website at www.suttonsbayvillage.org). Public participation shall be limited to in-person or via written communication received prior to the meeting.

1. Call to order
2. Roll call and notation of quorum
3. Approval of Agenda
4. Member conflict of interest on any item on the agenda
5. Public comment/Written communications (Reserved time for items listed on the agenda).
Please limit remarks to no more than three (3) minutes
6. Old Business
 - a. Master Plan Review
7. New Business
8. Public comment
9. Good of the order
10. Announcements: Regular Meeting December 14, 2022
11. Adjournment

If you are planning on attending this meeting and are disabled requiring any special assistance, please notify the Village Clerk by calling 231.271.3051 or by email at suttonsbay@suttonsbayvillage.org as soon as possible.

Comments re ADU, Accessory Dwelling Units

In the SB Village Zoning Ordinance:

Find reference to Accessory Dwelling in Section 9 - 2 as permitted in CR, NVR, SFWF and HR districts.

Article 20, Definitions under Uses page 20-13 1. Accessory Dwelling

The Leelanau Housing Action Committee has included ADUs on the Housing Ready Checklist as a Zoning Strategy. This could be considered a "light touch" way to increase density and add variety to housing types. Built on an existing lot, there is no additional land cost.

High housing costs are driven by the cost of land, delays in zoning permit processes, cost of materials and labor. So, allowing ADUs in any residential district as long as they are within the allowable lot coverage total; permitted by right to speed up the process and limit costs; allow conversion of upper garage space or addition of a free standing ADU of 500 - 800 sq feet can be the fastest way to add housing in a community and limit the cost of the finished unit.

The HAC is currently applying for grants to develop a couple of model plans that can be made available to anyone that would like to add an ADU and limit the architectural costs. The model is Charlevoix County.

ADUs, sometimes called Granny Flats or back yard cottages, offer an increased supply and variety of housing types. Older adults looking to downsize, seniors with fixed incomes, lower and middle income households, multi generational households can be accommodated.

Adding an ADU can be a second source of income creating more stability for the existing home owner to stay in the community. As the Village has just defined and limited STR, an additional ADU can't be used as a STR.

From the Zoning Reform Toolkit (American Planning Association, MI Chapter) page 19 Households by Type in Michigan 2020, single occupant households = 46%. There is a need for studio apartments and 1 bedroom small homes or rentals.

ADUs in the Village offer affordable options for housing:

- short commutes to work
- near a BATA route
- a couple may need only 1 car
- close to employment opportunities
- close to school and services
- close to the Trail and Parks

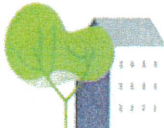
I hope this helps clarify what an ADU is and the advantages.

Lois Bahle, Chair Leelanau County Housing Action Committee
231-866-1466

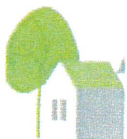
LEELANAU COUNTY NEEDS HOMES FOR OUR FUTURE

The 2019 Northwest Michigan Target Market Analysis included data for selected communities. Communities were selected based on population, available demographic and economic data, and other factors. Some small communities were not studied separately because the study's accuracy was compromised by limited data and small sample sizes. However, demand may fluctuate between communities within a county, and smaller communities may look to county-wide housing demand to inform their potential for new housing units.

HOW MANY MORE RENTAL UNITS DO WE NEED IN LEELANAU COUNTY?

 95 RENTALS NEEDED	Household Incomes	Affordable Rents	# Units				
			Greilickville	Northport	Suttons Bay	Empire	Leland
	Up to \$26,000	\$650 and less	4	2	8	10	8
	\$28,000 - \$40,000	\$700 - \$1000	23	1	7	1	2
	\$42,000 - \$60,000	\$1050 - \$1500	10	2	3	1	5
	\$64,000+	\$1600 +	7	0	1	0	0
	TOTAL RENTAL UNITS NEEDED		44	5	19	12	15

HOW MANY MORE HOMEOWNERSHIP UNITS DO WE NEED IN LEELANAU COUNTY?

 56 OWNER UNITS NEEDED	Household Incomes	Affordable Home Values	# Units				
			Greilickville	Northport	Suttons Bay	Empire	Leland
	Up to \$60,000	\$150,000 and less	5	0	0	0	0
	\$70,000 - \$100,000	\$175,000 - \$250,000	7	3	0	2	3
	\$110,000 - \$150,000	\$275,000 - \$375,000	5	1	8	7	1
	\$160,000	\$400,000+	4	3	4	0	3
	TOTAL OWNER UNITS NEEDED		21	7	12	9	7

SHORT-TERM RENTALS & HOUSING DEMAND

The target market analysis didn't study the demand for seasonal housing or short-term rentals—only homes that would be occupied year-round.

However, it did take into account how seasonal units impact the availability of housing currently on the market, or homes that will be constructed in the future. Use of homes as short-term rentals reduces the supply of homes available for year-round occupancy, contributing to greater demand.

DEMAND IN A CHANGING ECONOMY

The target market analysis was conducted before the pandemic crisis and its economic impacts, which are affecting everything in our lives, including the housing market. However, the 2019 analysis studied *movers*—people who are looking to move into or within the community, including those currently living in unaffordable housing or other homes that don't meet their needs. This demand is likely to remain, especially because Northwest Michigan's housing needs are rooted in a long-standing housing supply shortage, combined with an imbalance between wages and the cost of homes. The economic changes of 2020 are likely to exacerbate that imbalance, while the housing "pipeline" has, for now, stopped—creating a growing backlog of unmet housing demand.

The 2019 Target Market Analysis was conducted by LandUseUSA, on behalf of Housing North and Networks Northwest. Data Sources: American Community Survey; Experian Decision Analytics.



More information and resources are available on homesforourfuture.org and housingnorth.org

LEELANAU COUNTY NEEDS HOMES FOR OUR FUTURE



The 2019 Northwest Michigan Target Market Analysis studied the demand for housing through 2025 in communities throughout Northwest Michigan. Based on the potential for demand from current residents moving within the community, as well as people who would move here from outside the community, the study found that the market could support **668** additional housing units through 2025 in Leelanau County. Those new units could be newly-constructed homes or apartments, or they could be the repair and conversion of existing homes or buildings.

HOW MANY MORE RENTAL UNITS DO WE NEED IN LEELANAU COUNTY?



367

RENTALS NEEDED

Household Incomes

Up to \$26,000
\$28,000 - \$40,000
\$42,000 - \$60,000
\$64,000+

Affordable Rents

\$650 and less
\$700 - \$1000
\$1050 - \$1500
\$1600 +

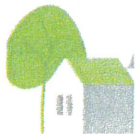
Units

230
72
56
9

% of Potential Demand

63%
20%
15%
2%

HOW MANY MORE HOMEOWNERSHIP UNITS DO WE NEED IN LEELANAU COUNTY?



301 OWNER UNITS

Household Incomes

Up to \$60,000
\$70,000 - \$100,000
\$110,000 - \$150,000
\$160,000

Affordable Home Values

\$150,000 and less
\$175,000 - \$250,000
\$275,000 - \$375,000
\$400,000+

Units

5
144
86
66

% of Potential Demand

2%
48%
28%
22%

WHY IS THE DEMAND SO HIGH?

The study takes into account homes that are available now, and what people are looking to buy and rent. Because our population has changed so much over the years, we don't have the type of housing that many people are looking for, like small homes, apartments, and other rental options. These units are needed by empty nesters, retirees, and young people just starting out—all of whom have smaller households. However, many homes currently available were designed for large families, and are often too big and expensive for many of today's homebuyers and renters.

WHO CAN AFFORD THE RENT?

The "housing wage" is the amount a worker would need to earn in order to afford a typical rental. In Leelanau County, rents are far higher than what many renters can afford. The lack of affordable options contributes to a high demand for new units at different price points.

LEELANAU COUNTY
HOUSING WAGE

\$15.36

MINIMUM WAGE

\$9.45

AFFORDABLE RENT FOR RENTER
EARNING MEAN WAGE

\$796

AFFORDABLE RENT FOR FULL-
TIME MINIMUM WAGE WORKER

\$491

LOCAL SOLUTIONS

"Missing middle" housing types like duplexes, fourplexes, and small apartments can be more affordable and more in line with what the region's households are looking for. Yet, funding, and sometimes local politics, limit options to build these housing types. Legislation authorizing new revenue sources and tax incentives can support these private-sector solutions, and local changes to zoning or other policies can streamline the process for builders.

