

HOUSING NEEDS ASSESSMENT

MARQUETTE COUNTY
DECEMBER 2020



CUPPAD

ABOUT THE HOUSING NEEDS 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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SECTION 1

DEMOGRAPHICS

POPULATION AND HOUSEHOLD
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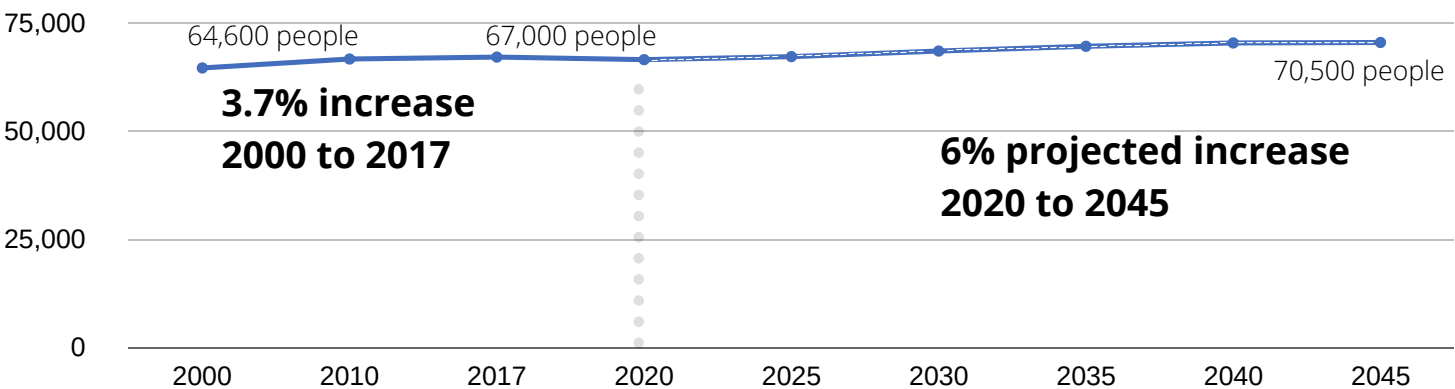
01 - DEMOGRAPHICS

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



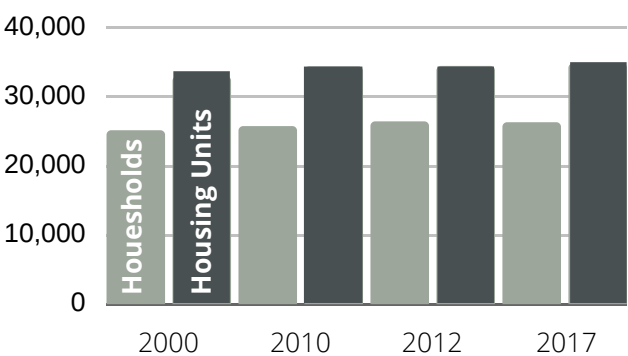
Marquette County's population has increased slightly since the year 2000. The county experienced a population loss from 1980's to 2000, after experiencing a steady increase from the 1950's to 1980. The county's population is projected to increase by six percent by 2045.

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.

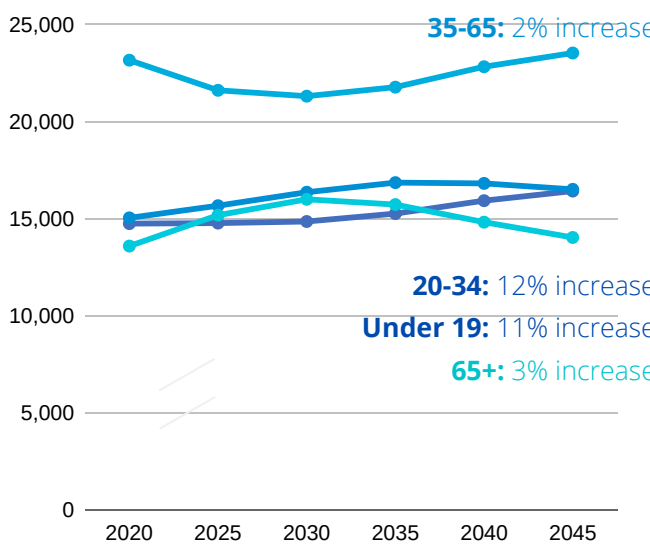
Population Projections: Marquette County

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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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.

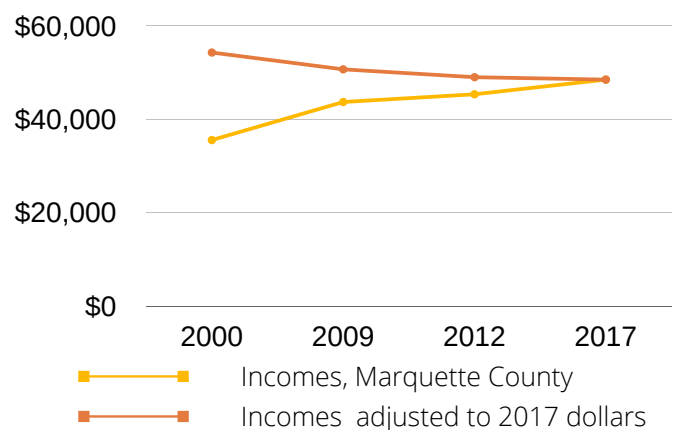
>>Income data highlights variations among populations and can help leaders evaluate policies to address associated challenges.

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.

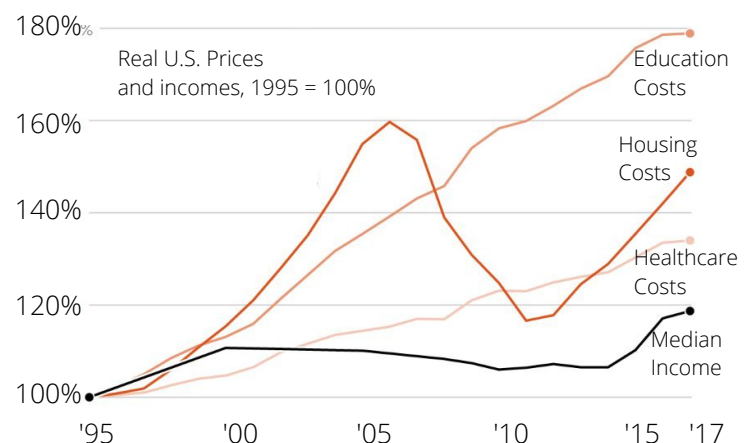
A 2019 study conducted by the Organization for Economic Cooperation and Development looked at rates of change in a number of indicators between 1995 and 2017 (see chart 5). While median incomes rose by 20 percent within this 22 year spread, spending on healthcare, education, and housing rose between 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"

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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

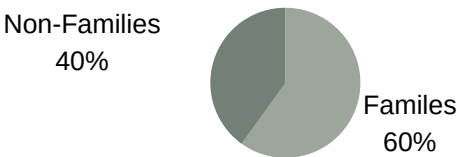


Chart 7. Estimated number of households by type, Marquette County

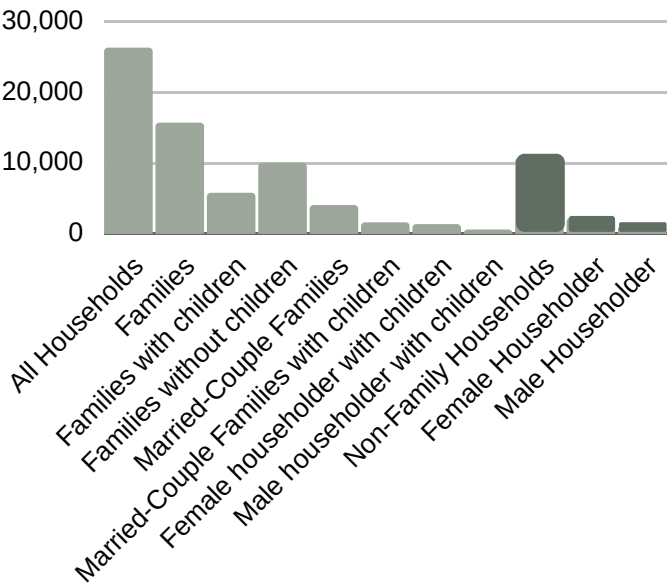
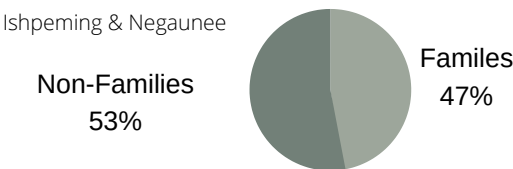
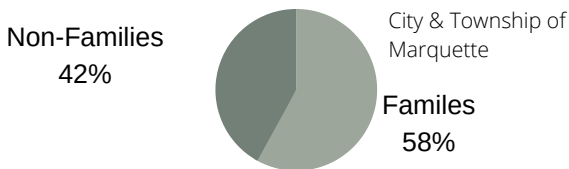


Chart 8. Household composition: families & non families, City & Township of Marquette (left), Ishpeming & Negaunee (right)



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.

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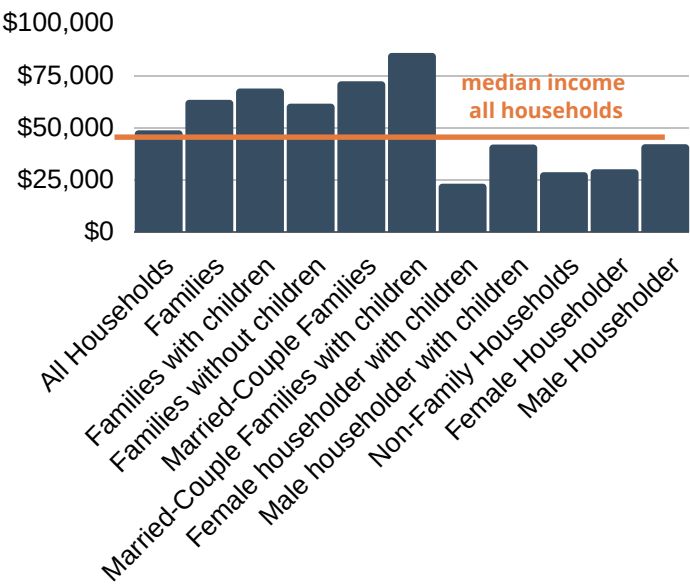
Married couples with children are the highest earners across household types (see chart 9). Married-couple families with children earn approximately \$20,000 more than the county-wide median household income.

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



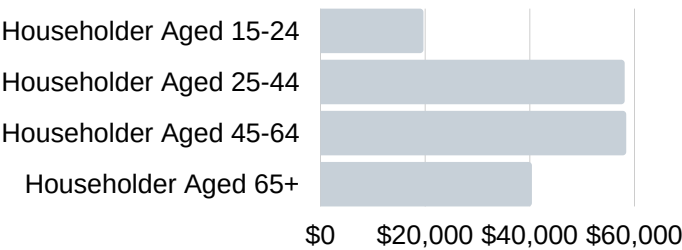
02 - SOCIOECONOMICS

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

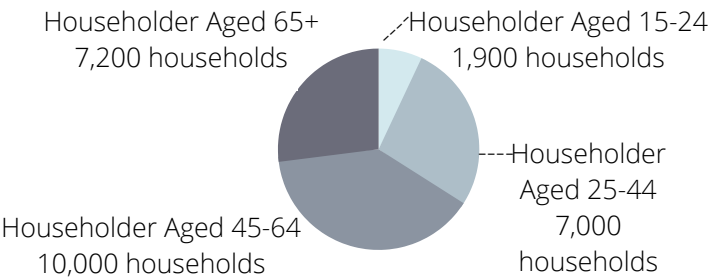


The majority of households in Marquette County are headed by someone aged 45 to 64 (see chart 10); these households also earn the most of all age groups.

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.

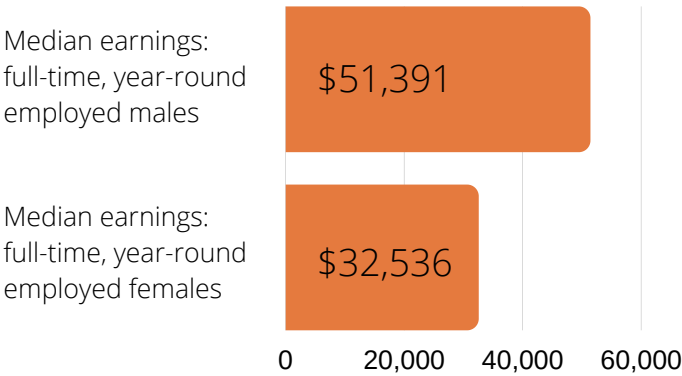
02 - SOCIOECONOMICS

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

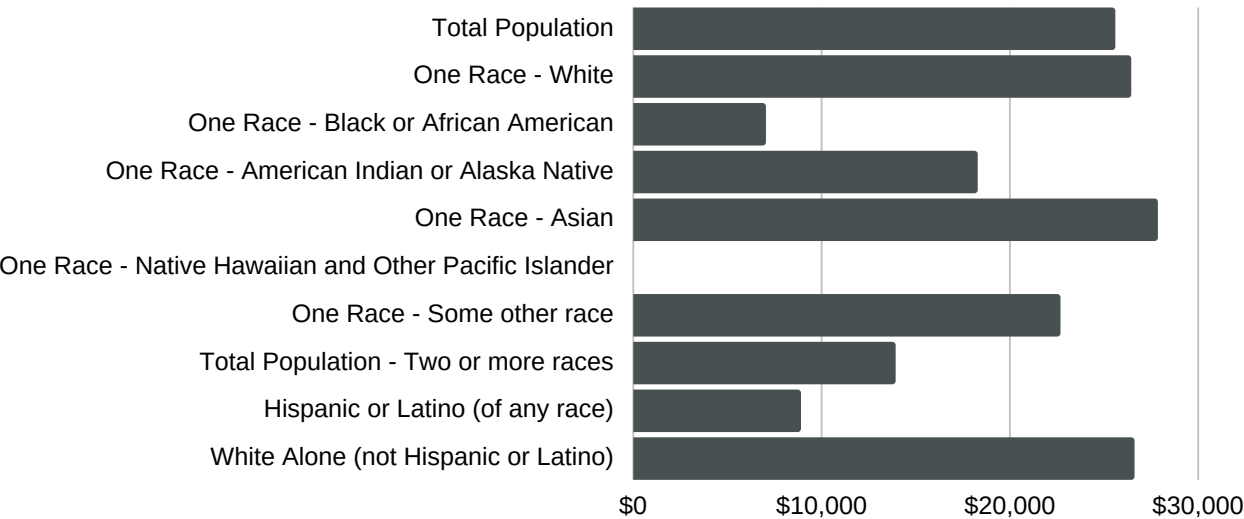
- engage in higher wage (traditionally male-dominated) industries;
- diversifying the economic base to provide additional opportunities;
- enhancing growth in sectors of which women might more often be employed;
- offering flexible, "family friendly" work schedules that allow employees to balance household 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:

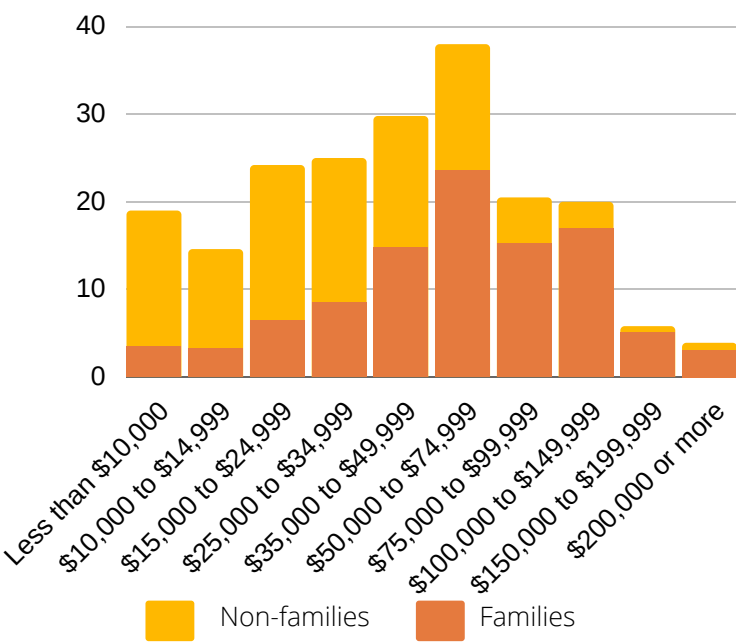
- 1 person: \$35,250 or less
- 2 people: \$40,250 or less
- 3 people: \$45,300 or less
- 4 people: \$50,300 or less

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.

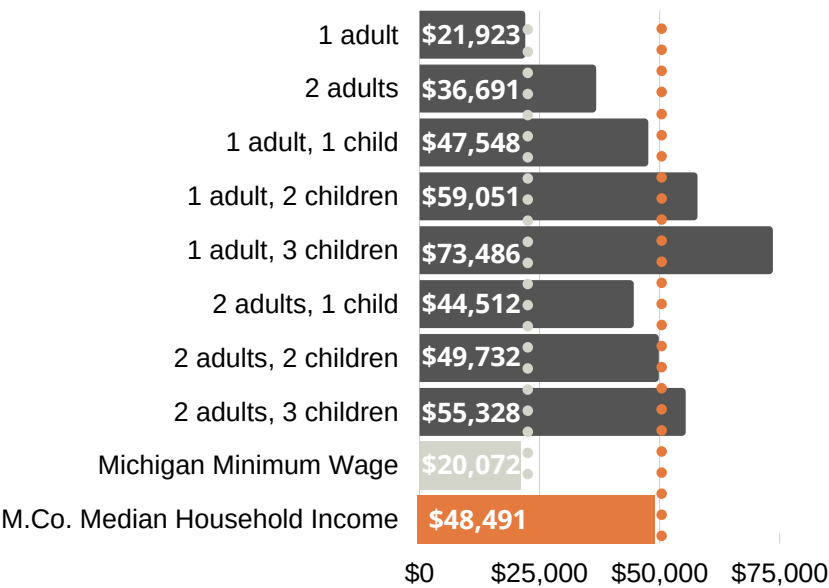
>>The living wage calculator goes beyond measuring how much one earns, depicting how incomes compare to the local cost of living.

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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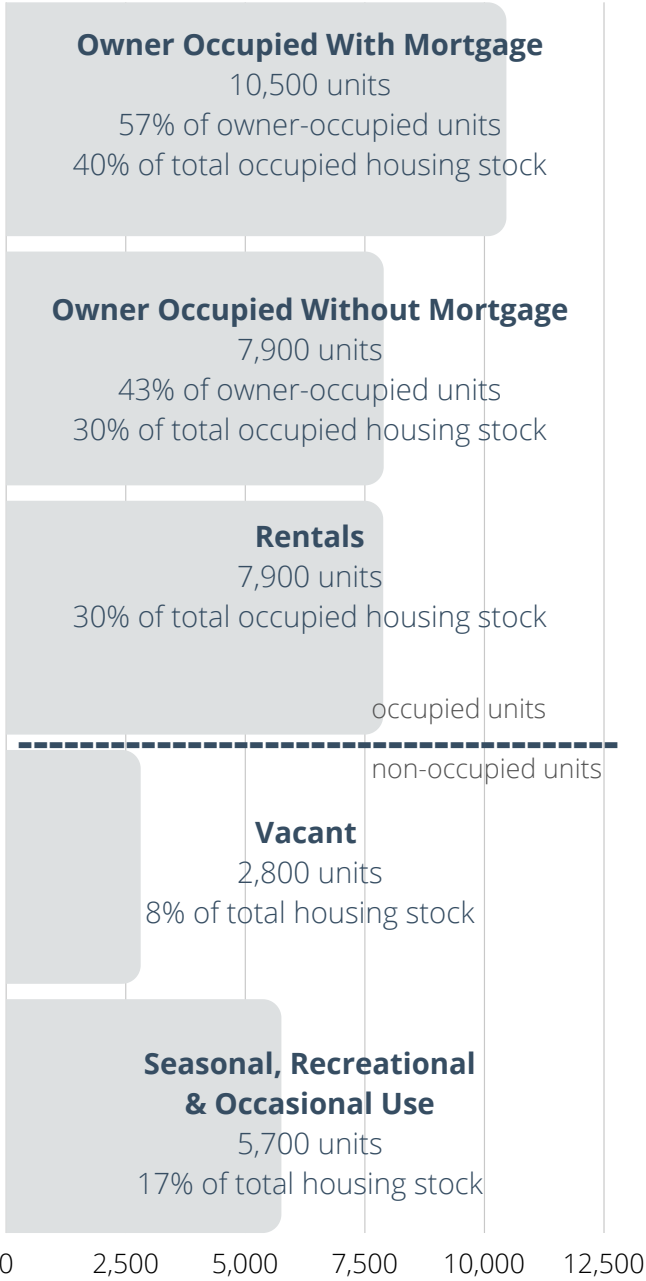
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Housing Tenure & Occupancy

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.

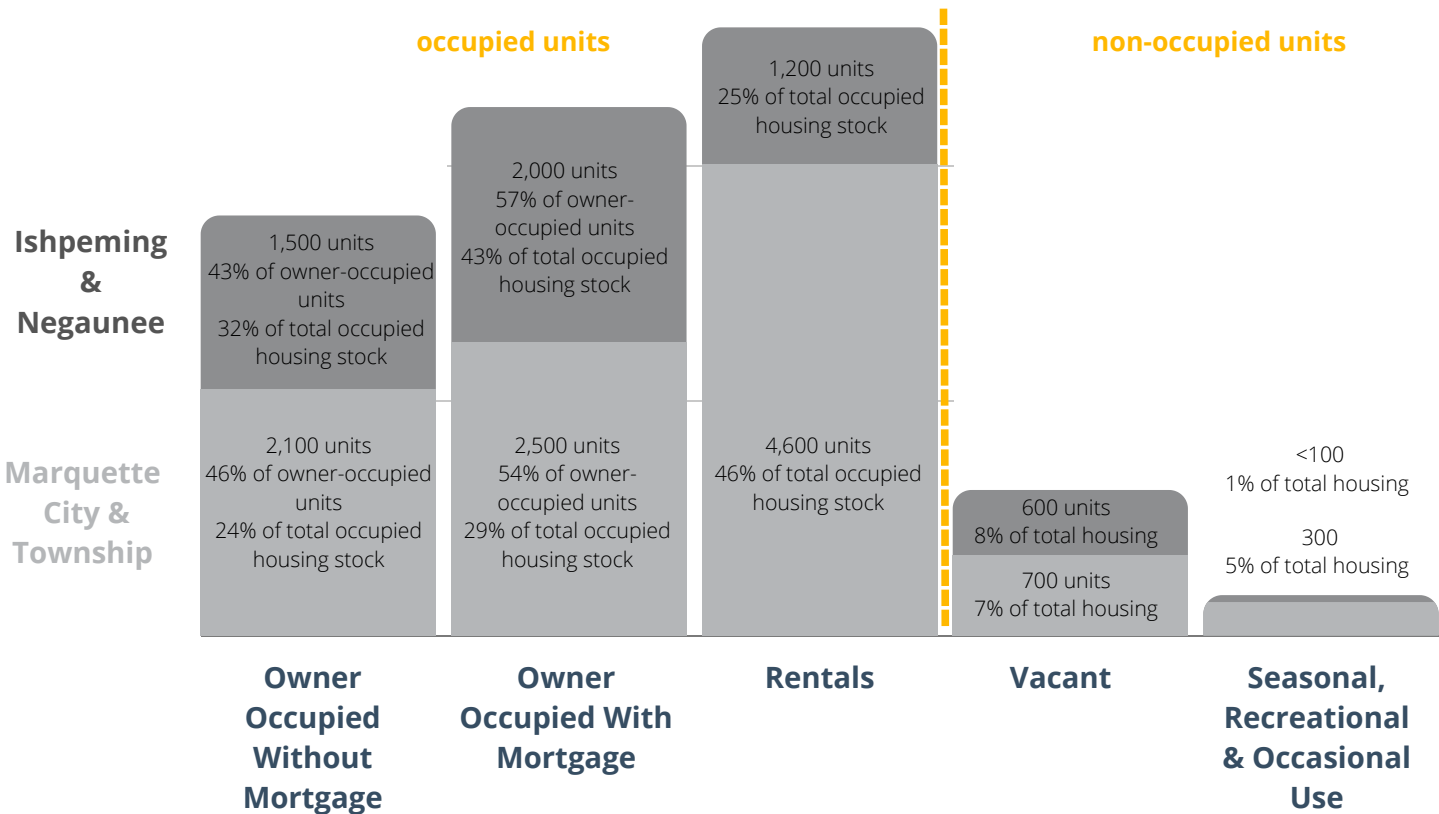
>> Nearly equivalent units with a mortgage in Ishpeming & Negaunee and Marquette.

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)



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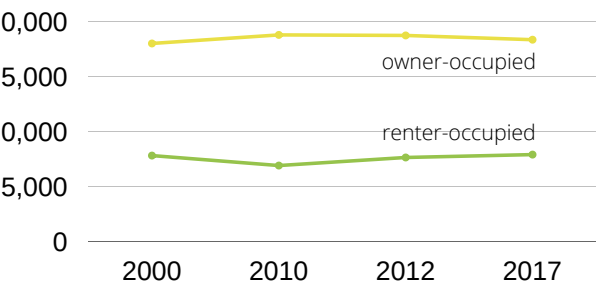
Housing Tenure Over Time

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 Marquette County.

Retaining this population is critical to the future of Marquette 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.

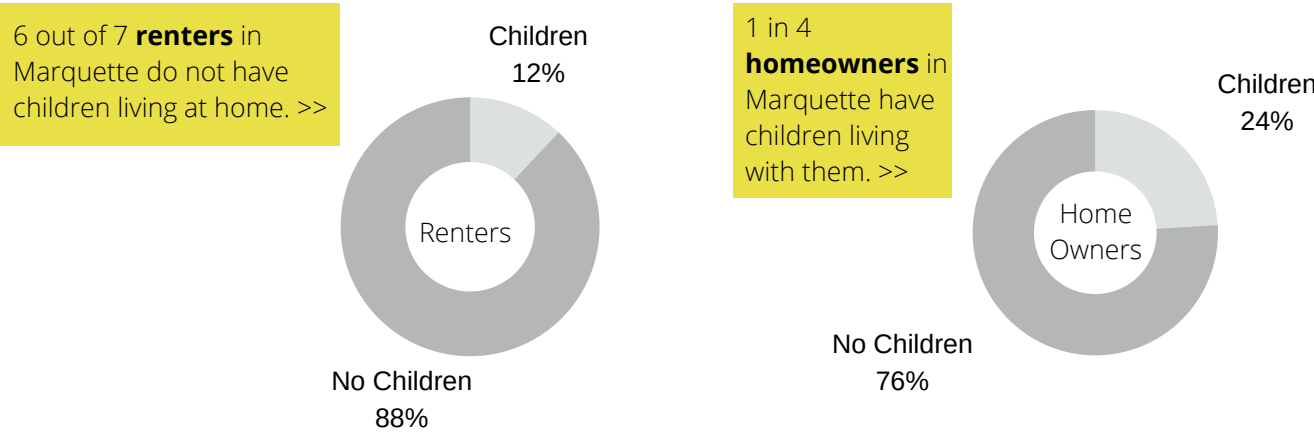
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Housing Tenure by Family Type

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.

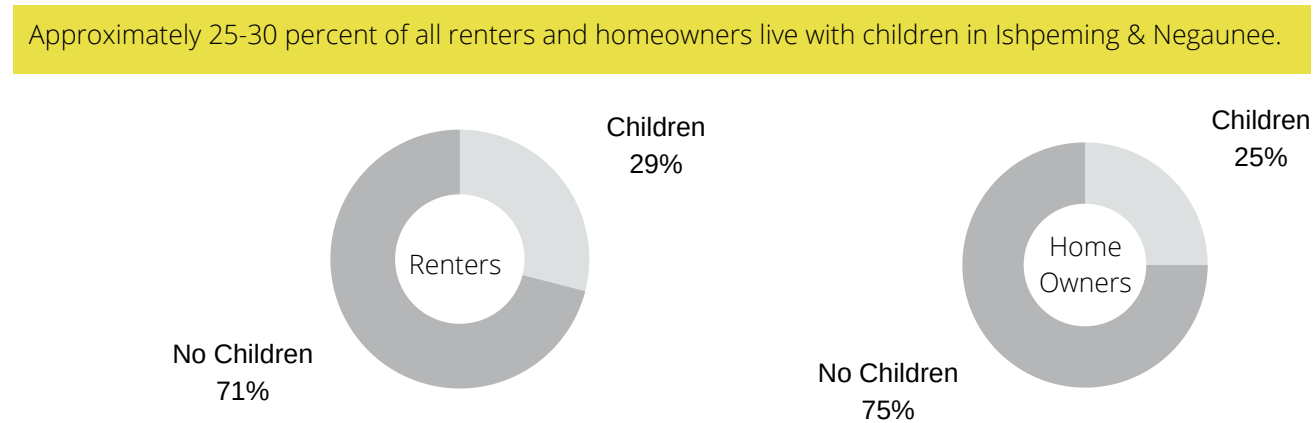
In the City & Township of Marquette, there is a higher likelihood of owner-occupied housing units having children than that of renter-occupied units, which points to the impact of the university on the rental housing market. Approximately 400 of the 3,500 rental units house children in these communities. 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



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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.

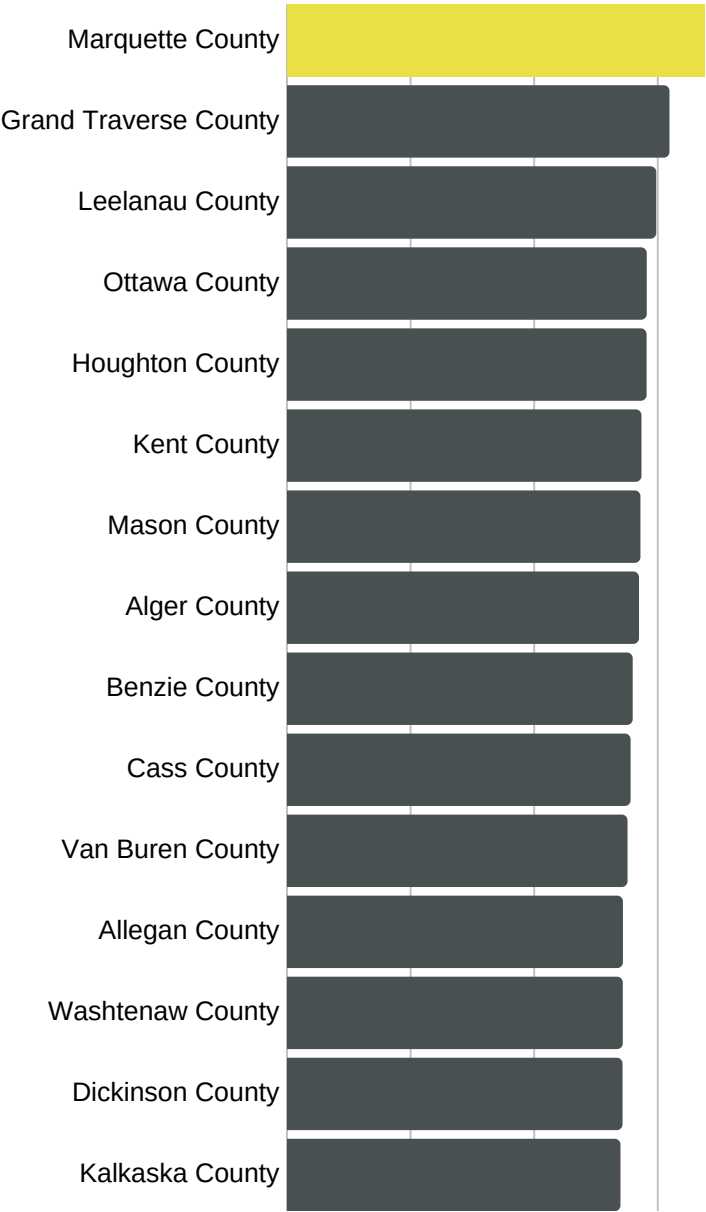
The highest year of growth, 10.35 percent, was between 2003 and 2004. Reflective of the U.S. Housing Crisis, housing prices saw slight declines in the county between 2008 and 2010.

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



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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

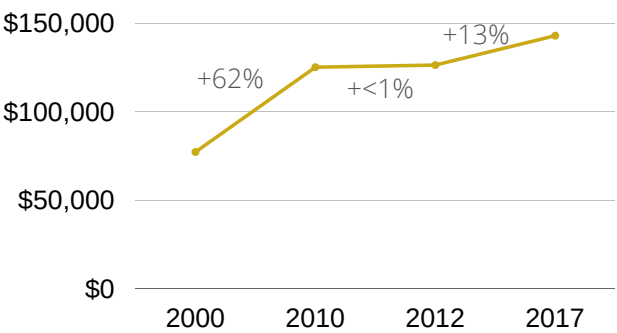
Rank	County	Median Home Price
19	Marquette County	\$142,900
33	Alger County	\$119,000
43	Delta County	\$105,900
47	Schoolcraft County	\$105,000
62	Menominee County	\$95,900
70	Dickinson County	\$92,100
	Michigan	\$136,400
	U.S.	\$193,500

>> 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.

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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

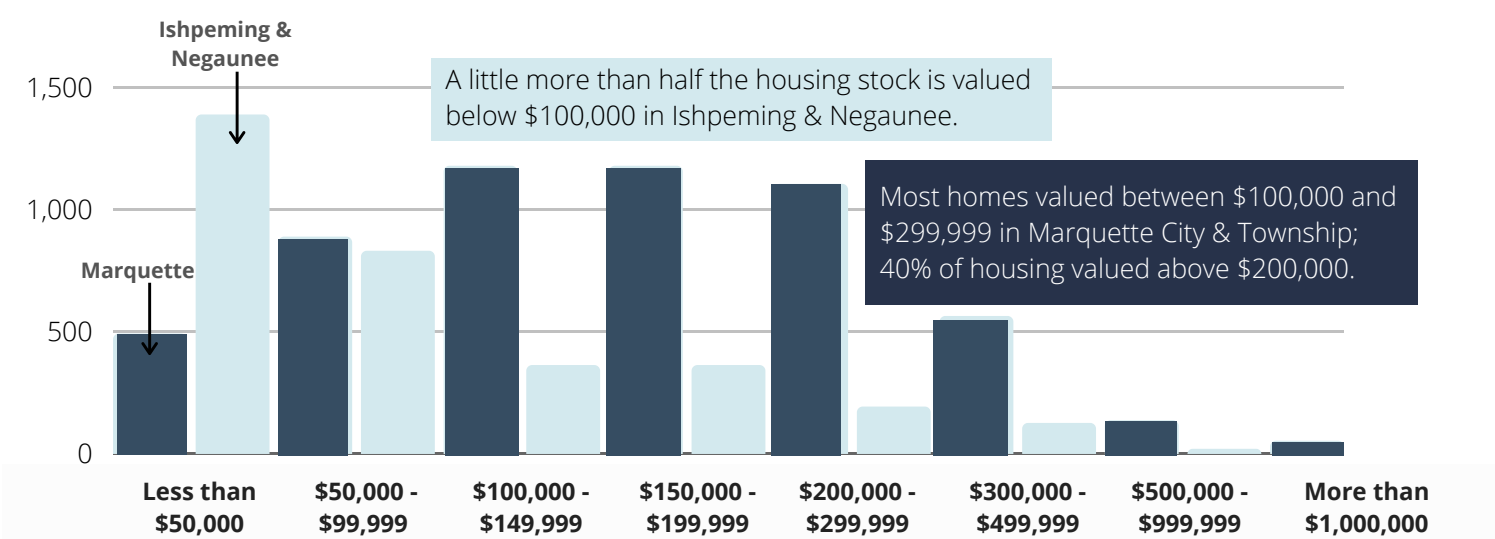
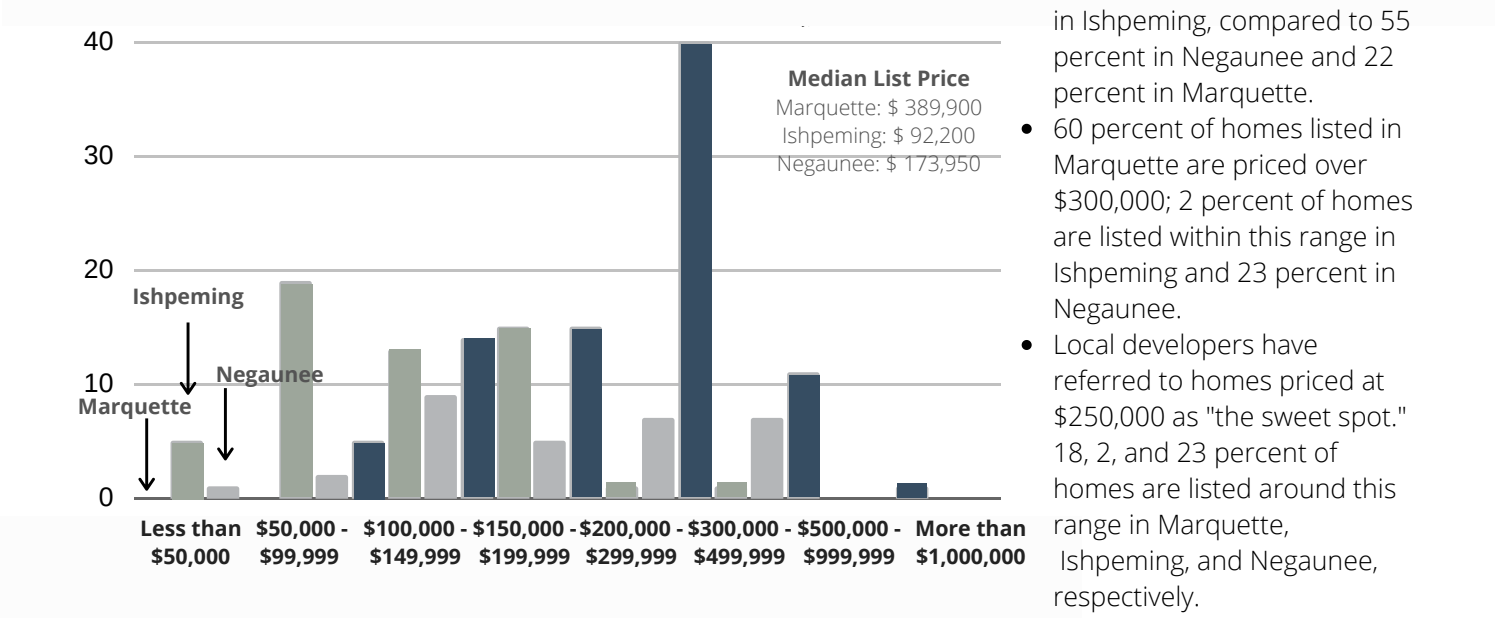


Chart 24. Number of homes for sale by list price



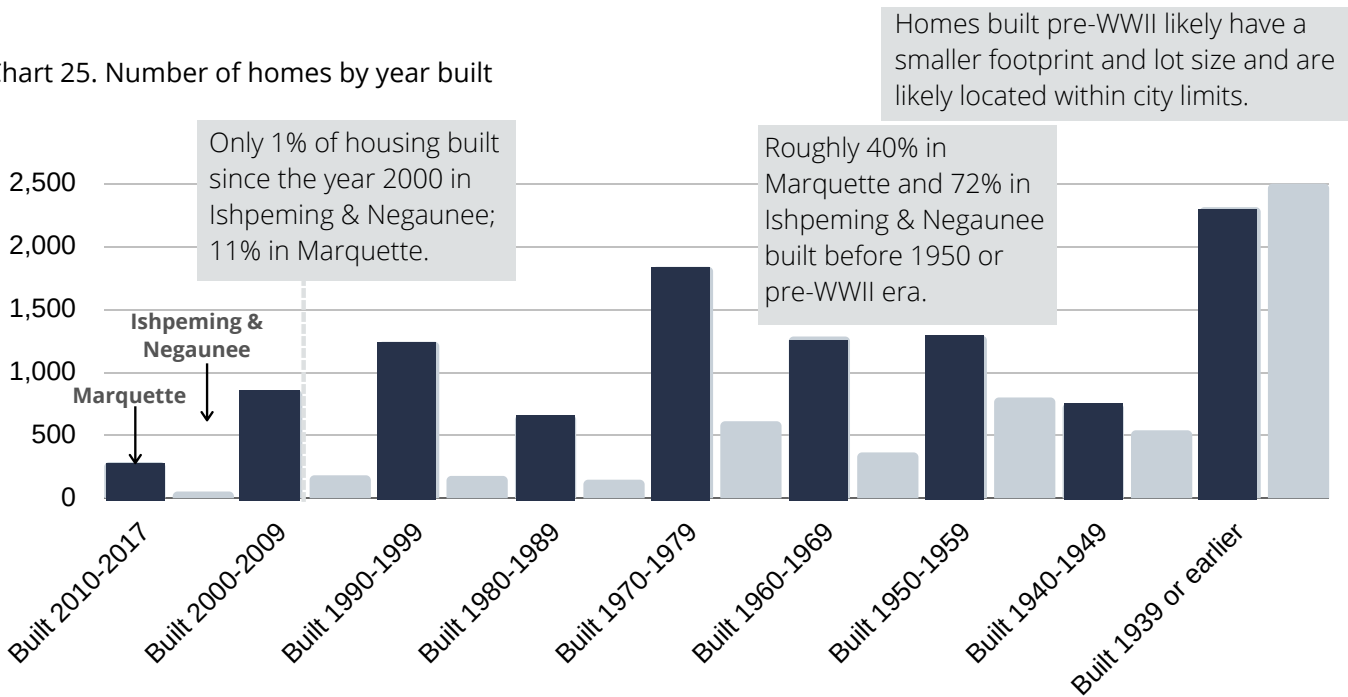
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Age of Housing Stock

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.

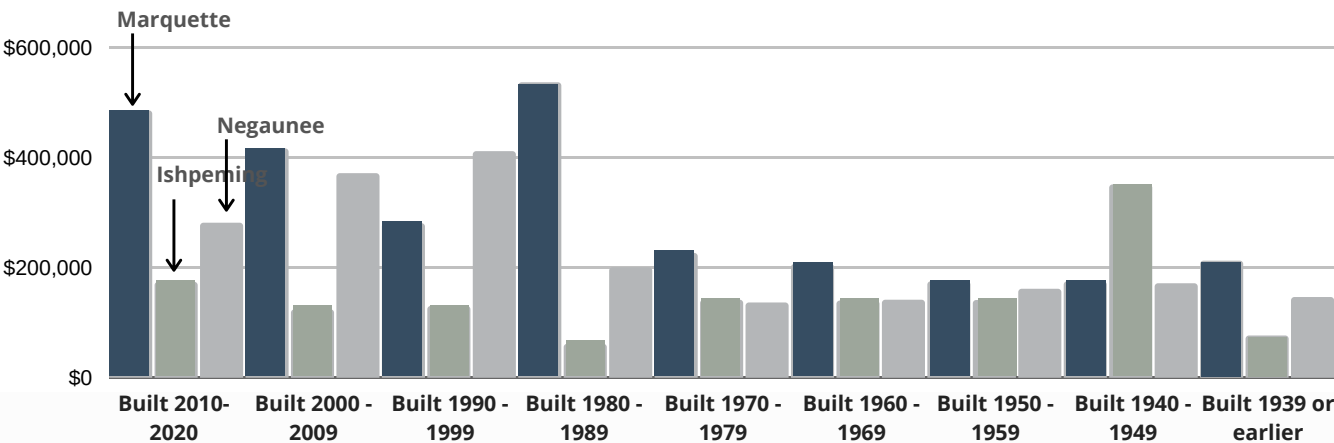
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Home Values for Sale by Age

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.

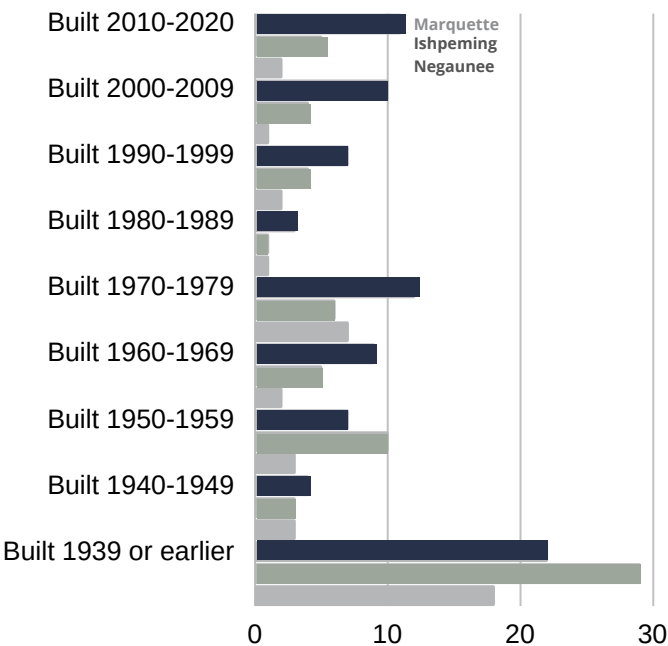
>> Overall, asking home prices tend to decrease by age, revealing that newer homes are valued slightly more than historic properties in Marquette County. The story is slightly more nuanced when honing in at the city level.

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.

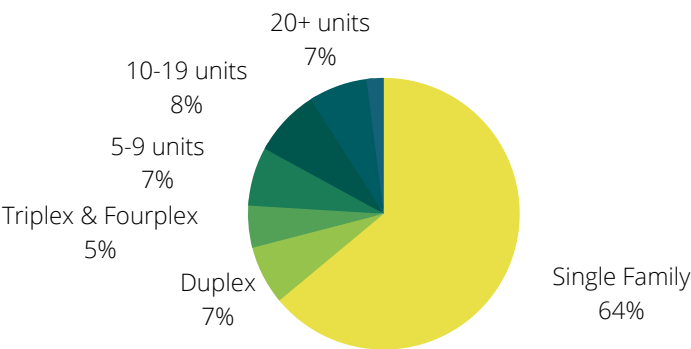
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Housing Units by Type

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.

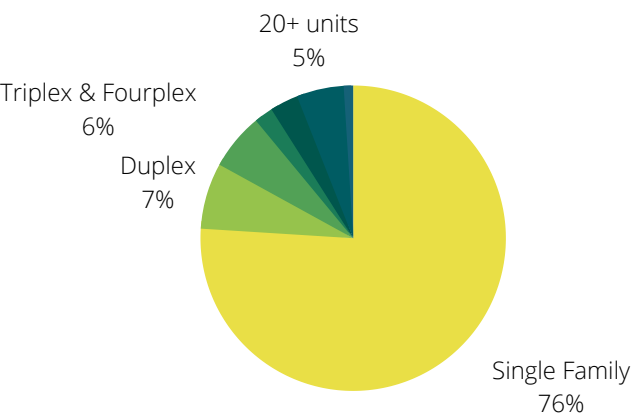
>> By providing greater housing choice, developments can meet the housing needs of their community's diverse residents and household types across the life course, such as students, young families, professionals, retirees, and people with disabilities.

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.

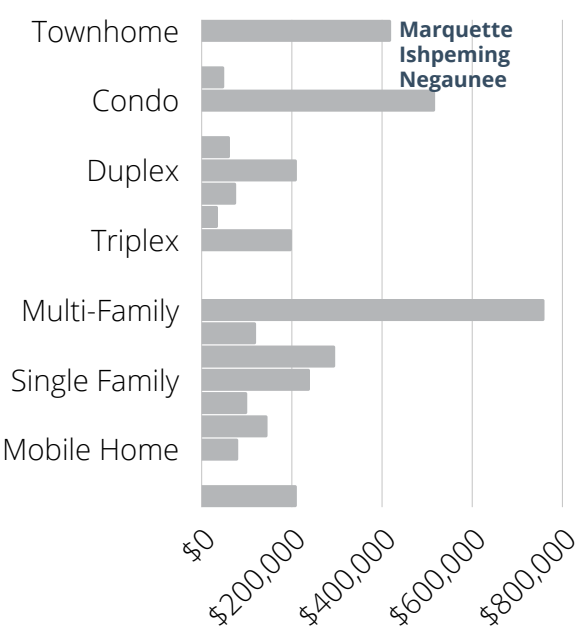
ACS-5 year estimates. 2017. DP04. Census tracts of Marquette City & Township, Ishpeming, Negaunee, Michigan & United States.

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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.

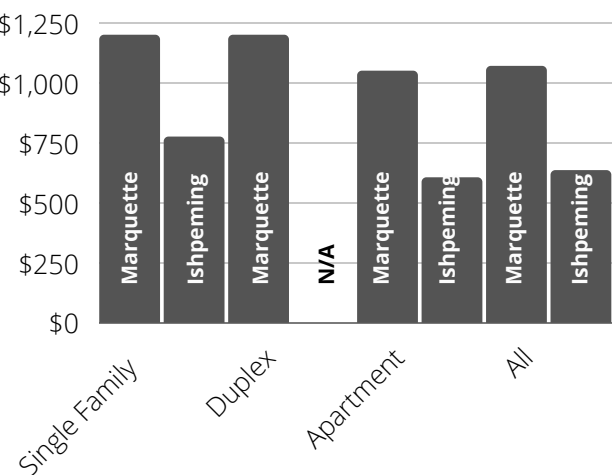
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Median Rents: By Type & Central U.P. Comparison

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.

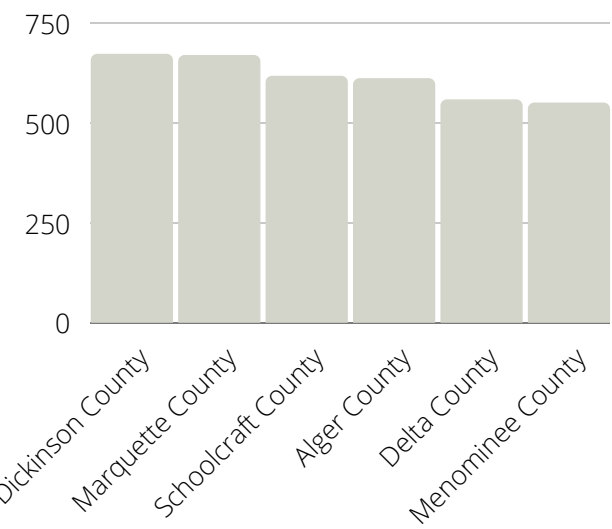
The comparison of median rents was obtained from U.S. Census data. This provides an understanding of how rents in Marquette County compare to other counties within the Upper Peninsula who may share a similar market.

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.

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Income Distribution of Renters; Rents >30 Percent of Income

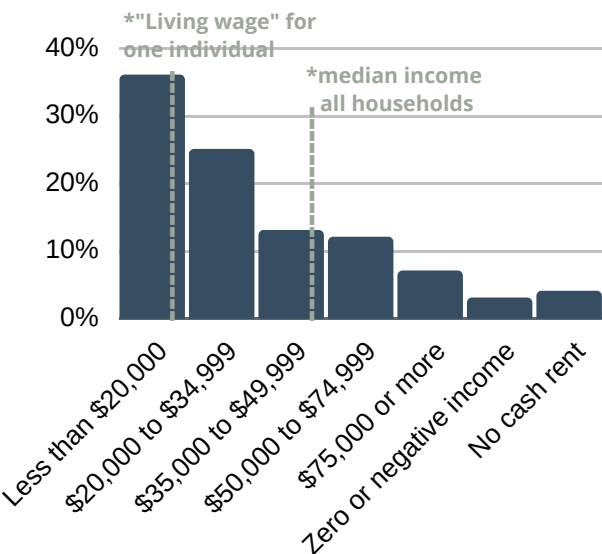
The income distribution of renters as seen in chart 28 can provide insight into housing rental needs; ideally, rental properties are available to meet all income levels.

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

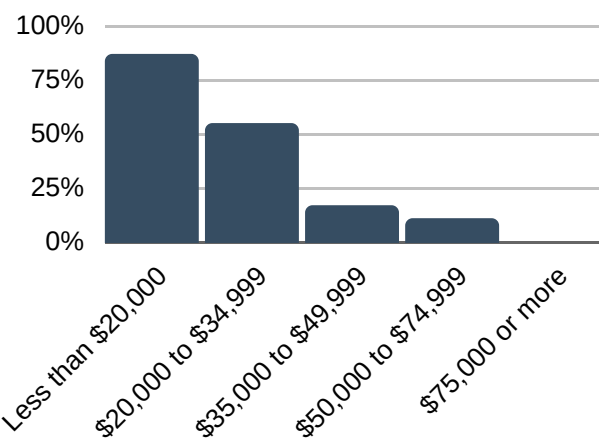


*While the median income is around \$48,500 annually and a living wage for one individual is approximately \$22,000, data does not pair neatly with these numbers. The numbers stated above used the \$49,999 income bracket as a proxy for median incomes and \$19,999 as a proxy for the living wage for one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

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

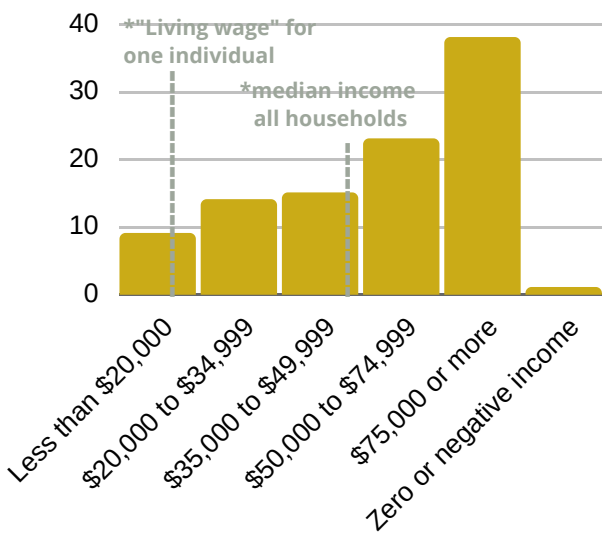
The income distribution of homeowners as seen in chart 35 can provide insight into housing rental needs; ideally, rental properties are available to meet all income levels.

Chart 36 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



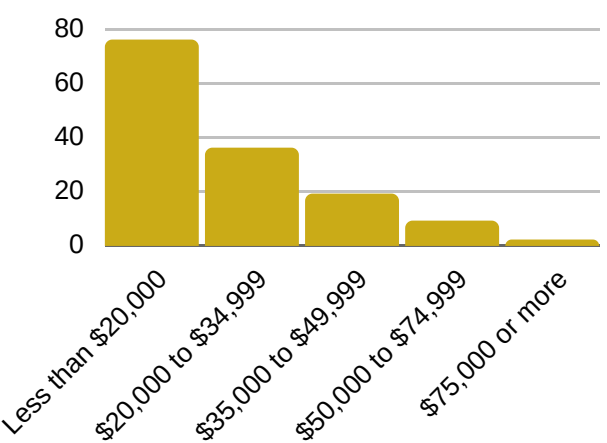
*As before, the median income is around \$48,500 annually and a living wage for one individual is approximately \$22,000. Data does not pair neatly with these numbers, therefore the \$49,999 income bracket as a proxy for

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



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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

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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

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