



# SHIAWASSEE COUNTY HOUSING PLAN

*Pro-Active Public Sector Strategies to Catalyze Private Investment*



# INTRODUCTION

This Housing Plan for Shiawassee County was commissioned by the Shiawassee Economic Development Partnership and paid for thanks to a grant from the Michigan Office of Rural Prosperity within the Department of Labor and Economic Opportunity. It builds on the Shiawassee County Housing Market Assessment completed by Real Property Research Group (RPRG) from August through September 2023.



# COUNTY OVERVIEW

- Just over 68,000 people live in Shiawassee County
- RPRG estimates that the 2023 median household income in Shiawassee County was \$57,385 which is \$5,941 or 9.4% below the \$63,326 median income in the Regional Market Area
- As we move into the next 25 years of the 21st Century, Shiawassee County must continue its rural charm while also grow through increased housing and economic development. Remaining stagnant isn't an option if we seek to maintain infrastructure, schools, and locally-owned businesses.



*the*  
**COUNTY** *of*  
**SHIAWASSEE**  
*established in 1822*

# PLANNING PROCESS

In late 2024 through early 2025, Shiawassee County Economic Development Partnership (SEDP) engaged members of the housing community, seeking feedback related to the state of their industry. SEDP hosted in-person focus group sessions, interviews, and gained insight via an online survey targeting housing developers.

## TARGETED PUBLIC ENGAGEMENT

Focus Group Sessions

Interviews

Online Survey

# KEY FINDING

Per RPRG, the county's total employed labor force is 31,144, and the resident labor force is 14,726, which means that **16,418 – over 52% – of these workers live outside of the county.\***

Shiawassee County residents have enjoyed a low cost of living, but the immense **cost of replacing expensive water and road infrastructure will fall on the shoulders of current residents if new residents are not attracted to help shoulder those costs.**

***\*As of May 2023***

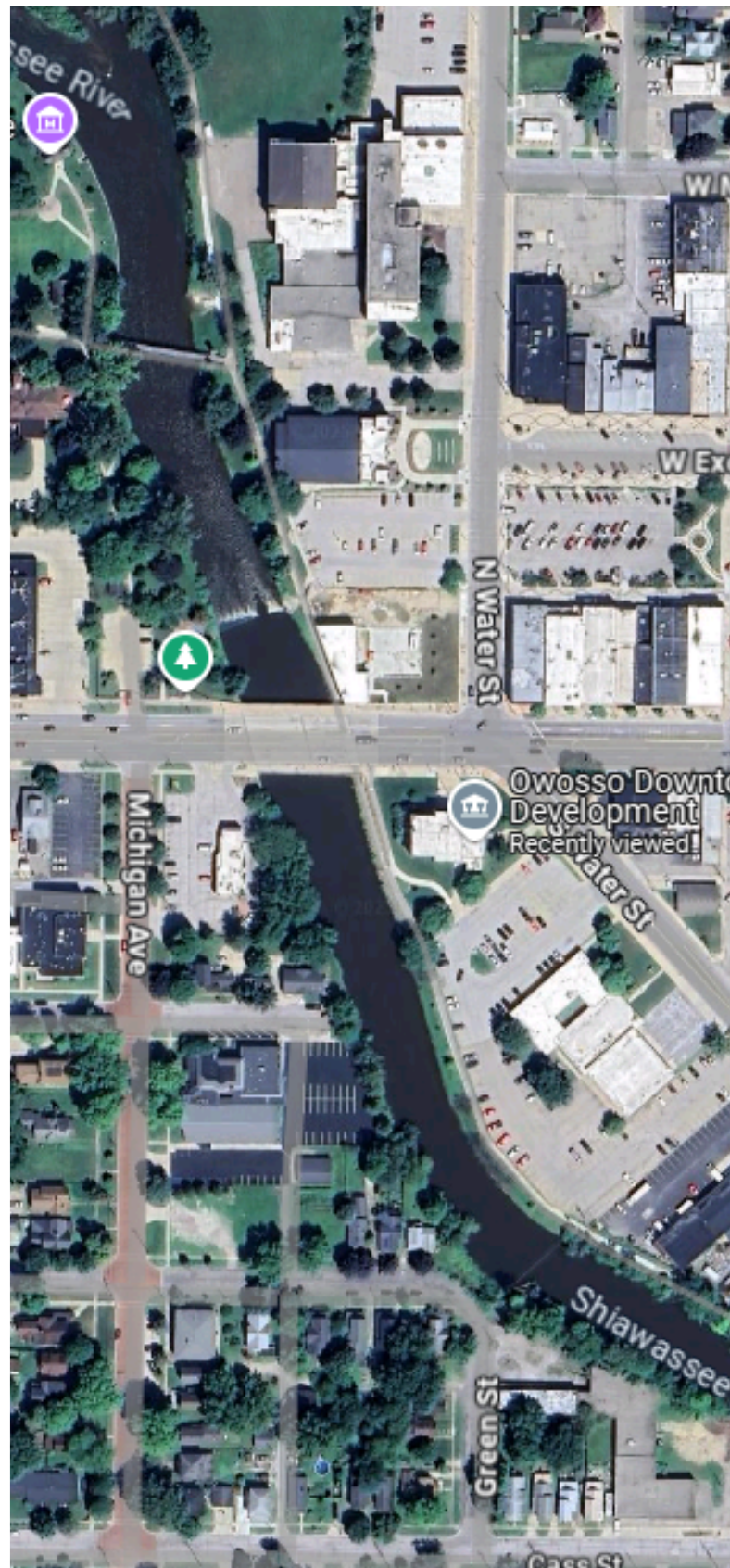


**Some of Shiawassee County's non-resident workers need to move closer to work**

# GOAL

At minimum, we want 1% of workers who leave the county for work to move their residency to within Shiawassee County each year for the next 10 years.

That means 164 per year or 1,640 over the next decade.

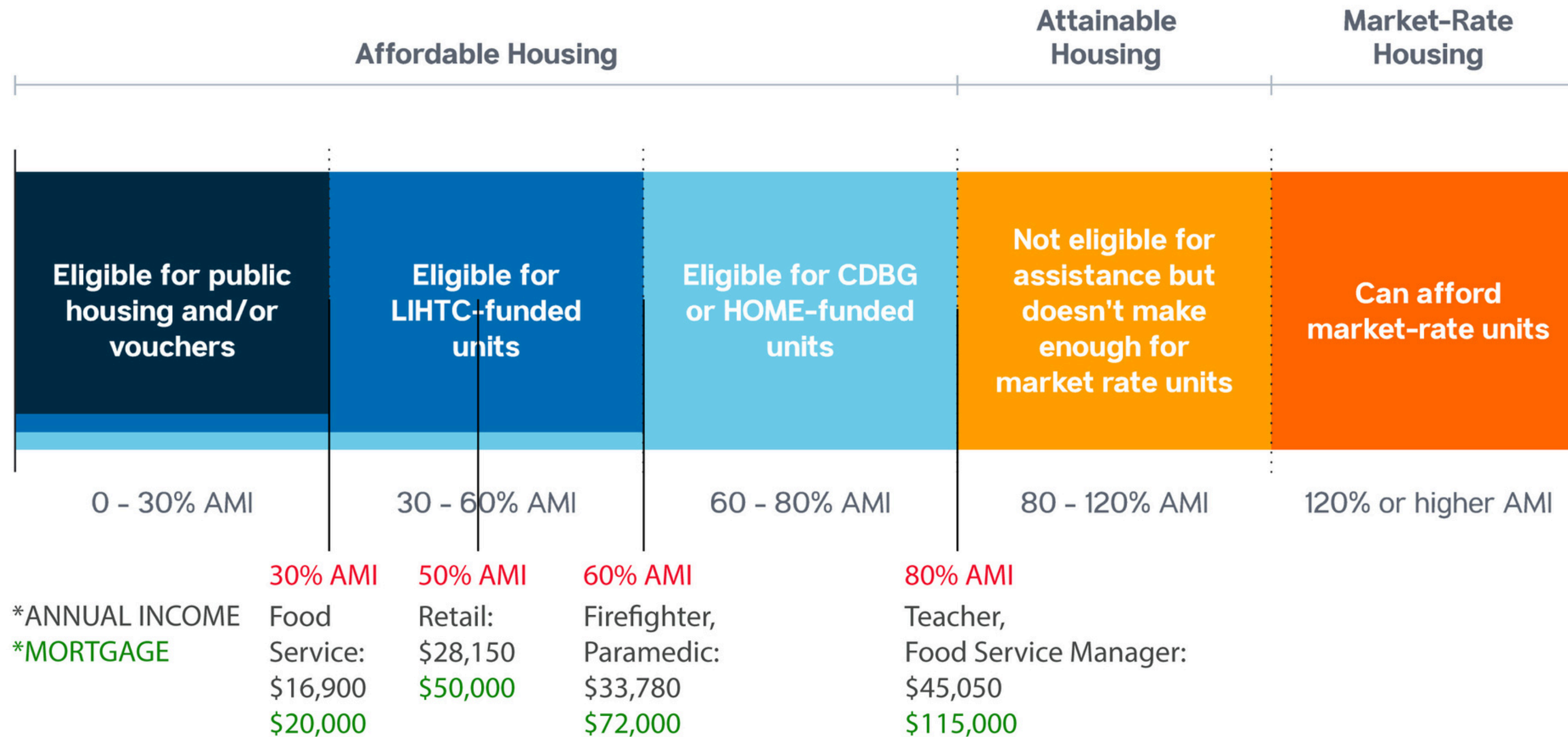


This will only happen as a mix of new construction and renovation.

The new construction must be a mix of housing types and affordability levels.

# AFFORDABLE / ATTAINABLE / MARKET RATE

For food workers, firefighters, and teachers working in our county, consider the rule that mortgages should be 30% of income. Factor in their average annual income and consider the resulting qualifying mortgage amount.



If 30% of annual income is spent on housing, these employees qualify for mortgages listed in green based on a 30-year, 6.48% interest rate loan, including \$3,000 taxes and \$1500 insurance.

# AFFORDABILITY FOR SENIORS

One of the appealing things about Shiawassee County historically has been that its residents can continue to live there in retirement while on a fixed income.

RPRG projects that the number of senior households in Shiawassee County **will increase from 10,553 householders in September 2023 to 11,072 householders by September 2026.**



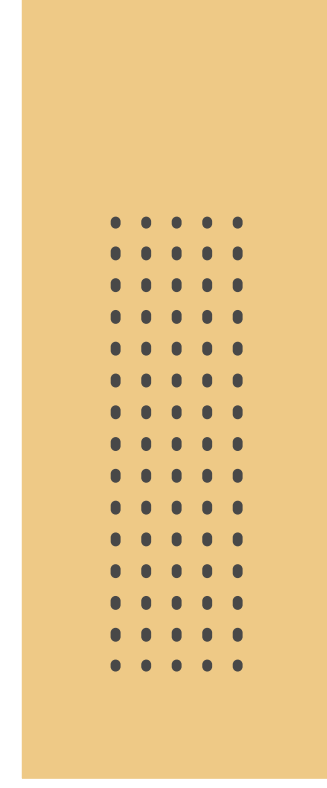
# QUALITY/ACCESSIBLE/AFFORDABLE HOUSING DOES NOT MEAN INSTITUTIONAL



**Assumption:** New construction of senior housing units that are ranch style (no stairs) and smaller than a typical single-family house but not institutional like an assisted-living facility typically have between 5-10 units per cluster.

Therefore, Shiawassee County leaders must plan to have **15** of these smaller senior housing developments built around Shiawassee County in the year 2026, 25 built in 2027, and 35 built in 2028.

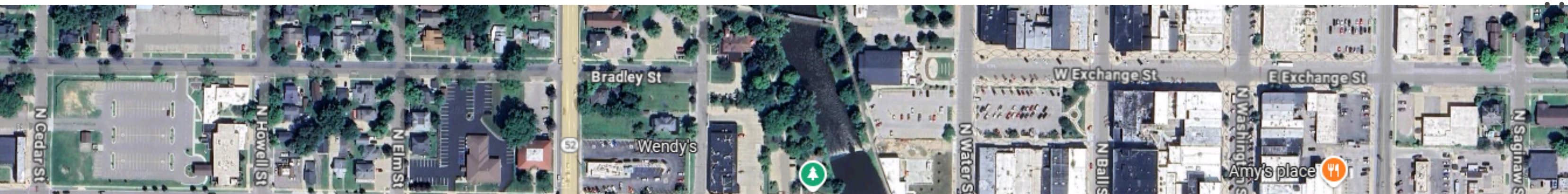
# RECOMMENDATIONS TO IMPLEMENT HOUSING STRATEGY



# IMPLEMENTATION STRATEGIES

There are a number of action steps that municipalities around Shiawassee County can take to increase viability of housing development happening within their jurisdiction. These include:

1. County staff to coordinate with developers, pre-development
2. Amendments to zoning ordinances
3. Increased utilization of the Shiawassee County Land Bank
4. Programs like tax-increment financing and NEZ
5. Increased usage of modular home construction from a building permit perspective as well as a business attraction target.

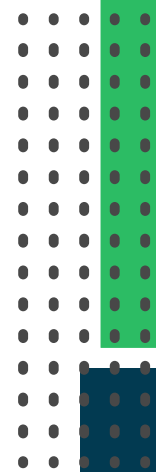


# 1. STAFFING RECOMMENDATIONS

There are three key positions that need to exist for Shiawassee County, either on staff or contractors:

- Housing Coordinator to oversee targeted property acquisition via the Shiawassee County Land Bank, coordinate rezoning and tax incentives for those properties, and attract developers
- Licensed Builder to manage developers and home repair grants
- Grant writing assistance for municipalities and nonprofits around the county – currently LionBear Ventures is serving in this capacity.

The SEDP / Community Foundation should coordinate and hire a Community Land Trust (CLT) manager to handle the more social-work-heavy coordination of working with new homebuyers.



# FORM A COMMUNITY LAND TRUST (CLT)

- CLT uses a one-time infusion of government subsidy, but then the structure maintains that benefit from the first household to the second to the third, without the requirement of more subsidy.
- Using a CLT is good government/governance – sustained usage of subsidy to benefit multiple generations of homebuyers that otherwise could not have bought the home
- Homeowners who benefited from subsidy to buy house get to keep some equity (15–25%, depending on model)

## WANT TO OWN YOUR HOME—WITHOUT BEING PRICED OUT?

A CLT home offers the stability of homeownership at a price you can actually afford—without sacrificing your future.

### KEY POINTS

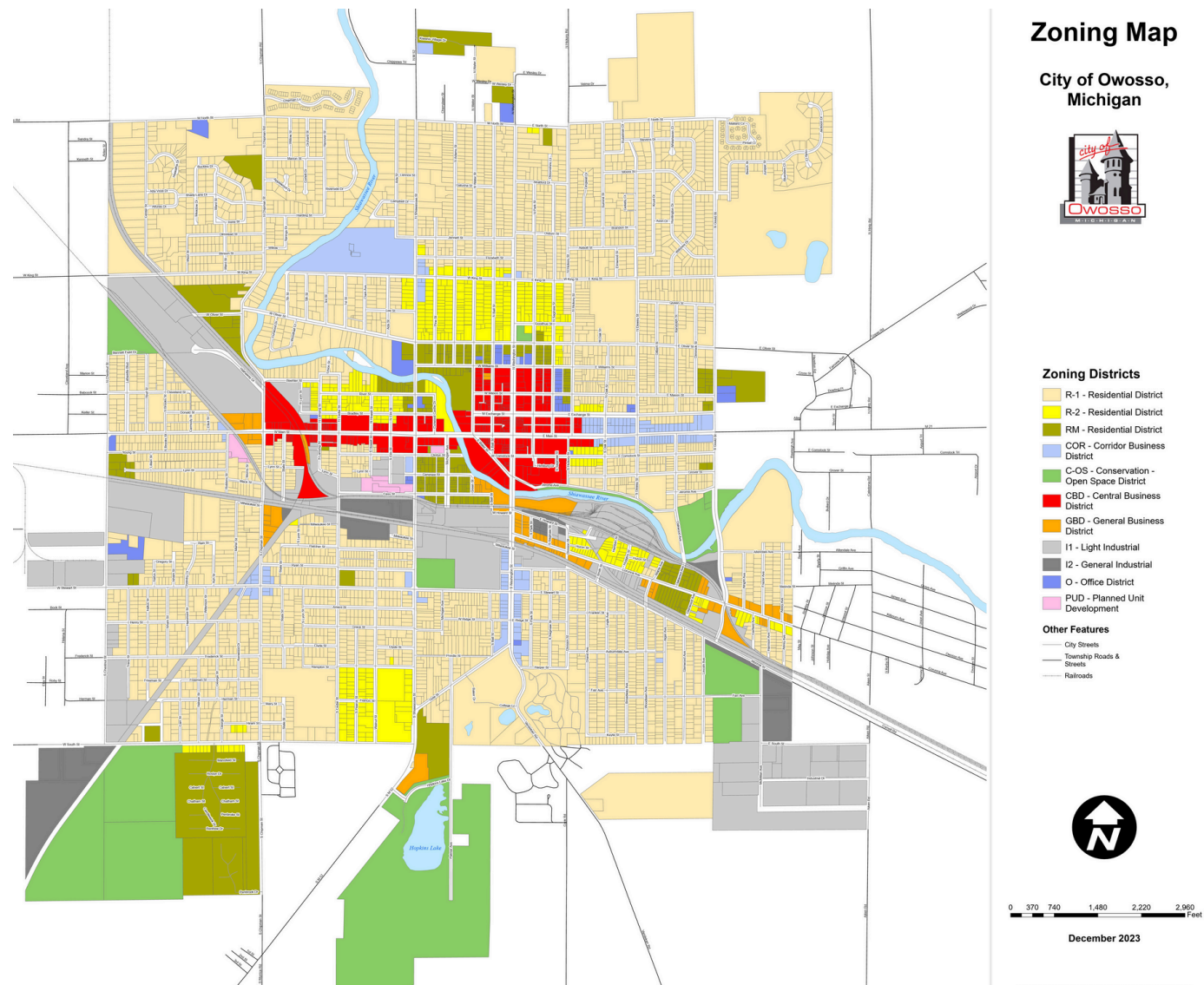
- **Lower Purchase Price:** CLT homes typically cost 20–50% less than similar “market-rate” homes making it easier for first-time buyers or moderate-income families to build equity.
- **Smaller Down Payment:** Because the price is lower, the required down payment is more achievable—sometimes as low as \$1,000 with the right loan.
- **Lower Monthly Costs:** Mortgage, taxes, and insurance are often significantly lower than renting or buying on the open market.
- **Long-Term Stability:** You’re protected from wild price swings in the market. Your home stays affordable, and so do your payments.
- **Equity Building:** You still build wealth—just at a shared pace that helps keep the home affordable for the next family, too.
- **Location Matters:** CLT homes are often in areas close to schools, jobs, and amenities—not far away where rents may be lower but commute costs and time are high.
- **You Still Own It:** It’s your house. You can paint the walls, plant a garden, or make more substantial improvements. You can raise a family and sell it when the time is right (with a built-in formula to ensure fairness).

### CLT = COMMUNITY LAND TRUST

You buy the home. The community owns the land. That’s how we keep homes affordable for the next generation, too.

*\*CLT infographic courtesy of Flywheel Momentum.*

# 2. ZONING ORDINANCE AMENDMENTS



- Follow Owosso's lead – reduction of minimum lot sizes, reduction of parking requirements, and allowances for more accessory dwelling units
- Follow Lennon's lead – usage of PUD (planned unit development) zoning on large target redevelopment sites, allowing for easier design of denser, smaller housing units
- More support for countywide zoning staff to offer support for zoning updates in small villages and rural townships across the county – one person cannot act swiftly enough.

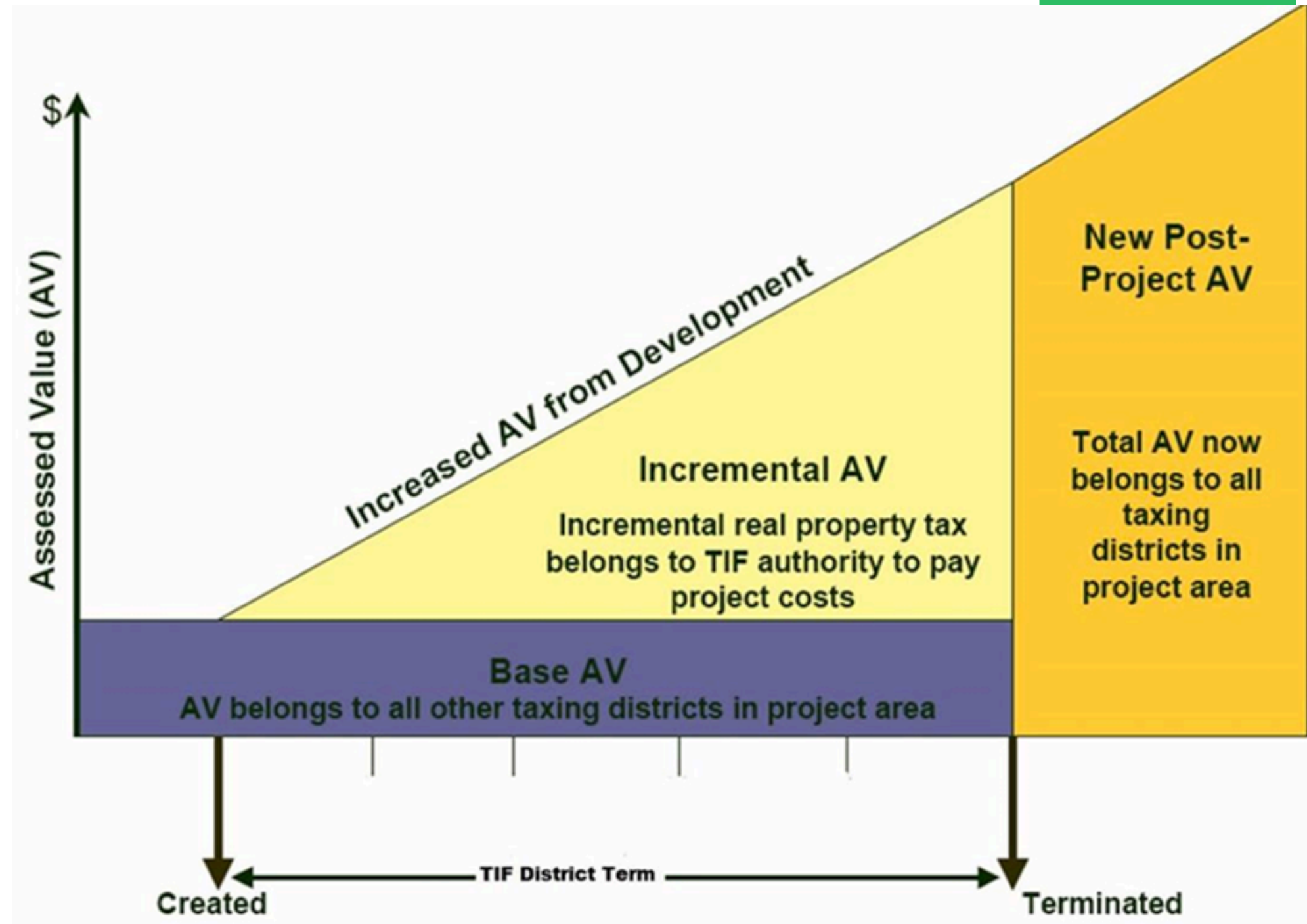
### 3. INCREASE UTILIZATION OF COUNTY LAND BANK

- Hold properties with limited liability and no taxes
- Fast-track the quieting of title issues
- Sell to maximize community benefit vs. highest bidder
- Reset taxable value to zero to maximize tax increment financing capture amount – development tool without any upfront government funds
- Access grant funds for demolition, environmental remediation through the State Land Bank, the Departments of EGLE (state), and EPA (federal)

**Move municipally-owned land to SCLB immediately.**

# 4. TAX INCREMENT FINANCING

- A win-win with both new housing units and no upfront costs to local government
- Set tax capture period (maximum 30 years)
- Can be used for big redevelopment targets, and/or SCLB could assemble a number of small parcels and push a scattered site plan forward with a number of small-scale developers.



# UTILIZATION OF NEIGHBORHOOD ENTERPRISE ZONE (PA 238 OF 2022) TAX INCENTIVE

- *Municipalities could proactively designate certain parcels or neighborhoods with this tax abatement to incentivize new development through a pause in new taxable value levied for up to 12 years. It can be no more than 15% of the total acreage contained within the boundaries of the local governmental unit. A neighborhood enterprise zone shall contain not less than 10 platted parcels of land. A neighborhood enterprise zone located in a qualified downtown revitalization district may contain less than 10 platted parcels if the platted parcels together contain 10 or more facilities. All the land within a neighborhood enterprise zone shall also be compact and contiguous.*

**Recommendation: This should be discussed at the next Shiawassee County Economic Development Corporation (EDC) meeting.**

# 5. MODULAR HOME CONSTRUCTION

## Modular Home Recommendation #1:

One of the biggest impediments to using this type of construction is a traditional bank's unwillingness to close a construction loan for a project involving modular construction until the units are delivered to the site. This requires that the contractor must front the 50-60% cost of the modular units which is required by the factory in order to receive the order.

**We recommend that a local bank like Fifth Third or First National create a fund that contractors can utilize for short-term loans.**

# MODULAR HOME CONSTRUCTION

## Modular Home Recommendation #2:

The closest modular factories to Shiawassee County are in Bay City (General Housing Corporation), followed by Indiana (Champion Homes), and Iron Mountain (Dickinson Homes). We recommend that SEDP add this as one of their top business attraction targets and even work with a spec builder to prepare a site/building for them.

Having a modular construction factory in Shiawassee County would decrease transportation prices and bring more comfort with this style of construction.

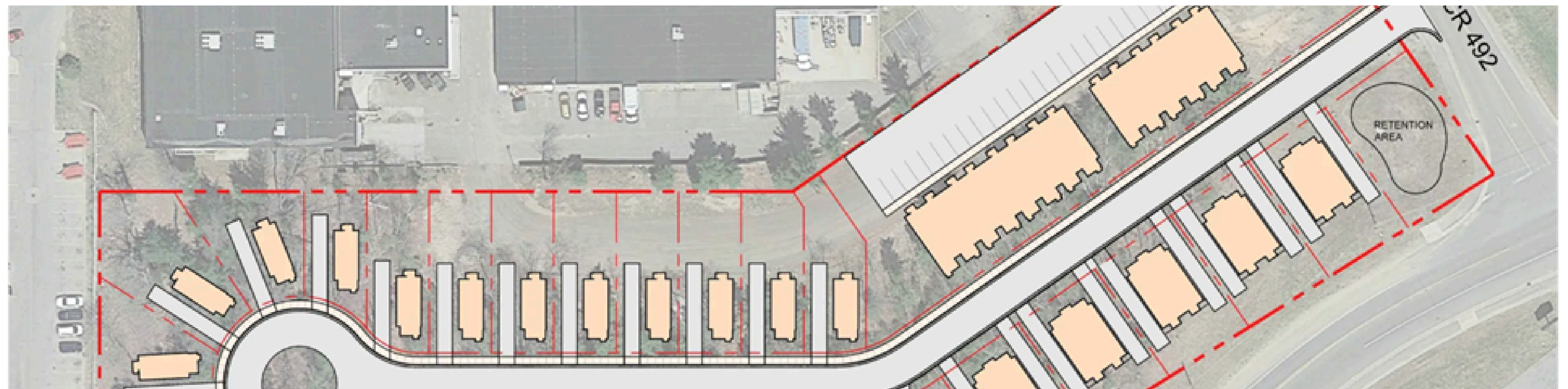
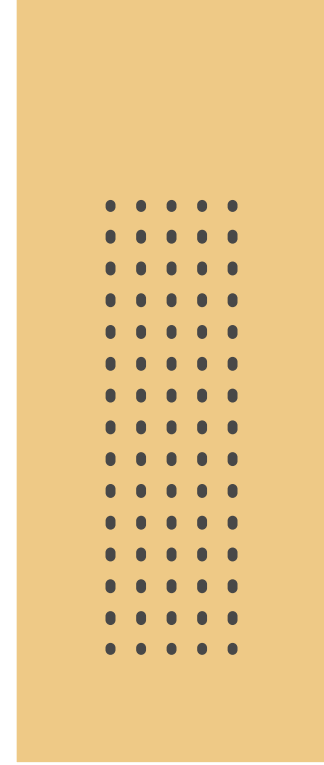
# ADDITIONAL RECOMMENDATION INVOLVING LOCAL FUNDING PARTNERS

One of the common themes identified by stakeholders during the Focus Groups was the lack of financing opportunities for new housing construction, especially for speculative building. While banks and mortgage lenders are financing new construction for home buyers to build individual home sites, there is still hesitancy to finance large construction projects.

**For reference, see page 37 of Owosso's Master Plan:**

*"Establish a risk loan guarantee that will encourage banks to lend for speculative housing development, like subdivisions..."*

# NEW HOUSING FORMATS NEEDED ACROSS SHIAWASSEE COUNTY



# HOUSING FORMATS NEEDED – RENTAL HOUSING



RPRG describes four different types of rental housing across Shiawassee County for existing and new residents:

## 1) Two to three-story garden-style buildings

- Market-rate garden-style community: include a mix of one, two, and three-bedroom units, offering roughly 750 to 1,250 square feet
- Affordable units would vary in size.

## 2) Two-story townhome units or single-story attached homes

- Each unit should offer roughly 750 to 1,250 square feet
- Single-story attached homes can be suitable for seniors.



# HOUSING FORMATS NEEDED – RENTAL HOUSING



## 3) Downtown Loft Apartments

- Additional loft apartments above commercial spaces in downtown Owosso and Corunna would be suitable for new market-rate rental units and ideal for small households, most of which are likely to be single persons
- Affordable units can be achieved through small first-floor units at the back of commercial spaces.



## 4) Single-family detached houses – built smaller than "typical" being built today

- Two- and three-bedroom homes offering roughly 1,100 to 1,300 square feet and 1,300 to 1,500 square feet, respectively.

# HOUSING FORMATS NEEDED - HOMEOWNERSHIP

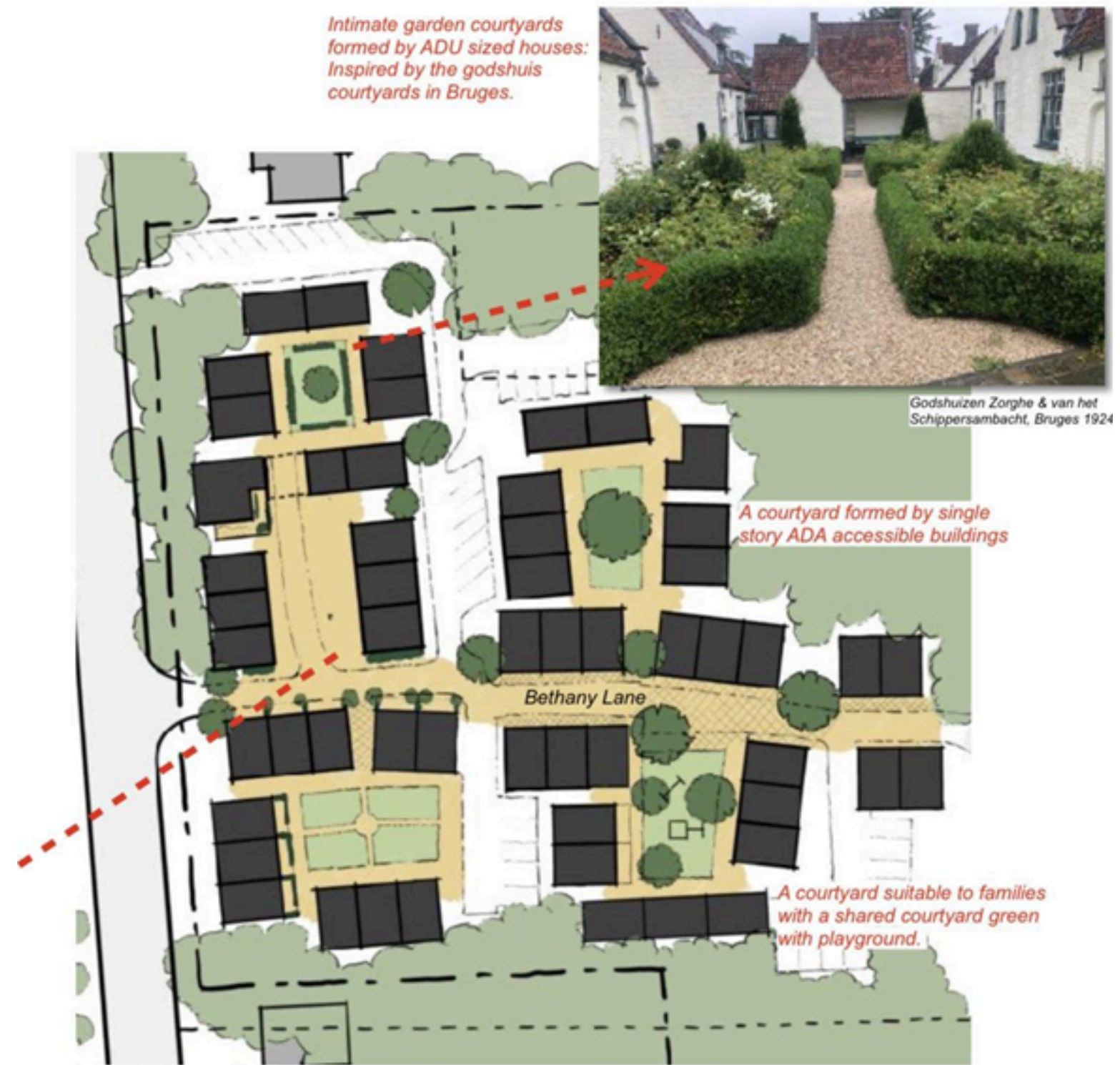
1. Senior cottage court developments
2. Intentional Living communities
3. Accessory Dwelling Units
4. Large Target Redevelopment Sites



# SENIOR COTTAGE COURT DEVELOPMENTS

Shiawassee County to start embracing “Senior Cottage Court” developments, especially with proximity to senior living facilities for shared use of amenities, normally 500–800 square feet in size.

Work with a Community Land Trust for more affordability or a Homeowners Association, depending on how much subsidy is available during construction.



# INTENTIONAL LIVING COMMUNITIES

“Intentional Living Communities” are similar to subdivisions but built on smaller parcels, with more shared communal space and less space taken up by driveways and car storage.

Existing models for these communities include:

1. Developments for households with young kids – raise them together.
2. “Childfree” developments for adults who want more built-in community.
3. Multi-generational housing with elderly people who want to be around children.
4. Agriculture-focused for people who want to collectively live off the land.
5. Artist-focused with shared studio amenities and/or shared gallery space.



# INTENTIONAL LIVING COMMUNITIES

- Similar in size to Cottage Court units, between 500–800 square feet
- In dense urban areas, these exist within a mansion apartment house, sometimes referred to as "co-housing"
- In more rural areas, they exist with 800–1,500 square foot houses with deliberate intention on a "21st century" subdivision that encourages more communal space with less focus on land used for car storage or massive yards / set-backs that create space barriers from neighbors.



# ACCESSORY DWELLING UNITS



- Another housing-related effort that could assist with both affordability and intentionality of place is increasing the allowance for the construction and full-time residence of accessory dwelling units (ADUs), which are 200 – 500 square feet.
- It could start with a program to incentivize the build-out of units above detached garages, then onto stand-alone units built in residential backyards, then move to full ADU "neighborhoods" which provide affordability for singles, younger (lofted bedroom), and older (bed on main floor).

# LARGE TARGET REDEVELOPMENT SITES

Actions that municipalities could take immediate action on to prepare these sites include:

- 1) Municipalities could pay to run infrastructure to these parcels via bond financing or CDBG funding via MSHDA (as long as 51% of existing or new households are low to moderate income)
- 2) If infrastructure already exists, municipalities could set up Workforce NEZ (Neighborhood Enterprise Zones) via PA 238 of 2022 to prepare these target sites – a standalone incentive for encouraging rehab or stacked after the Brownfield Plan time period is completed, if encouraging new construction
  - The NEZ designation requires compact development, 5 or more existing residential units per acre at the time of designation, site adjacency to existing development, utilization of existing infrastructure, and has access to municipal water and sewer services on at least 1 frontage. ([Info sheet on NEZ updates via PA 238 of 2022](#))

# LARGE TARGET REDEVELOPMENT SITES

Actions that municipalities could take immediate action on to prepare these sites (continued):

3) Municipalities could indicate their willingness to approve a Brownfield Plan at the local level and support a Housing TIF Act 381 Plan to MSHDA if the project is 100% housing; if there is a commercial component, the plan would go to MEDC for approval and other grant funds like the Community Reinvestment Program

4) Municipalities could proactively rezone targeted parcels as PUD (Planned Unit Development) to remove traditional zoning burdens like minimum lot dimensions, floor area percentage requirements, and parking requirements for easier design.

# OTHER FUNDING PROGRAMS TO PRIORITIZE

- MSHDA's Michigan Housing and Community Development Fund – available now for project gap financing, specifically for projects tied to the Housing Plan for Region H, which calls out new construction, adaptive reuse, and rehab projects needed to increase Housing Stock
- MSHDA Neighborhood Enhancement Program for home rehab funding for existing homeowners – Shiawassee County should apply in the next round with a clear administrative person and licensed builder
- MSHDA MI Neighborhood 3.0 – opens October 1, 2025.



**In support of the objective of improving and increasing the Housing Stock, we chose to focus on two goals.**

**Goal 4.1: Increase Supply of Housing**

**Goal 4.4: Increase Rehabilitation and Preservation**

**We plan to utilize four strategies to accomplish the two goals we set.**

**Strategy 4.1.A:** Advocate at the Federal and State Level to Increase Funding for Housing

**Strategy 4.1.I (Amended) :** Pilot the use of innovative, environmentally conscious materials and diverse types of housing to make housing production more affordable. Provide local units of government with sample code updates and zoning amendments to streamline new housing production, and support financing and insurability of new and diverse types of housing.

**Strategy 4.4.C:** Support the innovative conversion or repurposing of unused residential properties, commercial space, and other buildings, with accessibility modifications wherever possible.

**Strategy 4.4.A (Amended):** Increase the amount of funding devoted to new construction, rehabilitation, and preservation in the state, with a specific focus on supporting and increasing local capacity.

**Key Performance Indicators- How do we know the job is getting done?**

**The KPI for Strategy 4.1A**  
Increase the number of Housing Units by 10% over 2 years (# of New Builds)

**The KPI for Strategy 4.1 I**  
The completion of a pilot program of the housing types recommended by this development guide.

**The KPI for Strategy 4.1.1 (Amended)**  
Increase in the total number of Housing Units created through building adaptive reuse by 10% over 2 years.

**The KPI for Strategy 4.4.C**  
The development of a sample building and zoning code for local communities to implement.

**The KPI for Strategy 4.4.A (Amended)**  
The existence of a dedicated regional MSHDA staff person to facilitate housing construction, rehabilitation, and preservation

# NEXT STEPS

- Move municipally-owned land to the Shiawassee County Land Bank (SCLB) and utilize SCLB more (page 15)
- Increase staffing: County staff to coordinate with developers, pre-development (page 12)
- Amendments to zoning ordinances (page 14)
- Utilize programs like tax-increment financing and NEZ, and add discussion item to the next Shiawassee County Economic Development Corporation (EDC) meeting (pages 16-17)
- Increased usage of modular home construction from a building permit perspective as well as a business attraction target (pages 18-19).
  - *Additional recommendations, including format, priority sites, and funding partners covered on pages 20-32.*

# QUESTIONS & ANSWERS

