

HOUSING AFFORDABILITY

## A Great Need, A Community Opportunity

*Citizens for affordable  
housing in Grand Traverse,  
Leelanau, Benzie, Kalkaska  
and Antrim counties*

### Building homes that working families can afford also builds a town's prosperity

*Seven months ago, Corina Bilicki, a certified nursing assistant, was spending \$500 a month to rent a ramshackle house in Benzie County that was so poorly insulated that it cost an additional \$400 a month just to heat it. That left little to pay for car repairs, gas, the dentist or food and clothing for herself and her five children, even with \$360 per month in food stamps. Her situation is hardly unusual.*

One in four homeowners in the Grand Traverse region, and one in three renters, spends more than 30 percent of their income on housing. This often means that there isn't money to repair the car, fill a prescription or meet other essential needs.

Reasonable housing and utility costs allow families to pay for keeping their kids healthy, clothed and well-fed, and their cars and homes in good order. In Ms. Bilicki's case, moving into a snugly insulated Habitat for Humanity house, where the mortgage is \$400 and the heating bill is low, has allowed her to better care for her family.

As a fellow Habitat homeowner, Heidi Lindeman, a restaurant manager and mother of two living in Cedar, says, "A lower mortgage payment allows your budget to breathe. It means that I can send my daughter to Northwestern Michigan College."

That's good for Ms. Lindemann and for the larger community.

#### **PROBLEMS WE CAN'T AFFORD**

There is a huge gap between what families earning \$40,000 a year can pay for a home and median home prices here. Plenty of luxury condominiums are for sale, but "affordable" homes in good repair

are rare. By 2010, 44,000 Grand Traverse region families may face this dilemma.

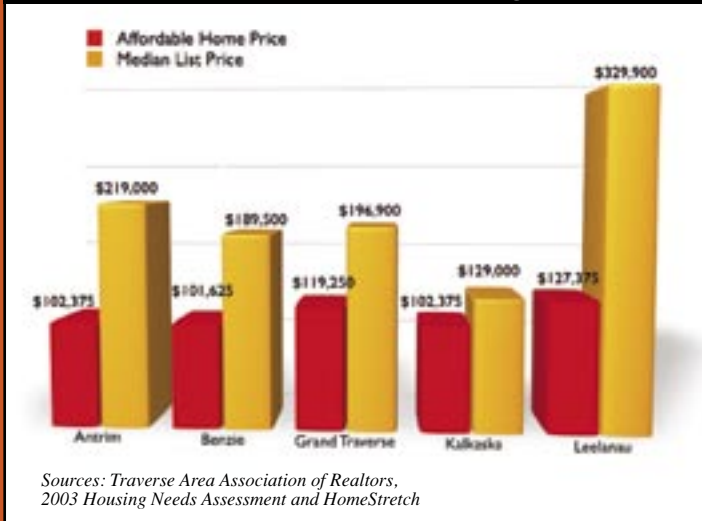
Working families avoid high housing costs by delaying home-ownership, living in run-down buildings, taking on too much debt or commuting farther, to where housing and land costs are cheaper. Each strategy has other costs, however: Delaying home



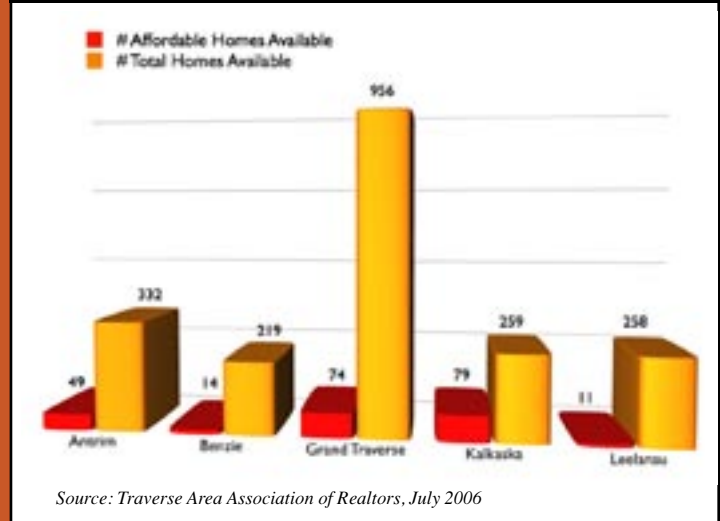
*Corina Bilicki with three of her children.*

# The Grand Traverse Region Has a Big Housing Challenge

Affordable vs. Median Housing Prices



Affordable vs. Total Homes Available



These graphs summarize our region's affordable housing shortage, county by county. The first compares "affordable" home prices—2.5 times the income of a family of four earning 80 percent of that county's median income—with the median list price of all homes there. (In 2006, HomeStretch reported that 80 percent of the area median incomes were: \$40,900 [Antrim], \$41,800 [Benzie], \$47,700 [Grand Traverse], \$40,900 [Kalkaska], and \$50,900 [Leelanau]). The second graph compares the number

ownership delays equity-building. "Fixer-uppers" generate hefty home repair or utility bills. Too much debt often turns into crushing financial troubles. And living far from town may save money on the mortgage, but it runs up big bills for gasoline and car repairs and cuts down on quality time with the family.

## DRIVE 'TIL YOU QUALIFY

High housing costs are actually worsening traffic congestion and wearing out our roads. More than 70 percent of workers in the Grand Traverse region commute to another township; about half of workers in Antrim, Benzie, Kalkaska and Leelanau counties commute across county lines. That's a lot of driving.

"Affordable housing is one of our biggest problems," says Sally Erickson-Bornschein, former president of the Homebuilders Association of the Grand Traverse Area. "You have to drive 'til you qualify."

## YOU, ME AND AFFORDABILITY

A good supply of decent, affordable housing near jobs, schools, shopping and recreation would help working families and the larger community:

- It would cut traffic congestion, pollution, sprawl and job tardiness.
- It would increase spending on local businesses by families who save money on mortgages, rent and energy and transportation costs, especially during the winter, when far fewer people live here.
- It would boost school enrollment—and funding—in places like Frankfort, Traverse City and Suttons Bay by making it easier for more families to live here.
- It also helps keep our sons and daughters close by. Our universities produce top-notch graduates, but our most talented youngsters are leaving for jobs elsewhere. They find when they decide to return home with their own families that they cannot afford to live around the corner from the grandparents. So more housing affordability can help us win back our young people.

All Grand Traverse region residents have a stake in affordable housing. We need more year-round, working residents to keep our

businesses open during the winter months. We all want to spend less time in congested traffic. All of us would prefer, as we age, to have the people we depend on—from family members to nursing aides—living close by. Affordable housing, in other words, improves everyone's quality of life and makes our community a happier, healthier and better place to live.

learn more • get involved • speak out

communityhousingchoices

*Working families in the Grand Traverse region should be able to own a home, have money for other necessities, and live close to where they work.*

## JOIN US!

We are a group of committed citizens and business, civic and elected leaders speaking out for decent, affordable housing for working families in our community. Visit our Web site or call us to find out about ways you can learn more, get involved and speak out.

**communityhousingchoices.org**  
**231-947-6001**

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