

Future of Housing Community Workshop - Berrien County

Understanding the Current State

Foundational Expectations

1

A strong sense of
belonging for everyone
in the community

2

A resilient economy &
natural environment

3

A community with a
high quality of life

What is driving our regional housing need?

Household Growth

Upward economic mobility

Commuters on the move



Michigan will continue to add households as a result of young adults staying in-state after college, smaller households, and workers moving in to take good jobs made available by retirees and small business growth.

Tens of thousands of households are expected to climb into the income category earning more than \$100,000 by 2030.

More than 1.2 million Michigan workers commute from another county each day. An estimated 15% of these workers would prefer to live closer to work if options were available.

Why is housing important?

A growing economy requires a growing workforce.

The workforce needs a place to live that is as good or better than the options 30 miles away.

Elementary School Teacher

Annual Mean Income

\$64,080

Median List Price

\$304,759

Southern Michigan Nonmetropolitan Area
Source 1: US Bureau of Labor Statistics
Source 2: Berrien Co Housing Needs Assessment

“Housing Secure” Budget

\$1,602/mo

10% Down, 6.5% Interest Rate
Monthly Mortgage

\$2,164/mo



Emergency Medical Technicians

Annual Mean Income

\$37,090

“Housing Secure” Budget

\$927

Median 2-BR Rent

\$1,050/mo

Southern Michigan Nonmetropolitan Area

Source 1: US Bureau of Labor Statistics

Source 2: Berrien Co Housing Needs Assessment



Berrien Survey 2025

5,077

Total Rental Units Surveyed

32 (0.6%)

Total Units Vacant

What does “affordable” mean?

The term “affordable” is relative to a household’s income. Generally, the rule of thumb is that housing options should be available which cost no more than 30% of a household’s gross income.

A single adult earning \$50,000/yr, can afford a monthly payment of not more than \$1,250.

$$\$50,000 \times .30 = \$15,000$$

$$\$15,000 / 12 \text{ mo} = \$1,250 / \text{mo}$$

Housing + Transit Index

Average cost of car ownership in the US has risen to \$12,182/yr (\$1,015/mo).

Berrien Annual Transportation Costs

\$15,555

Autos Per Household

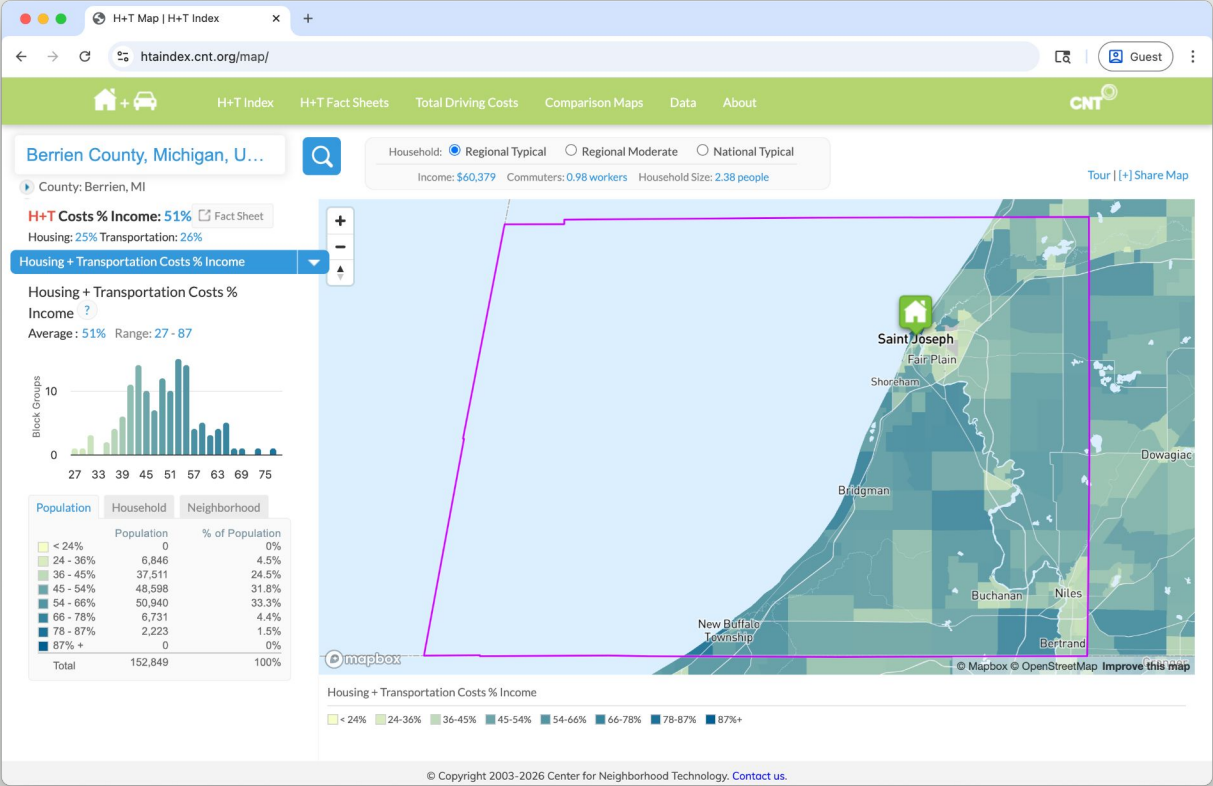
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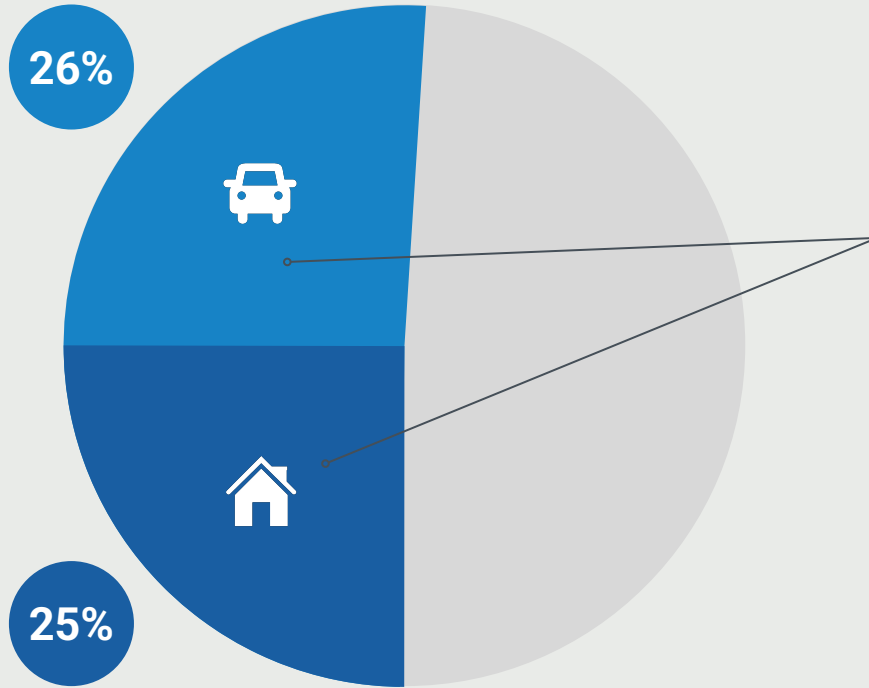
Average Household VMT

20,788

Source 1: htaindex.cnt.org

Source 2: [2023 AAA Study](#)





BERRIEN COUNTY

51% of every household dollar goes toward either Housing (25%) or Transportation (26%).

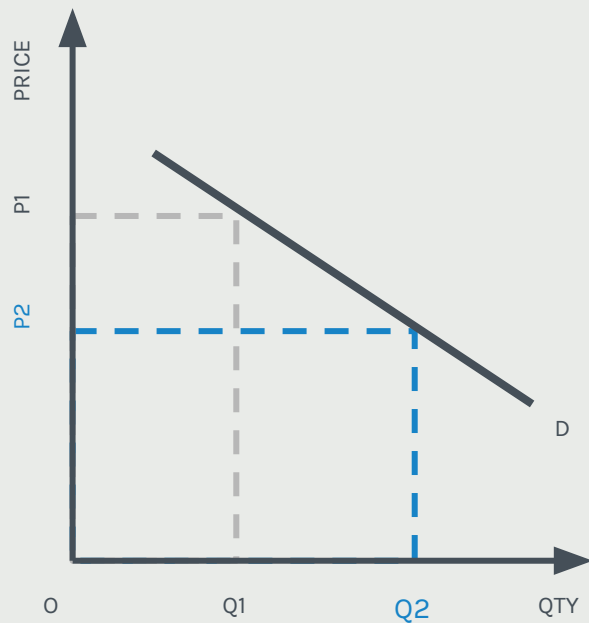
Source: <https://htaindex.cnt.org>

How does lack of housing supply impact the price?

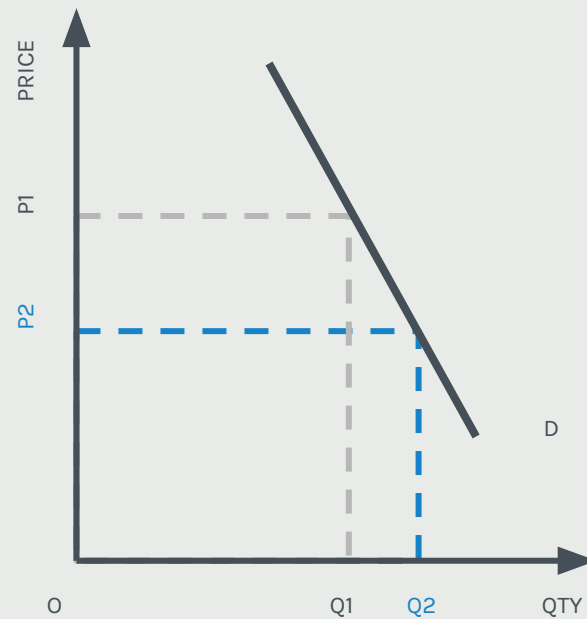
How does market rate housing impact affordability for low-income residents?

Supply & Demand Model

Elastic Pricing



Inelastic Pricing



Multi-family vacancy rates are 0% - 1.2% in Berrien County

Only 1 qualified housing project surveyed in Districts 5&6 (48 units total)

Surveyed Multifamily Rental Housing – Berrien County, Michigan					
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate	Vacancy Rate
Market-Rate	26	2,480	30	98.8%	1.2%
Market-Rate/Tax Credit	1	256	2	99.2%	0.8%
Market-Rate/Government-Subsidized	2	201	0	100.0%	0.0%
Tax Credit	5	405	0	100.0%	0.0%
Tax Credit/Government-Subsidized	7	808	0	100.0%	0.0%
Market-Rate/Tax Credit/Government-Subsidized	1	100	0	100.0%	0.0%
Government-Subsidized	9	827	0	100.0%	0.0%
Total	51	5,077	32	99.4%	0.6%

Source: Bowen National Research

Berrien Housing Needs: **Rental**

2025-2030

Price Points

Additional Rental Homes Needed

\$1,090/mo or less

734

\$1,091 - \$1,744/mo

727

\$1,745 - \$2,616/mo

382

\$2,617/mo or more

357

Total

2,208

Threats to Low & Moderate Income Households

Upward Economic Filtering

When there are too few homes and apartments available for everyone, local residents with the most money to spend are able to out-compete against everyone else. The greater the scarcity of housing, the more this competition will drive rents and home prices up.

National data from HUD USER: Impacts of Filtering and Rent Control



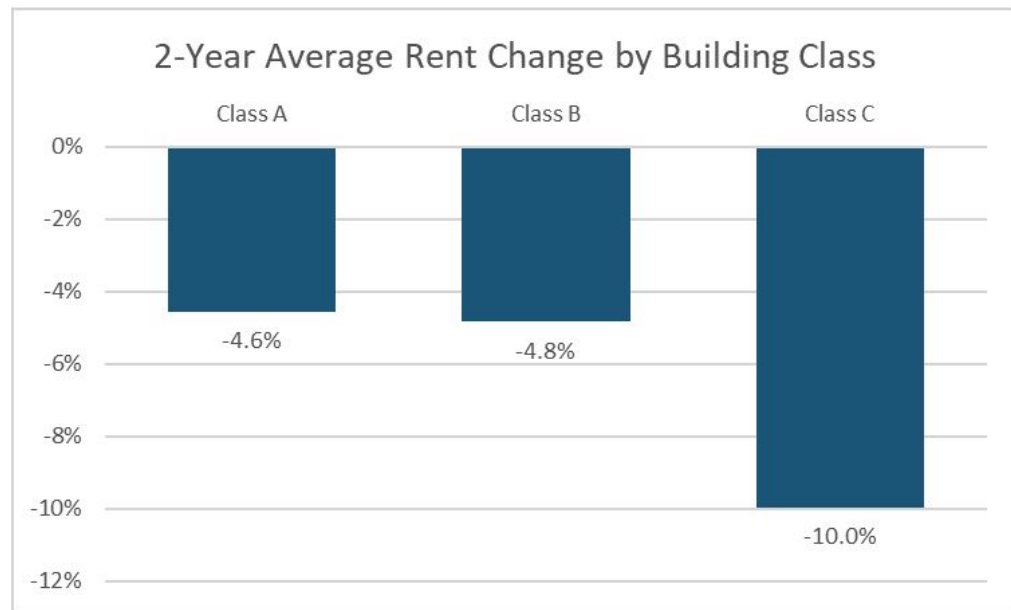
Adding new market-rate housing creates a direct impact on affordability among older, existing housing options.

	Pre-1970 Product			
	Renter		Owner	
	Number	Percent	Number	Percent
District 1	839	48.8%	2,941	53.7%
District 2	2,914	60.6%	3,694	74.7%
District 3	1,981	49.6%	7,139	50.7%
District 4	782	37.3%	2,785	46.1%
District 5	357	50.8%	1,991	56.5%
District 6	161	64.1%	604	56.4%
District 7	434	37.9%	3,024	58.5%
District 8	1,663	63.6%	4,379	73.0%
Berrien County	9,132	51.6%	26,556	57.2%
Michigan	490,022	44.8%	1,394,299	47.3%

Source: American Community Survey 2019-2023; ESRI; Bowen

Rent Declines By Building Class and Age

The rent impact of new housing supply varies significantly by building class, with lower-quality, more affordable buildings seeing the largest rent declines.

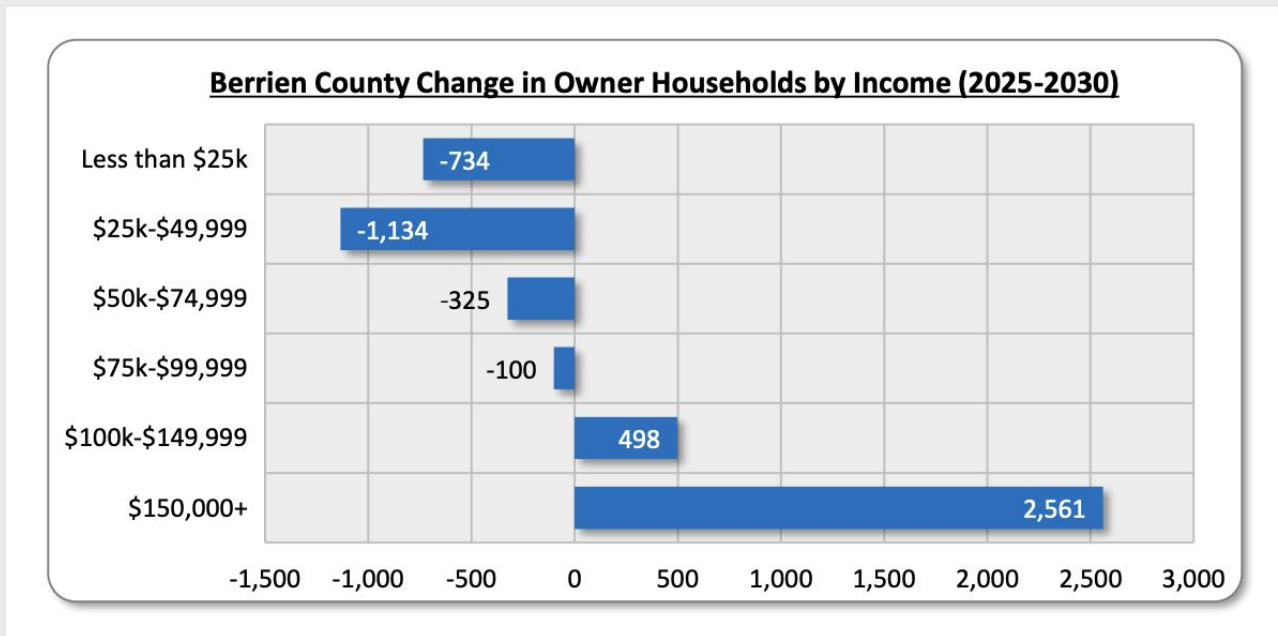


Berrien Housing Needs: For Sale

2025-2030

Price Points	Additional For Sale Homes Needed
Below \$145,333	0
\$145,334 - \$232,533	500
\$232,534 - \$348,800	1,982
\$348,801 or more	1,654
Total	4,136

Dramatic shifts in homebuyer incomes will continue to shift the housing landscape.



Seasonal Demand & Short-Term Rentals

How second homes and vacation rentals shape housing availability in New Buffalo Township

54% of township homes have no year-round household

2,634

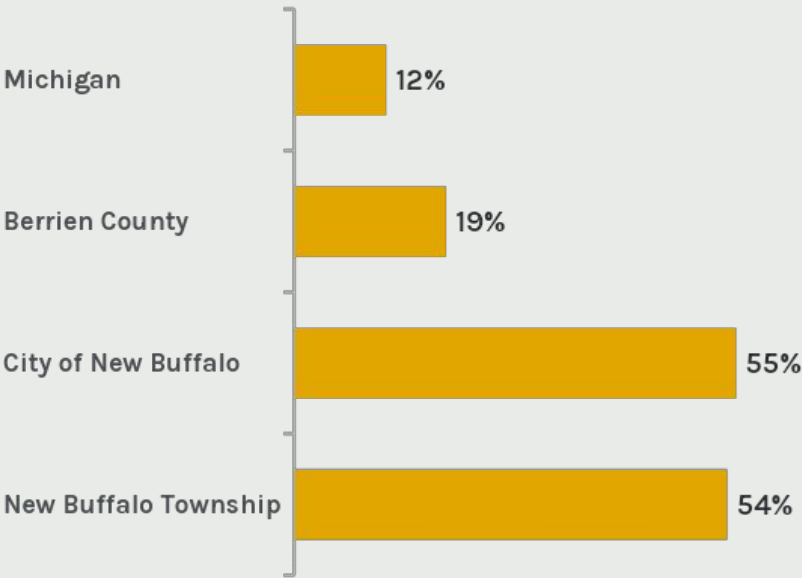
Total housing units

1,207

Year-round households

1,427 homes in New Buffalo Township are second homes, vacation rentals, or otherwise without a full-time household. Countywide, the share is less than one in five.

Share of homes without a year-round household

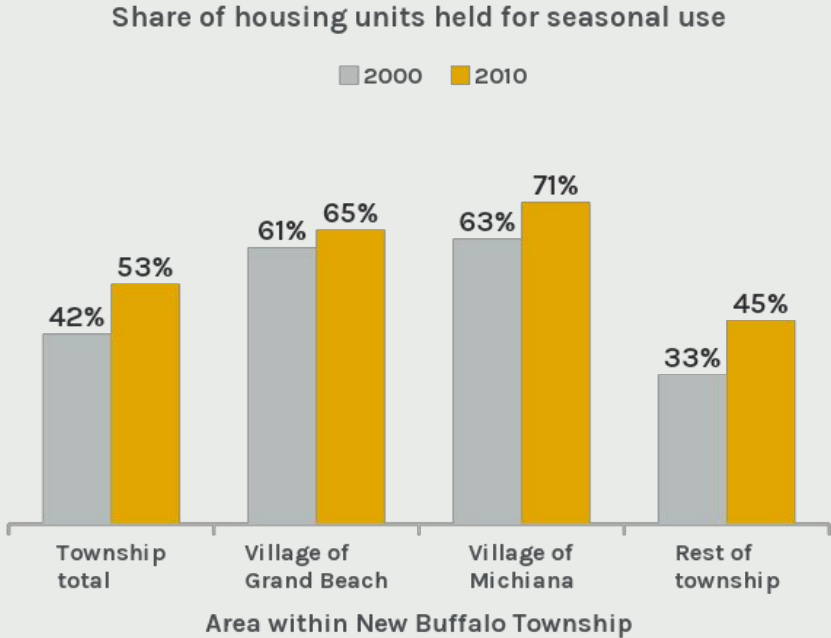


Housing units minus occupied households. Source: U.S. Census Bureau, American Community Survey 2020-2024 5-year estimates (township, city); 2024 1-year estimates (Berrien County, Michigan).

Homes grew 23% since 2000; population stayed flat

	2000	2020-2024	Change
Housing units	2,139	2,634	+23%
Year-round residents	2,468	2,476	+0.3%

From 2000 to 2010, the township added 395 seasonal units. That exceeds the 339 total units built, because about 15 year-round homes also converted to seasonal use.



Sources: U.S. Census 2000 and 2010, as reported in the New Buffalo Township Community Master Plan (2019); U.S. Census Bureau, ACS 2020-2024 5-year estimates.

Home values are nearly three times the county median

	Median home value	Median household income	Value to income
New Buffalo Township	\$618,200	\$92,188	6.7x
City of New Buffalo	\$391,200	\$64,702	6.0x
Berrien County	\$224,300	\$65,425	3.4x
Michigan	\$231,600	\$72,875	3.2x

A value-to-income ratio near 3x is typical of Berrien County and Michigan. At 6.7x, local incomes alone cannot support township home prices.

\$623,859

Median sale price, ZIP 49117 (June 2026)

\$200,000+

Typical income reported by second-home owners, most with a primary home in Illinois

Sources: U.S. Census Bureau, ACS 2020-2024 5-year estimates; Redfin ZIP 49117 housing market data (June 2026); New Buffalo Township Community Master Plan second-homeowner survey (2019).

Elementary School Teacher in New Buffalo Township

Annual Mean Income

\$64,080

“Housing Secure” Budget

\$1,602/mo

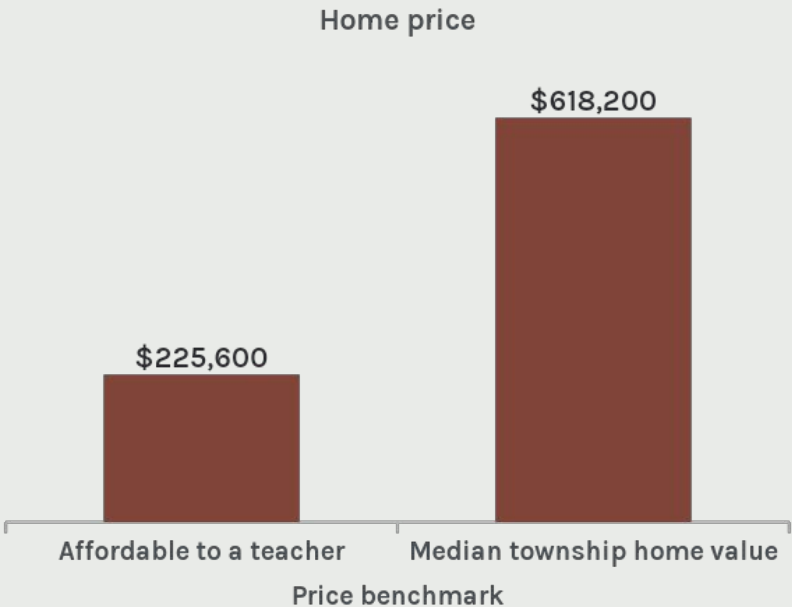
Median Home Value, Township

\$618,200

Estimated Monthly Payment

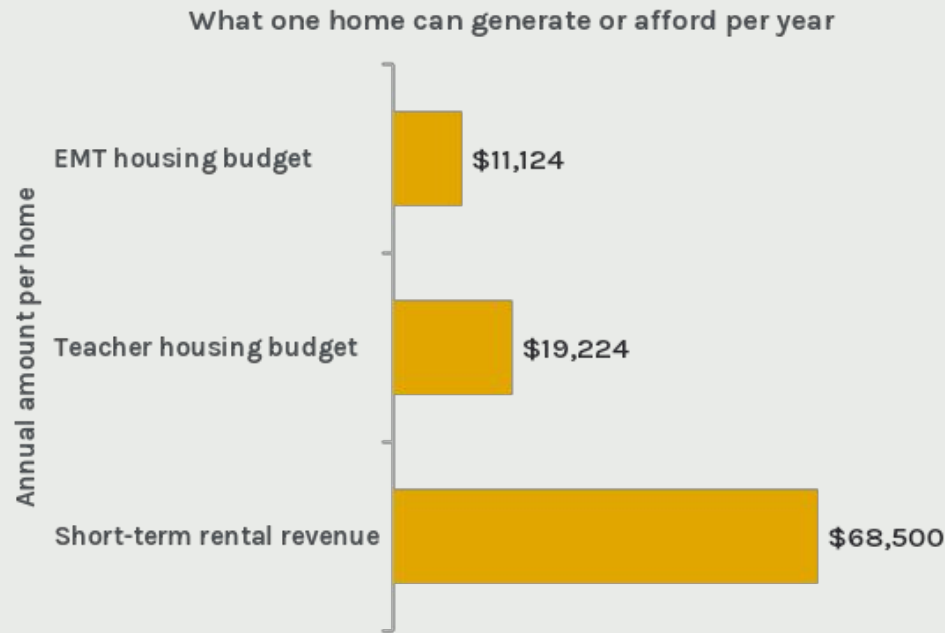
\$4,390/mo

A teacher’s budget supports a home of about **\$225,600**.
Buying the median township home requires a household income of about **\$175,600**.



Southern Michigan Nonmetropolitan Area. Payment scaled from the Berrien County example (10% down, 6.5% interest). Sources: US Bureau of Labor Statistics; ACS 2020-2024 5-year estimates; Berrien Co Housing Needs Assessment.

A short-term rental earns more than local workers can pay



1,052

Active short-term rental listings in the New Buffalo market

\$571

Average nightly rate paid by guests

47%

Share of nights booked over the year

\$652

Summer nightly rate, compared with \$455 in the low season

Trailing 12 months through August 2026. Budgets are 12 months of the “Housing Secure” figures for a teacher (\$1,602/mo) and EMT (\$927/mo). Sources: AirDNA; AirROI (seasonal rates, Airbnb listings); US Bureau of Labor Statistics.

Why isn't there
enough housing today?

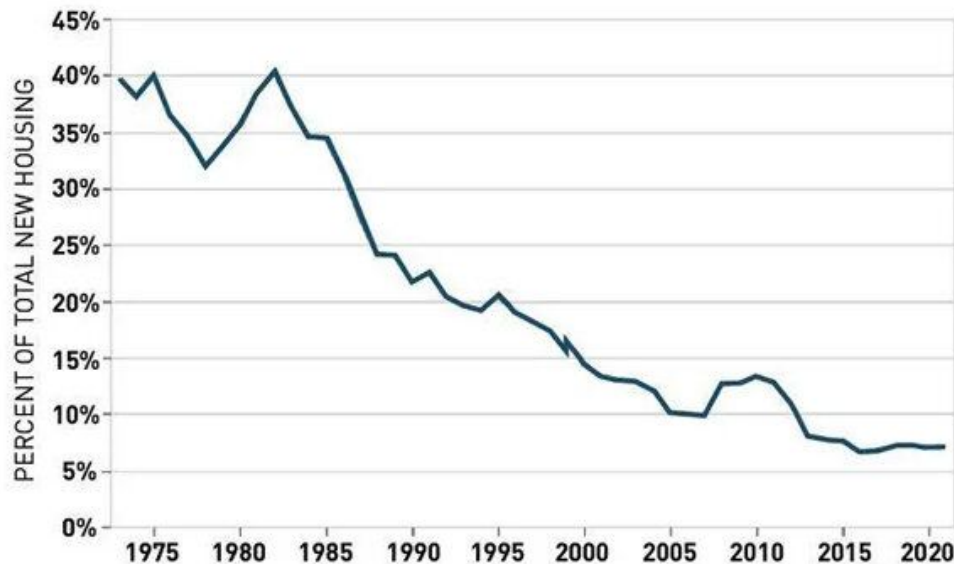
Doesn't the market
decide what gets built?

Starter homes have fallen from 40% of new construction to less than 10%

SUPPLY: SMALL HOME CONSTRUCTION



DECLINE OF SMALLER/ STARTER HOME CONSTRUCTION, 1973-2021

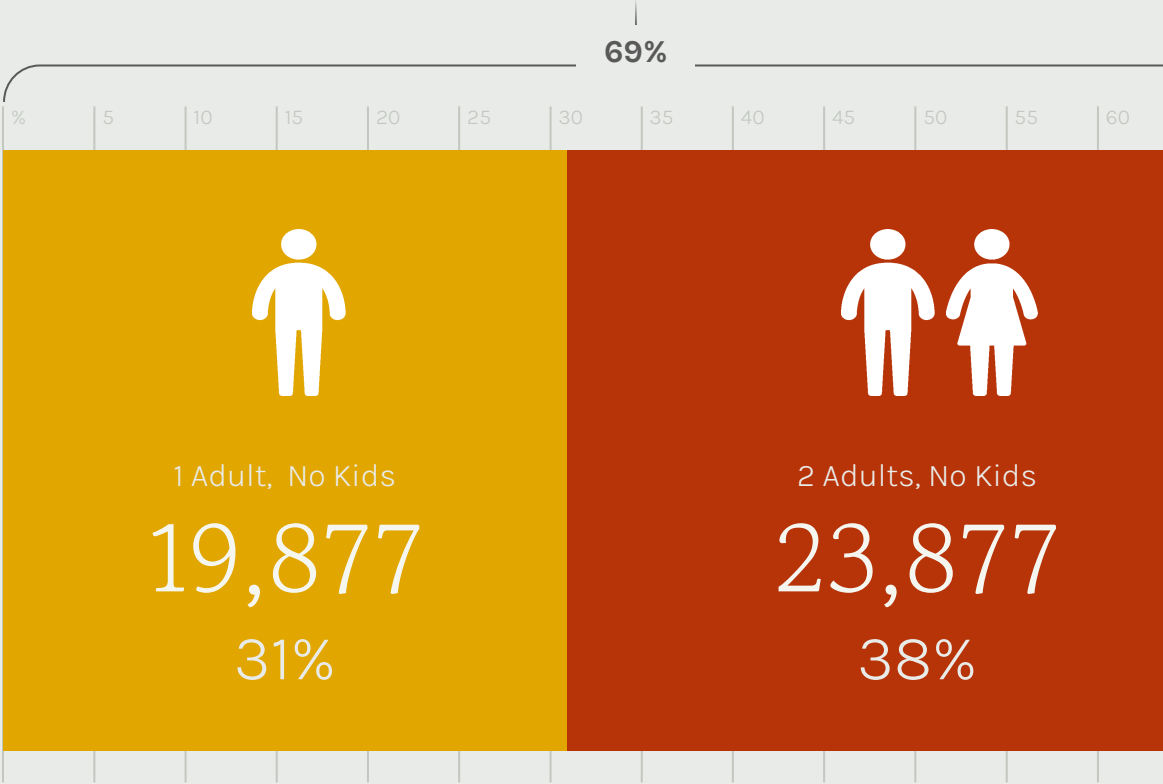


DATA SOURCE: Characteristics of New Housing - U.S. Census

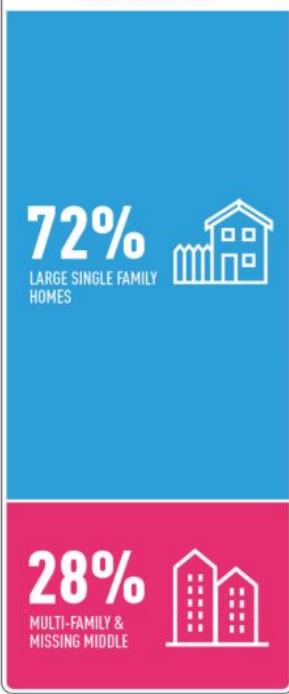
**NOTE: SMALLER HOMES REFERS TO
HOMES LESS THAN 1,400 SF**

Shifting Household Demographics

Berrien County

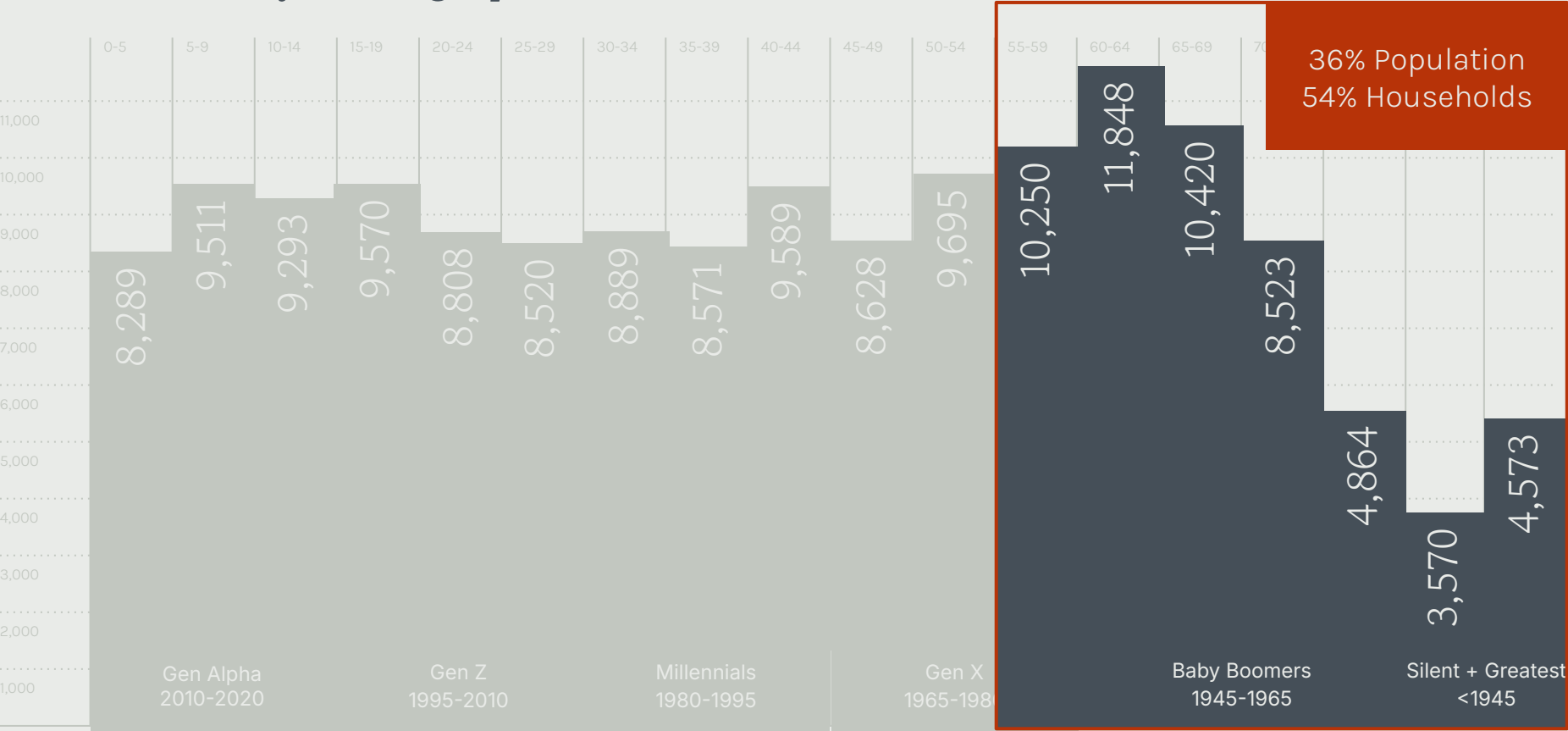


AMERICA'S HOUSING TYPES BY THE NUMBERS



BUT
72%
OF AMERICAN
HOUSING UNITS
CATER TO
TRADITIONAL
NUCLEAR
FAMILIES

Berrien County Demographic Distribution



Seniors (55+) are 36% of the population and make up 54% of “households.” This means there is a higher percentage of seniors living alone, while younger people are in multi-person households



What does housing cost to build today?

How does that compare to what people can afford? How much subsidy is needed for everyone who needs housing?

Avg Cost

\$250/sqft

Avg Cost

\$250/sqft

Construction \$375,000

Avg Cost	\$250/sqft
----------	------------

Construction	\$375,000
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Land	\$40,000
------	----------

Avg Cost	\$250/sqft
----------	------------

Construction	\$375,000
--------------	-----------

Land	\$40,000
------	----------

Total	\$415,000
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Construction Costs: \$210-250 avg/sqft

	Rent	Own
	800 sqft apartment	1,500 sqft home
Cost to Build	\$170,000	\$415,000
Payment	\$1,558/mo LEASE	\$3,180/mo MORTGAGES & TAXES
Desired	\$900/mo	\$1,200/mo
Subsidy	\$130,000 up front	\$290,000 up front

Construction Costs: \$210-250 avg/sqft

	Rent	Own
	800 sqft apartment	1,500 sq ft home
Cost to Build	\$200,000	\$415,000
Payment	\$1,558/mo LEASE	\$3,180/mo MORTGAGES & TAXES
Desired	\$900/mo	\$1,200/mo
Subsidy	\$130,000 up front	\$290,000 up front

Berrien County

6,019 households

Renters + homeowners currently in Berrien County are spending more than 50% of their income on rent/mortgage

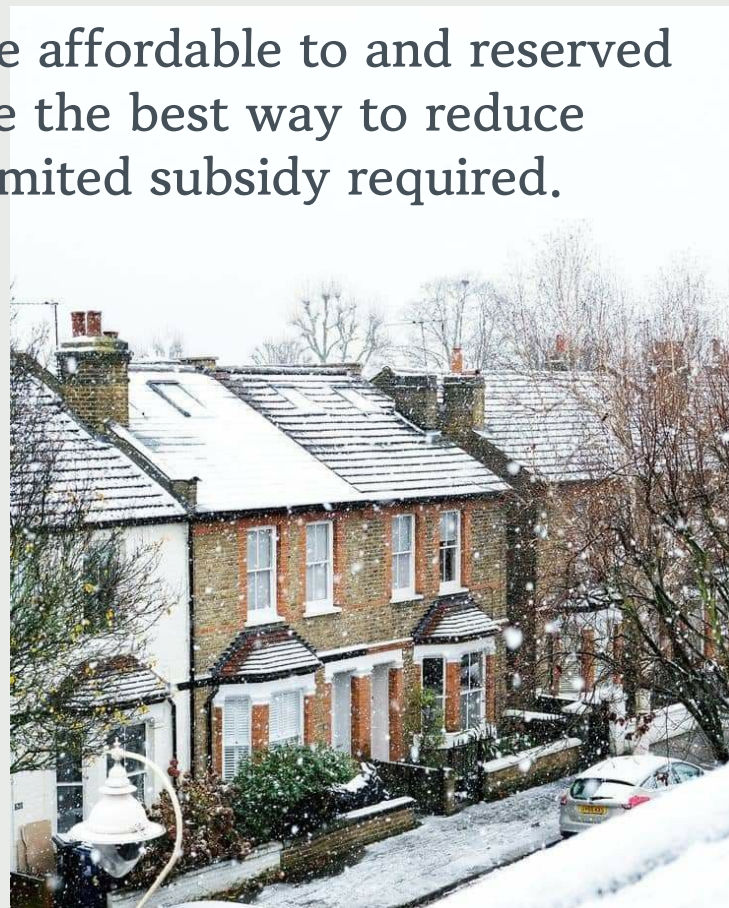
\$1.1B

Subsidy required to support all severely cost-burdened households if pursuing new construction.

If we can't afford to
subsidize costs for
everyone in need...

Let's do what we can to
reduce housing costs
wherever possible.

New homeownership opportunities that are affordable to and reserved for year-round, middle-income families are the best way to reduce costs across the housing ecosystem with limited subsidy required.



10 Minutes

3:30

Q&A

Break

Annual Income	Monthly Housing Budget	Market Implications
\$25,000	\$600 rent	Large subsidy needed in all markets
\$50,000	\$1,250 rent	Moderate subsidy + flexible zoning <i>or</i> older housing without subsidy
\$75,000	\$220k mortgage \$1,875 payment	Flexible zoning + tax incentive
\$100,000	\$350k mortgage \$2,500 payment	Viable in most markets with moderately flexible zoning

Solving the Problem

1

A regulatory environment that supports greater housing choice in the market

2

Development incentives that allow some new housing to be available and affordable to the local workforce or seniors aging in their neighborhoods

3

Impact capital to fill financing gaps

Basic Costs of Development

...and ways local governments can influence costs



Land

10-25%

Max Density Standard
Min Lot Width/Depth
Min Setbacks
Min Greenspace



Construction

60-75%

Use Restrictions
Min Floor Area
Parking Requirements
Building Code Reform
Utility Connection Fees



Design

3-10%

Form-based standards
Material Requirements
Energy Efficiency
Requirements



Permitting +
Professional Fees

2-20%

Special Land Use
PUD
Planning Commission
Review
Zoning Board of Appeals



Financing

10-20%

Appraisals & Comps
Time to approval
Time to inspection &
certificate of occupancy

Land Costs Inform Construction Costs

If land is $x...$



Total cost is likely $5x$



New Infrastructure Costs

COST PER FOOT

INFRASTRUCTURE

\$450 Water Line

\$350 Storm

\$500 Sewer

\$330 Public Road

\$1,550 Total

\$120,900 Per 80 ft

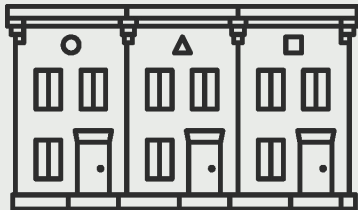
83 YEARS



With a tax bill of \$722 each, it would take over **83** years for one new single family home on each side of the street to pay off the cost of new infrastructure.

\$722 in tax

39 YEARS



With a tax bill of \$516, each, it would take **39** years for three new townhomes on each side of the street to pay off the cost of new infrastructure.

\$1,548 in tax

Spread Out Development

\$3,462/du

	Parks & Recreation	\$129
	Solid Waste	\$185
	Fire Department	\$406
	Governance	\$297
	Police	\$360
	Transportation	\$171
	Libraries	\$72
	School Bussing	\$87
	Culture / Economy	\$36
	Roads, Sidewalks, Curbs	\$474
	Storm & Waste Water	\$613
	Water	\$197

Compact Development

\$1,416/du

	Parks & Recreation	\$69
	Solid Waste	\$185
	Fire Department	\$177
	Governance	\$158
	Police	\$192
	Transportation	\$91
	Libraries	\$38
	School Bussing	\$13
	Culture / Economy	\$19
	Roads, Sidewalks, Curbs	\$53
	Storm & Waste Water	\$147
	Water	\$42

Implications on 18 Acres



Single Family
Only



Single Family +
Townhomes +
Condos/Apartments

Typical Zoning

38 new homes (2.1 homes/acre)

Avg price = \$425,000

Lowest price = \$350,000

New Taxable Value = \$8,075,000

New public school students = 16

2,018 sq ft road per dwelling unit

Mixed Housing Types

146 new homes (8.1 homes/acre)

Avg price = \$325,000

Lowest price = \$185,000

New Taxable Value = \$23,726,000

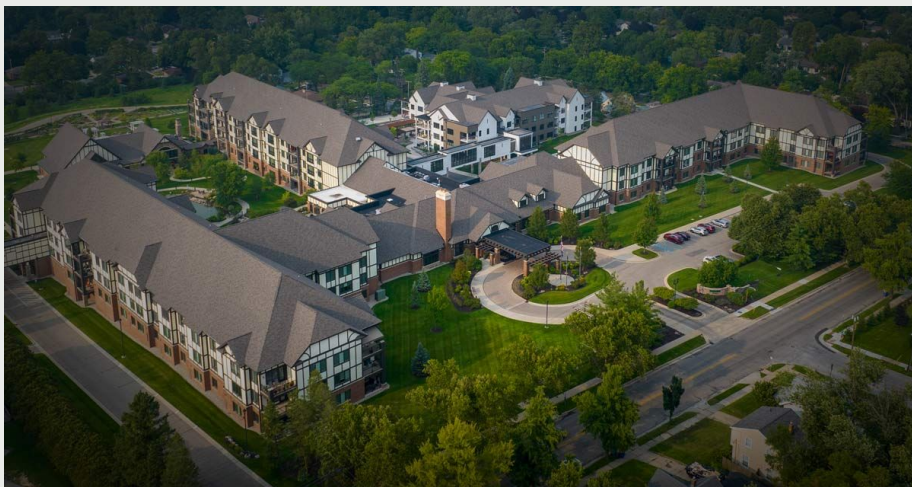
New public school students = 35

634 sq ft road per dwelling unit



Demand for Active Adult (55+) living far outstrips current supply

Beacon Hill at Eastgate investing \$160,000,000 in their Grand Rapids Campus. Additional major investments by Porter Hills, Holland Home, and others.



40 homes per acre

Ample shared green space

Taxable Value = \$2,100,000 per acre



5 homes per acre

Ample green space

Taxable Value = \$807,000 per acre

1,160 ft of frontage

SEV = \$25,748/ft

1447 1444 1441 1447 1453 1453 1953

STRATHMOOR

EVERGREEN

1501 1507 1515 1517 1519

CONNELL

1919

1800

1,160 ft of frontage

SEV = \$25,748/ft

1447 1444 1441 1447 1453 1453 1953

STRATHMOOR

EVERGREEN

1501 1507 1515 1517 1519

CONNELL

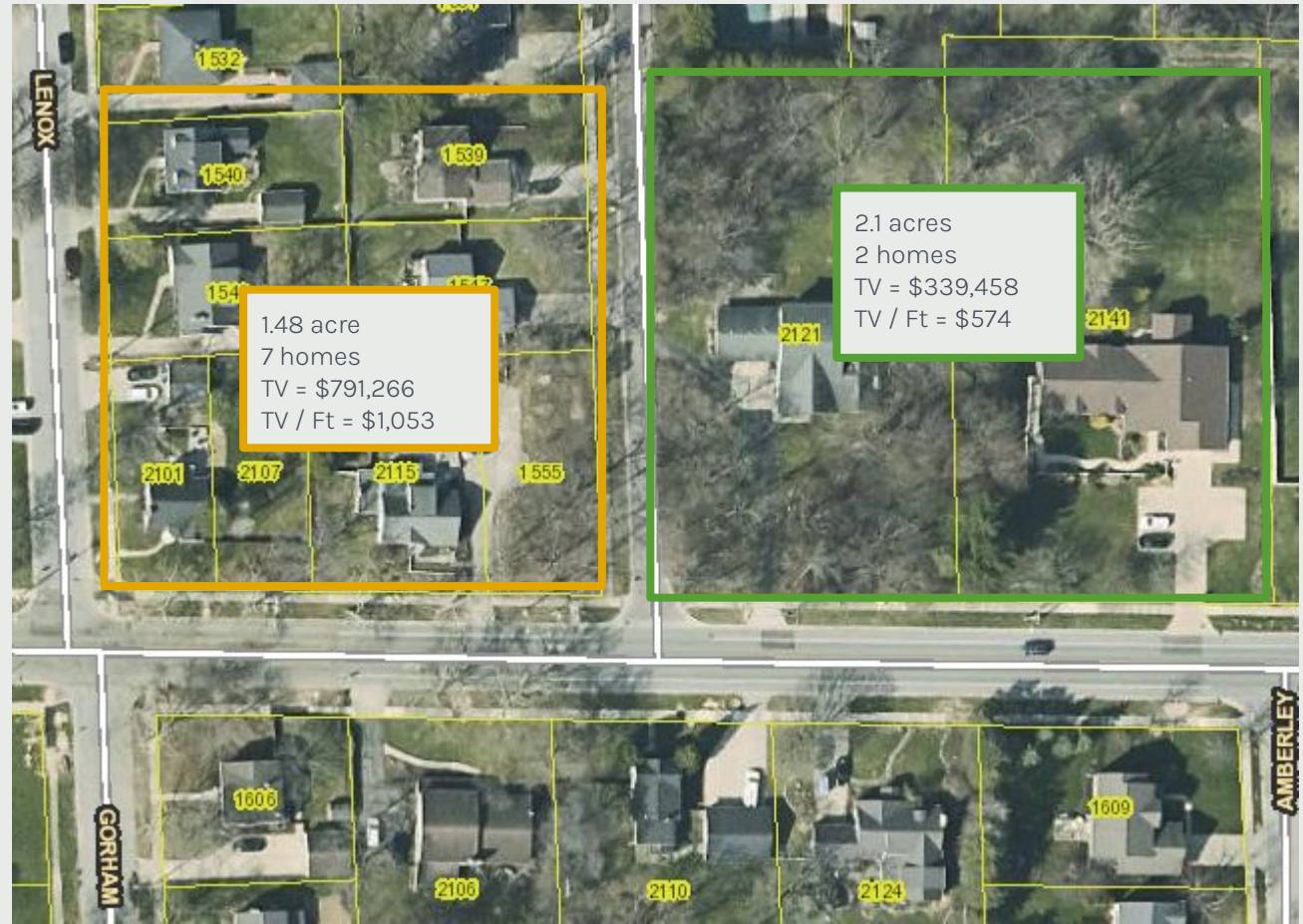
1919

1800

Large Lot

VS

Moderate Size Lot



Small Lot House

Traditional detached single family homes can be built on small lots and provide greater options for first-time homeowners, downsizers, and smaller households.

These lots can be subdivided from existing lots with adequate green space and frontage.



LOCATION

Nearly every neighborhood has at least a handful of larger lots that could be subdivided if permitted.

FORM FACTOR

Traditional detached single family homes can be built on small lots if properly designed for their surroundings.

MARKETS

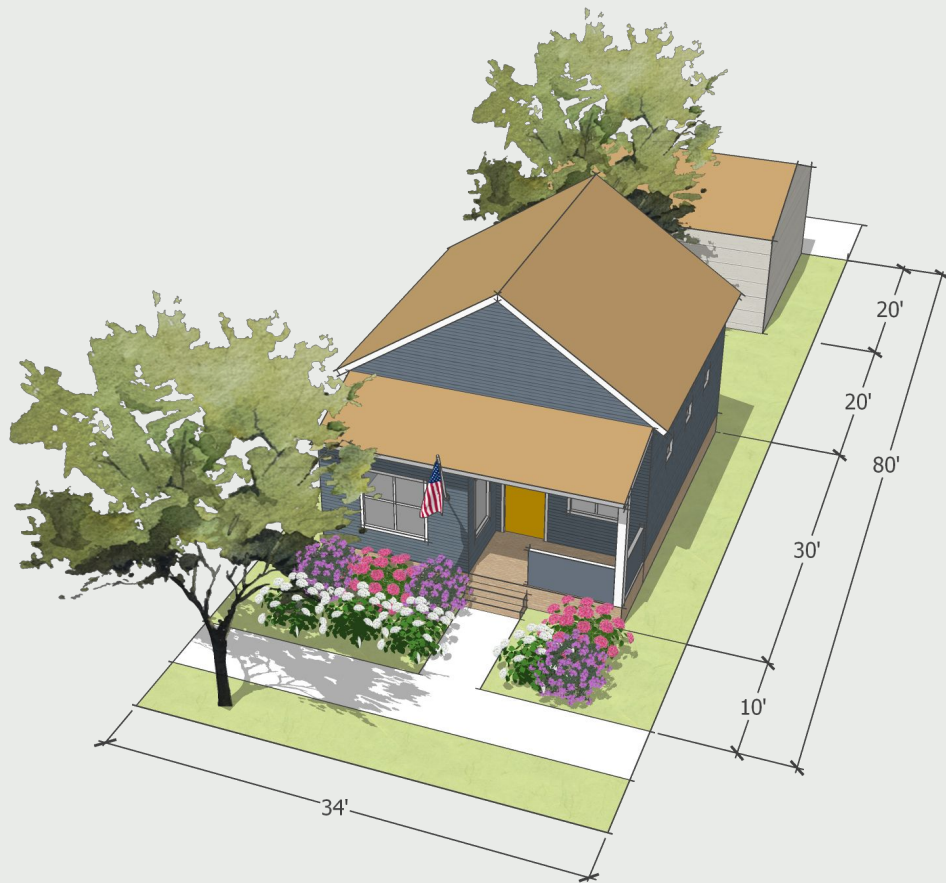
First-time homeowners
Downsizers
Smaller households

Small Lot Homes

Small Lot Homes can provide an excellent option for singles and small families who want to be near friends and family.

Key takeaway: Single family homes can easily be built on lots as small as 30' x 60'. Don't over regulate on lot size if this is a desirable housing type.

Cost to Build Per Home	\$225,000 - \$350,000
Lot Size	1,500 - 3,200 sq ft
Lot Width	24 - 40 ft
Homes/Lot	1
Greenspace	15%
Avg Home Size	600 - 1,600 sq ft
Density	12 - 25 units per acre



Small Lots in Action

This neighborhood illustrates a classic example of a traditional single family neighborhood where one parcel has been subdivided into three smaller parcels (lower right corner of the aerial image).

The standard parcel size in this neighborhood was 50' x 132'. Yet, long ago, one parcel was subdivided to create two narrow parcels that are 25' x 87' and a third parcel that is 45' x 50'.

The homes on the smaller parcels are not noticeably different from any of the homes in the neighborhood. However, they are a little smaller and they have less yard area to maintain.

The image in the upper right shows that the homes on smaller lots fit well into the context of the neighborhood. Other than the smaller lot, there is no discernible difference between the houses. Yet, the homes on smaller lots tend to cost 25% less than those on larger lots. This is a very simple hack to reduce the cost of housing while still maintaining a high standard of quality and neighborhood cohesion.



Local government
sets the foundation
for development

Zoning alone does not automatically make housing affordable. In many instances some form of subsidy, tax incentive, or impact investment will also be required.

But... without reasonable zoning standards, the amount of subsidy required to ensure housing is affordable to the local workforce is unsustainable.



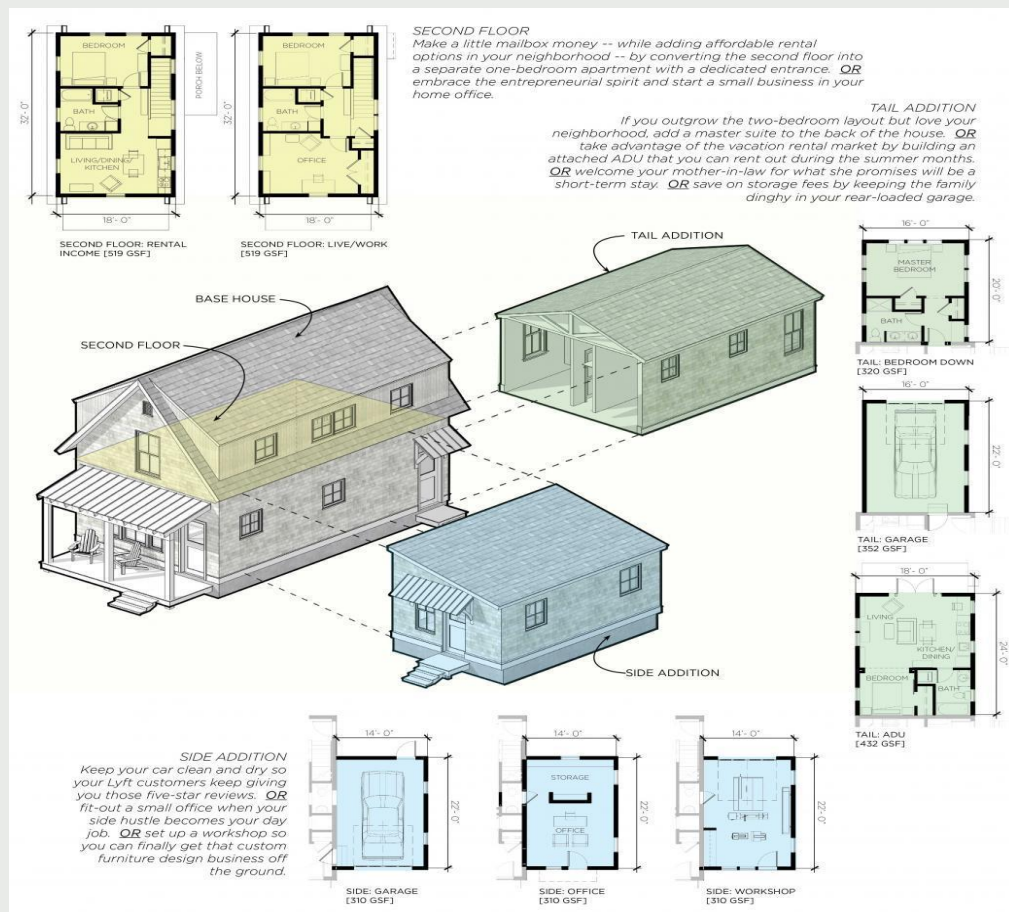
Use density strategically to fill in the gaps where infrastructure already exists.

Create strong places where people want to be - with targeted street and recreational improvements.



Adaptation of existing structures is the most cost-effective way of achieving more housing choice.

This can be done with clear design standards to ensure compatibility with surrounding structures



Location, Location, Location.

Density does not determine property values. Demand does.

Land values and neighborhood amenities play a major role in housing affordability. Where there is a lot of demand, land is more expensive. This makes housing more expensive.

Demand can change from one street to the next, depending on amenities, safety, and recent investments.

in other words...

Proximity. Proximity. Proximity.



Higher density neighborhoods should always be paired with strong access to place-based amenities like schools, libraries, shops, restaurants, parks, playgrounds and employment opportunities.



Density in isolation does not add value. Amenities are what make density enjoyable. Demand can change from one street to the next, depending on amenities, safety, and recent investments.

Guiding Principles



Options for Everyone

Build a diversity of housing types at all price points to create real choices in the market for every individual and family and at every stage of life.



Smart Investments

Establish financially sustainable patterns of development for long-term growth and prosperity.



Meaningful Green Spaces

Well planned neighborhood parks, pocket parks, and regional trails are great ways to connect people to nature and reduce land costs for housing.



Vibrant Places

Supporting a vibrant community with a high quality of life for every resident of Kent County.



Locally Driven

Key decisions are made by local leaders. Regional context is important and local priorities are paramount.



Shared Responsibility

Success requires collaboration across public, private, and nonprofit partners.

Neighborhood Types



Town Center

- Densities of 40+ units per acre.
- Buildings are 3-6 stories in height.
- Retail, restaurants and offices where viable
- Room for small infill lots & large mixed-use complexes
- Adjacent to transit,
- Within 5 minutes to a large public park.
- Centralized parking structure where viable
- Streets are 35 mph or less.



Village Residential

- Densities of 20 - 30 units per acre.
- Buildings are mostly 2-3 stories
- Walkable neighborhoods
- Small lots with on-street and rear-loaded parking. Very few large developments.
- Close to parks and transit service
- Very little green space on private property.



Missing Middle

- Densities of 12 - 25 units per acre.
- Buildings are 2 ½ stories or less
- Small lots with on-street and rear-loaded parking
- Small private yards & smaller pocket parks for the public



Small Lot Single Family

- Densities of 8 - 16 units per acre.
- Small lots with on-street and rear-loaded parking
- Common green spaces and individual yards
- Slow streets - 15 - 20 mph max

Targeting Areas for Growth

Focus investment in a relatively small radius where amenities are available and incentives can be targeted.

Work toward creating attractive and vibrant neighborhoods with a mix of both owner-occupied and renter housing as well as the services and amenities everyone is seeking.



Phase 1: New community gardens on empty lots.



Phase 2: New infill building and established community gardens.



Final Phase: Blocks are completed with new buildings that provide a space for the uses missing in the neighborhood (i.e. day-care centers).

Corridor Planning & Placemaking





56% of Millennial/GenX and 46% of Baby Boomers express strong preference for walkable neighborhoods & less maintenance when looking for a home.

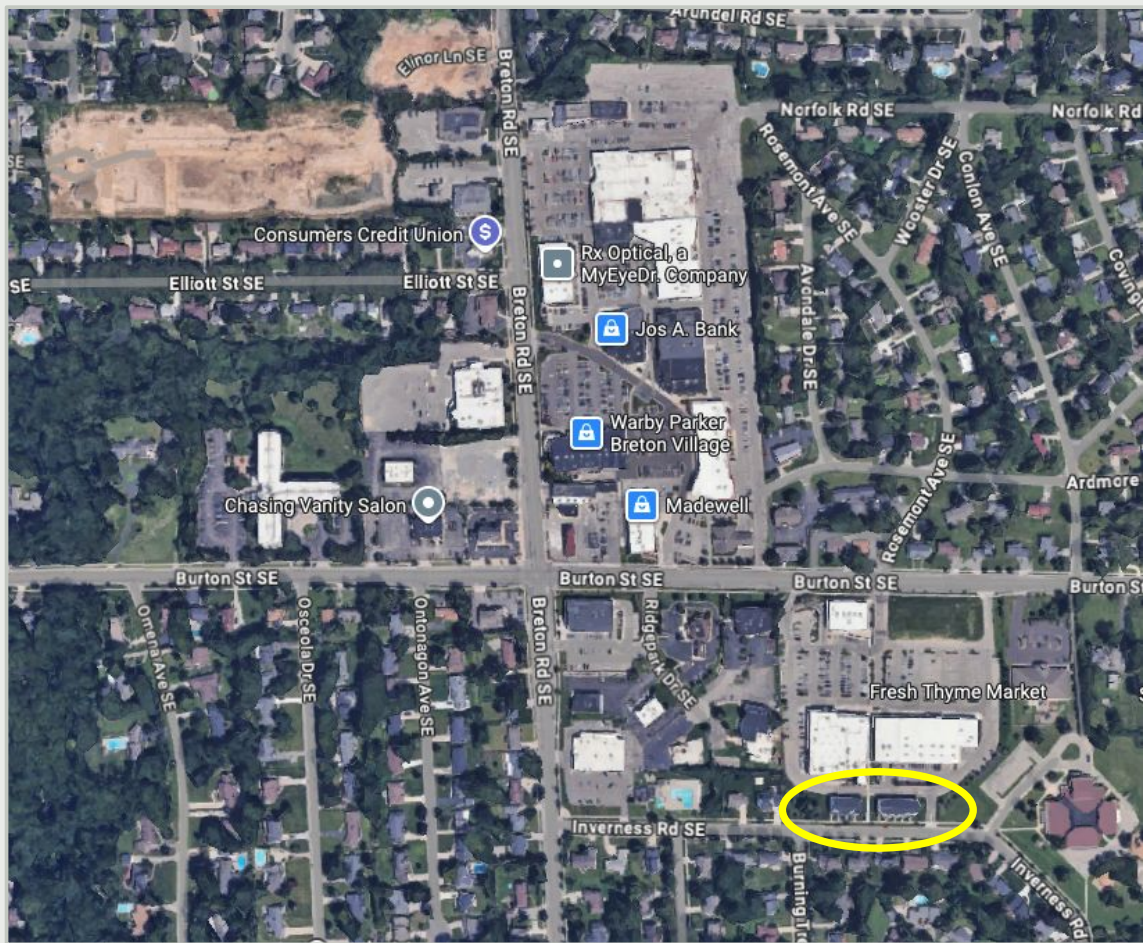
National Association of Realtors

Mobility Choices to Enhance Neighborhood Amenities



Townhomes of Breton Village

Vicinity map showing
adjacency to Breton Village
Shopping Center





Townhomes of Breton Village

- Infill On Tiny Parcel of Land Behind Shopping Center
- Just “Off” Major Commercial Intersection
- 9 For Sale Townhome-Style Condos





Townhomes of Breton Village

All Homes Sold Immediately



City of Parchment

Mosel Ave + Riverview Dr.

This intersection currently holds a post office, Dollar General, and Save-a-Lot. It sits on the eastern bank of the Kalamazoo River and adjacent to an access point to the Kalamazoo River Valley Trail.

The 10+ acre site currently has a total taxable value of just over \$600,000 and does not provide any opportunities for housing on site.



Acres

4

Households

0

Taxable Value

\$619,316

City of Parchment

Mosel Ave + Riverview Dr.

This block could be reimagined as a new village center featuring a cozy retail and restaurant corridor where inviting storefronts, outdoor seating, and community favorites like bakeries and cafés create a welcoming destination. With civic uses such as a post office or library bringing daily foot traffic, and charming apartments and townhomes would be great for nearby teachers. This village hub would become a highly desirable place to live, gather, and enjoy community life.



WEISLER

Acres

4

Households

105

Taxable Value

\$14.7 million

City of Parchment

Mosel Ave + Riverview Dr.



Uses	Mostly Parking, Some Shopping	Small Town Downtown
Households	0 households	105 households
Taxable Value	\$619,000	\$14,700,000
Annual County Tax <i>9.1963 mills</i>	\$5,695 / yr	\$135,186 / yr
Annual Village Tax <i>17.8903 mills</i>	\$11,080 / yr	\$262,987 / yr
Infrastructure Cost (Road & Sewer)	\$40,437 / yr	\$40,437 / yr
Tax / Infrastructure Ratio	41%	1,562%

Neighborhood Infill



Uses	Wooded Lots	Cottage Court
Households	0 households	17 households
Taxable Value	\$36,096	\$2,650,000
Annual County Tax 9.1963 mills	\$332 / yr	\$24,370 / yr
Annual City Tax 12.6306 mills	\$456 / yr	\$33,471 / yr
Infrastructure Cost (Road & Sewer)	\$3,653 / yr	\$3,653 / yr
Tax / Infrastructure Ratio	21.5%	2,512%

15 Buildings

1.72 Acres - Avg Lot Size = 3,200 sq ft



18 Townhomes

1.23 Acres



How seasonal demand reduces attainable housing

1

Outside demand

Second-home buyers, most with a primary home in Illinois and incomes above \$200,000, compete for the same homes as local households.

2

Conversion

Year-round homes shift to seasonal use or short-term rental. In 2018, 136 to 147 township rental listings were owned by non-residents, compared with 39 owner-occupied.

3

Price escalation

Values rise to 6.7 times the local median income. With 95% of homes single-family detached, few lower-cost options remain.

4

Workforce pushed out

Teachers, EMTs, and service workers live elsewhere and commute in. Countywide rental vacancy is 0.6%, leaving few nearby alternatives.

Sources: New Buffalo Township Community Master Plan (2019), including second-homeowner survey and 2017-2018 short-term rental sample; ACS 2020-2024 5-year estimates; Bowen National Research, Berrien County Housing Needs Assessment (2025).

Three tools to limit seasonal rentals and protect owner income

1

Principal residence standard

Short-term rental licenses are limited to an owner's primary home, plus one accessory unit.

Model community
Vancouver, BC

2

Neighborhood caps

Each residential district has a maximum share of homes that may hold a short-term rental license.

Model community
Saugatuck, MI

3

Paid conversion to year-round use

The community pays owners to lease to local workers or to record a local-occupancy deed restriction.

Model community
Truckee, CA and Vail, CO

Each tool leaves year-round owners able to earn rental income while reducing the share of homes operated as full-time vacation rentals.

Principal residence standard

How it works

- New short-term rental licenses are limited to the owner’s primary home, plus one accessory unit on the same lot.
- Owners may rent the whole home while they are away.
- Homes held only as investment rentals or second homes are not eligible for a new license.

Owner revenue. Every year-round resident keeps the ability to earn income from their own home. The standard limits growth in homes that are never occupied by a resident.

Sources: City of Vancouver; Province of British Columbia, Principal Residence Requirement; Wachsmuth and St-Hilaire (McGill University, University of Waterloo), analysis of Canadian census and listing data.

Model community

Vancouver, British Columbia

2018

City limits new short-term rentals to principal residences only

1.7%

Decline in rents one year after the rule took effect

British Columbia extended the standard province-wide in 2024 for communities above 10,000 residents.

Neighborhood caps on rental licenses

How it works

- The community sets a maximum share of homes in each residential district that may hold a short-term rental license.
- Existing licenses continue until the property sells.
Licenses do not transfer to a new owner.
- New licenses are issued only when a district falls below its cap.

Owner revenue. Current operators keep their income. The share of rentals declines gradually as properties change hands.

Model community

Saugatuck, Michigan

32%

Share of homes in six R-1 districts operating as short-term rentals in 2024

20%

Cap adopted in July 2024, with existing rentals grandfathered

Palm Springs, CA uses a similar 20% neighborhood cap and limits each permit to 26 bookings a year.

Sources: City of Saugatuck, as reported by FOX 17 (July 2024); City of Palm Springs Vacation Rental Ordinance, Chapter 5.25.

Paid conversion to year-round occupancy

How it works

- The community pays a one-time grant to owners who lease to local workers for five months or longer.
- The community can also purchase a permanent deed restriction requiring a local worker to occupy the home.
- Participation is voluntary. Rental license fees or lodging revenue can fund the program.

Owner revenue. Owners receive a cash payment and continue to earn rent from a year-round tenant. No existing rights are removed.

Model community

Truckee, CA and Vail, CO

200+

Truckee homes converted to long-term leases since 2020, housing 500+ residents

165

Vail units deed-restricted for local workers in four years, at 15-20% of market value

Truckee grants range from \$2,000 to \$18,000 per lease.

Sources: Town of Truckee, Lease to Locals; HUD USER, Vail InDEED case study (2021).

10 minutes

At Your Tables

Which year-round households are missing from New Buffalo Township today, and what would it take to house them here?

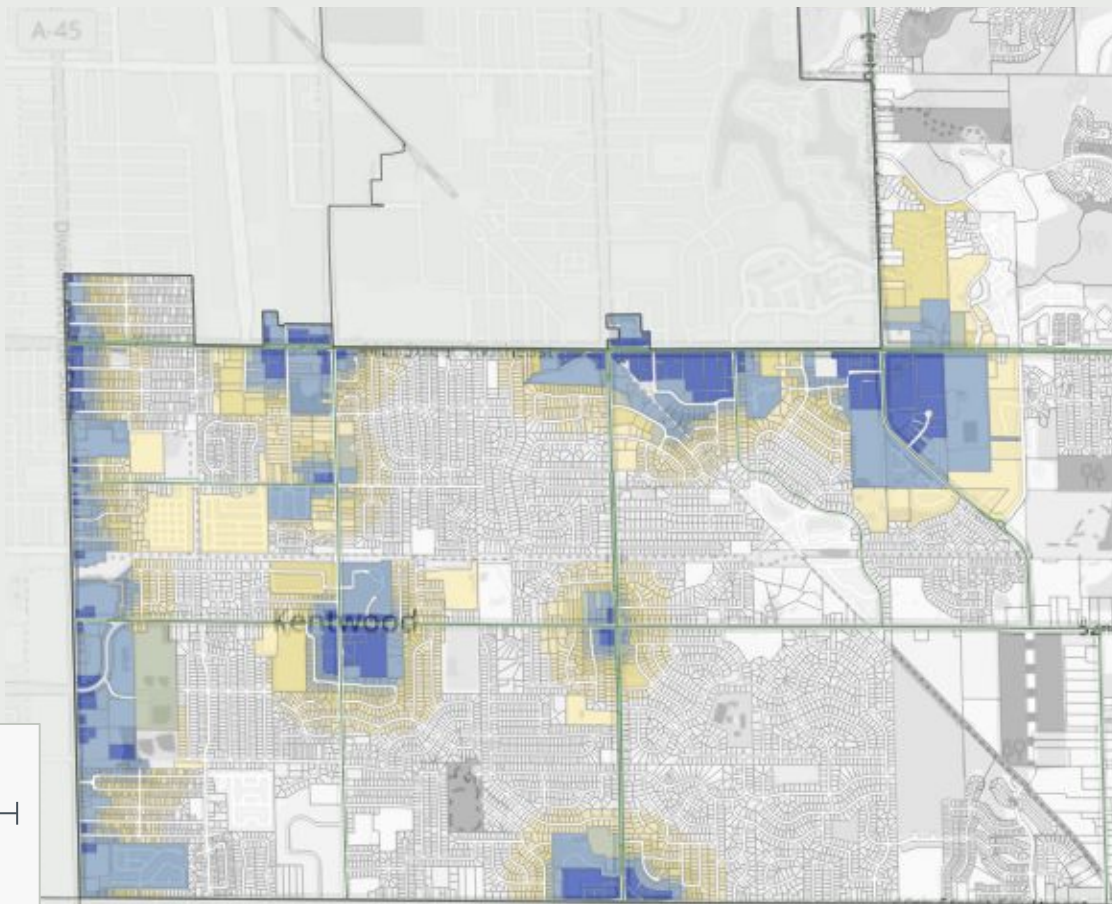
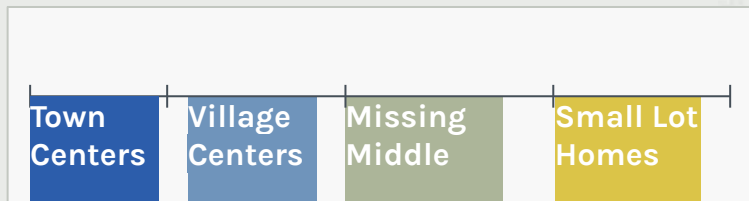
Current township rules: a rental license is required before any rental, licenses last 36 months, and only one short-term rental may be licensed per parcel (Rental Property Ordinance, amended 2025 and 2026).

Targeting Areas for Growth

Take advantage of corridors with existing sewer and water infrastructure and where land is underutilized.

Consider ways to encourage private development by improving the sense of place.

Remove barriers in the zoning code and use incentives to catalyze the first handful of developments. Then let the market work.



Pair Incentives & Subsidies with Zoning to Achieve Affordability

Brownfield TIF



Payment in Lieu of
Tax Agreements



Neighborhood
Enterprise Zones



Community Land
Trusts & Land
Bank Authorities



Impact Capital

This work requires patient investors who are equally interested in the social impact of providing housing for the region as they are in a return on investment.

Both are possible.

75 Apartment Units: \$16M

80% Loan to Value = \$12.8M

6.8% = \$870,400 interest costs per year

4% = \$512,000 interest costs per year

\$400/mo

Possible savings per apartment unit

Building a community for this and the next generation.

- Flexible, adaptable building types.
- Mix of rental and homeownership.
- Housing diversity in every neighborhood with infrastructure.



Thank you!

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