

# St. Joseph County 2021 Housing Plan

Prepared for

St. Joseph County Human Services Commission

Prepared by

Southcentral Michigan Planning Council

Adopted March 9, 2021

## Contents

Chapter 1: Introduction.....	4
Overview .....	4
Vision .....	4
Approach to Creating This Plan.....	4
Chapter 2: Existing Conditions .....	5
Overview and Summary of Findings.....	5
Demographic Conditions.....	6
Demographic Changes .....	9
Movers and Migration.....	10
Economic Conditions.....	11
Labor Force .....	11
Income.....	15
Incomes and Housing Affordability.....	17
Commuting .....	18
Housing Conditions.....	19
Housing Supply .....	19
Housing Quality .....	21
Housing Costs and Housing Security .....	22
Regional, State, and National Context .....	28
Regional Conditions .....	28
Statewide and National Contexts .....	34
Demographic Conditions .....	34
Economic Conditions .....	35
Housing Conditions .....	35
Strengths and Challenges of The Housing Ecosystem .....	37
Summary .....	38
Chapter 3: Goals, Objectives, and Strategies.....	39
Overview .....	39
Goals, Objectives, and Strategies for the St. Joseph County Housing Ecosystem.....	39
Goal 1: Maintain a diversity of housing options for all residents of St. Joseph County.....	39
Goal 2: Increase available housing in the county for those who most need options with less maintenance, for the long-term health of the entire community.....	41
Goal 3: Collaborate to better promote the county's amenities to potential residents .....	43
Summary .....	43

Chapter 4: Plan of Action .....	44
Overview .....	44
Maintain Relationships.....	44
Sharing Data.....	45
Priority Action Steps, Key Partners, and Timelines for the Next Five Years .....	46
Goal 1: Maintain a diversity of housing options in St. Joseph County .....	46
<i>Action Step: The Housing Steering Committee creates an Inventory of Housing Assets .....</i>	<i>46</i>
<i>Action Step: Local governments evaluate how zoning ordinances can more effectively guide housing developments.....</i>	<i>47</i>
Goal 2: Increase available housing options in the county for those who most need options with less maintenance, for the long-term health of the entire community.....	48
<i>Action Step: Stakeholders collaborate to expand senior homeowners' access to maintenance resources</i>	<i>48</i>
<i>Action Step: Local jurisdictions and the Housing Steering Committee identify opportunities to increase rental options in the county .....</i>	<i>49</i>
<i>Action Step: The Housing Steering Committee supports workforce training programs that increase local employment opportunities that support the health of the county's housing ecosystem .....</i>	<i>51</i>
Goal 3: Collaborate to better promote the county's amenities to potential residents .....	52
<i>Action Step: Stakeholders increase collaborative efforts to promote the county's existing amenities.....</i>	<i>52</i>
Five-Year Data Projections .....	54
Overview .....	54
Demographic and Economic Projections .....	54
Housing Projections .....	55
Performance and Evaluation Measures .....	57
Summary .....	58
Chapter 5: Adoption of the Plan .....	59
Preparation and Adoption.....	59
Partners.....	59
Appendix A: Shared Data and Housing Asset Inventory Data.....	61
Appendix B: Existing Plans that Impact Housing in St. Joseph County.....	62

# Chapter 1: Introduction

## Overview

This chapter explains the shared vision for the future of housing in St. Joseph County, the history of the methodological approach, and the partners who have contributed to the creation of this plan.

## Vision

St. Joseph County is a welcoming place for people of all ages who enjoy life on the water, rural living, and small-town character. The housing ecosystem of the county has a range of options for new and current residents, and owners maintain their homes for future generations. Residents, businesses, organizations, and governments work together to address housing issues because they recognize that the county's housing stock is a shared community asset. This plan is a living document that stakeholders use to achieve this vision and guide the future of the county's housing ecosystem. The plan's aims are to maintain a diversity of housing options for all residents, to increase available housing options for those who most need options with less maintenance, and to promote residents' and visitors' appreciation for St. Joseph County's unique amenities.

## Approach to Creating This Plan

In 2019, the St. Joseph County Housing Services Commission brought together government, business, and nonprofit leaders with its Housing Task Force to address the complexity of needs in the county's housing ecosystem. Stakeholders decided that the county needed a comprehensive housing plan to form a shared vision around how to address housing challenges and opportunities across the entire county. The purpose of this plan is thus to guide the future investments and efforts that are required sustain the health of St. Joseph County's housing ecosystem. The planning process was initiated by the St. Joseph County Human Services Commission (SJCHSC) which formed a Housing Plan Steering Committee in partnership with their existing Housing Task Force to guide the direction of the plan. SJCHSC also contracted with the Southcentral Michigan Planning Council (SMPC), the regional planning organization for St. Joseph County, to prepare the plan. The planning approach these leaders agreed to was collaborative and based on consensus. The following entities contributed financial resources in support of the planning process:

### FINANCIAL CONTRIBUTORS

- City of Sturgis
- City of Three Rivers
- Community Action
- KeyStone Place
- St. Joseph County Government
- Southcentral Michigan Planning Council
- Southwest Michigan Prosperity Committee

## Chapter 2: Existing Conditions

### Overview and Summary of Findings

This chapter presents data on the existing conditions of the county's residents, workers, and housing stock, as well as regional and national contexts. These conditions directly inform the strengths, opportunities, and challenges of the county's housing ecosystem. A brief summary of findings is presented here.

Since 2000, the total county population has decreased while the median age of the county's residents has increased. This reflects an aging population, out-migration of mobile workers, and changing demands on the housing ecosystem. Homeowners represent the largest portion of the county's households, but the number of renter households has been steadily increasing over the last 20 years, even as prices have increased. As housing construction has slowed, more families and seniors have remained in their homes for longer, fewer new houses were built, the supply of homes available for sale decreased, and the demand for rental housing increased.

Economic conditions impact the housing ecosystem as well. The county's unemployment rates have been decreasing steadily over time, but employment opportunities differ by place, racial identity, and age. Incomes have been steadily rising in the last decade and are comparable to nearby counties, but workers are also more willing to move around the region in search of better employment opportunities and higher wages. Lower incomes of residents and declining labor force participation rates have caused increased demand for affordable housing options.

Future housing demand is projected to come from households without children in the home, renters, and particularly from people over 65 years old. These folks will need affordable housing options, likely in the form of smaller homes and rental units, but currently detached, single-family units make up most of the county's current housing stock. The mismatch between the county's housing stock and demand will be exacerbated unless efforts are made to diversify the county's housing products. Housing options near amenities and jobs would serve these populations best. Providing senior homeowners with more low-maintenance housing options would also help make more existing single-family homes available for purchase to potential new residents.

The major take-aways from this chapter indicate next steps that can be taken to ensure the continued health of the county's housing ecosystem. Since the current mix of housing does not position the county to grow, housing stakeholders should prioritize preservation and partnerships. Preservation of existing housing assets ensures that there are opportunities to settle new residents in stable housing in the future, while partnerships expand local capacity for development. Since the health of the housing ecosystem and of the county's workforce are connected, local jurisdictions, housing stakeholders, employers and other partners should establish shared priorities. Local jurisdictions should stabilize and maintain their existing housing assets, and prepare for future residential development. Ultimately, working in partnership across many sectors will provide the most resources for preserving the long-term health of the county's housing ecosystem.

## Demographic Conditions

Significant shifts in the county's population have changed the demand for housing in the past twenty years. Since 2000, the county's overall population has gradually declined by about 1,500 people. Most of the county's local jurisdictions have maintained or lost population, with the only exception being southwest Fabius Township. Since 2010, the largest population declines have occurred in the villages and townships of Constantine and Burr Oak.

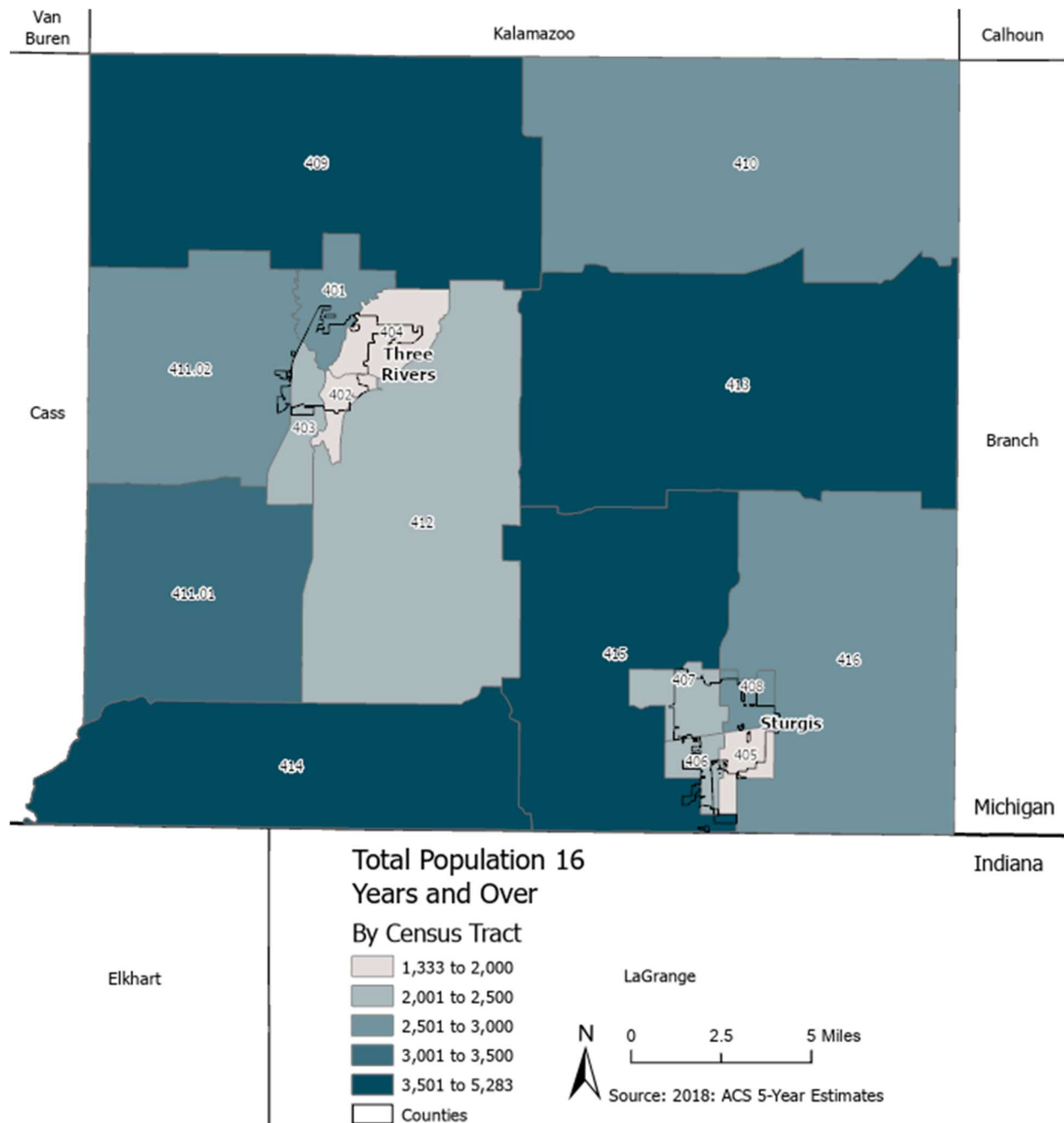
<b>Total Population, St. Joseph County</b> Sources: Decennial Census and ACS 5YR Est. DP05	
Year	Total Population
2000	62,422
2005	62,273
2010	61,848
2015	61,022
2018	60,897

This **slow, downward population trend is expected to continue in the near future**, with no Census tract showing significant growth through 2025.<sup>1</sup> Stakeholders will need to strategically invest in the county's housing supply in order to bring the housing ecosystem into balance with current and future population demands.

---

<sup>1</sup> Claritas 2020

**Map 1: Population Density by Census Tract in St. Joseph County, 2018**



The following table breaks down past and projected population changes by Census tract, in order to demonstrate the different housing challenges that will be faced across the county. Tracts that have recently seen growth are likely to continue to grow in population, while tracts that have lost population are likely to see continued decline, although at a slower rate.

<b>Total Population, St. Joseph County Census Tracts, 2010, 2018, and 2025 Projections</b> Source: ACS 5YR Est. DP05; Claritas 2020					
Place Name (Census Tract)	2010 Population	2018 Population	Percent Change from 2010 to 2018	2025 Projected Population	Projected Percent Change from 2018
Northern Three Rivers and Lockport Twp.	3530	3622	+2.6%	3680	+1.6%
SE. Lockport Twp.	1874	1912	+2.0%	1933	+1.1%
SW. Fabius Twp.	2963	3074	+3.7%	3132	+1.9%
Three Rivers; NE Lockport Twp.	2249	2226	-1.0%	2228	0%
SE. Sturgis	2791	2790	0%	2805	+0.5%
SW Sturgis	3077	3074	0%	3095	+0.7%
NW Sturgis	3233	3202	-1.0%	3214	+0.4%
NE Sturgis	3317	3317	0%	3342	+0.8%
Park & Flowerfield Twps.	4289	4235	-1.3%	4233	0%
Leonidas Twp, Mendon Village & Twp.	3681	3609	-2.0%	3597	-0.3%
Constantine Village & Twp.	4299	4169	-3.0%	4142	-0.6%
W. Fabius Twp.	3103	3178	+2.4%	3226	+1.5%
Florence Twp.	3023	2964	-2.0%	2960	-0.1%
Colon and Nottawa Twps.	6786	6880	+1.3%	6949	+1.0%
White Pigeon and Mottville Twps.; E. Centreville	4979	4993	+0.3%	5019	+0.8%
Sherman Twp.	4372	4251	-2.8%	4226	-0.6%
Burr Oak & Twp.	3729	3610	-3.2%	3585	-0.7%



## Demographic Changes

Residents' age, gender, and racial identities can influence their housing preferences and their ability to own a home. The most significant demographic change since 2000 was the **increase in the county's median age**. While the proportions of individuals in the county who identify as Black and White have both declined since 2010, individuals with Hispanic/Latino identities, some other racial identity, and individuals with multiple racial identities have increased in that same time. Most **households continue to be occupied by families**, with extended family living situations being more common in rental households. Older, single-person households have also become more common in recent years.

<b>Racial Identities in St. Joseph County. 2010 &amp; 2018</b>				
Source: ACS 5-YR Est. S0701				
	2010	2018	% Change within Each Population	Change in Proportion of Population Represented from 2010 to 2018
American Indian and Alaskan Native	251	213	-15%	0%
Asian	345	304	-12%	0%
Black or African American	1763	1309	-26%	-0.7%
Native Hawaiian, Pacific Islander, Some other race	807	1575	+95%	+1.3%
Hispanic or Latino Origin	3770	4567	+21%	+1.4%
Two or more races	1000	1818	+81.8%	+1.4%
White	54024	52185	-3.4%	-1.8%

<b>Median Age and Gender Balance in St. Joseph County. 2000, 2010, &amp; 2018</b>				
Sources: Decennial Census and ACS Est.				
Year	Median Age	Percent Male	Percent Female	Average Household Size
2000	35.6	49.4%	50.6%	2.63
2010	38.0	49.5%	50.5%	2.71
2018	39.7	49.7%	50.3%	2.59

These changes indicate that residents may have housing needs that are not being served by the units that are currently offered. Different housing types might serve their needs better, like multigenerational, small, and low maintenance options. Unless potential residents young and old find a diversity of housing products to choose from in St. Joseph County, they may look elsewhere to buy a home. To prevent future population loss, the county's housing stock must meet the needs of both an aging population and young working adults, so that these groups continue to establish households in the county.

## Movers and Migration

The decline in the county's overall population (-339 people) from 2010 to 2018 has been driven by people moving out of the county to other places in the United States. The greatest amount of movers' traffic has historically happened between Kalamazoo and St. Joseph Counties, both in-bound and out-bound directions. From 2017 to 2018, however, out-migration slowed significantly, resulting in a slight increase in the county's overall population. Since about 2016, in-migration of households has increased from out of state and from most bordering counties. The majority of recent movers are young, and under 30 years old. Employment transitions have been the primary drivers of moving into or out of the county, and a majority of recent movers live in rental housing.<sup>2</sup>

Focus group participants reported challenges finding affordable, quality housing for both professionals and seniors in the county. Some reported that local professionals were driving in from Indiana or Kalamazoo to work in the county, presumably because they could not find the types or quality of housing that they wanted in St. Joseph County. In response to this finding, the steering committee members wished to prioritize housing maintenance and new residential construction equally in this plan. Although labor, land, and materials shortages could slow new housing development in the near future, stakeholders in St. Joseph County can still take action to stabilize the population, maintain housing assets, and prepare for future development.

**Ensuring stability of current residents and encouraging in-migration** will both be critical to maintaining healthy demand in the county's housing ecosystem, as well as for the security of government tax revenues. The county's housing stakeholders can help encourage migration through a number of collaborative strategies, such as supporting effective workforce development programs (to increase residents' earnings potential); and developing incentives for family co-housing, accessory units, and deed transfer (to encourage return migration). Equally important will be the need to plan for how the housing ecosystem responds to future emergencies such as natural disasters or pandemics like COVID-19, to ensure that people experiencing homelessness and vulnerable households can access shelter when it is most critical.

### IMPLICATIONS OF RECENT MIGRATION TRENDS

- Out-migration drove population loss until 2017
- Employment transitions drove most migration
- Workforce training, disaster planning, in-migration incentives, and construction of new, affordable ownership options are needed

Considering the median incomes of recent migrants and the potential impacts of COVID-19, additional affordable homes will be needed in the county. In particular, there are opportunities to provide more stable housing to some of the many renter households that frequently move around within St. Joseph County. Smaller homes, such as tiny homes and barn-do-miniums, 'workforce housing,' and homes in the \$125,000 to \$180,000 price range could help some of the county's current renters move into homeownership, because these options are more affordable.<sup>3</sup> Moving more people to stable, permanent housing would also free up rental properties for potential migrants into the county, and provide opportunities to offer residents financial and homeowner education.

<sup>2</sup> ACS 5YR Est. S0701

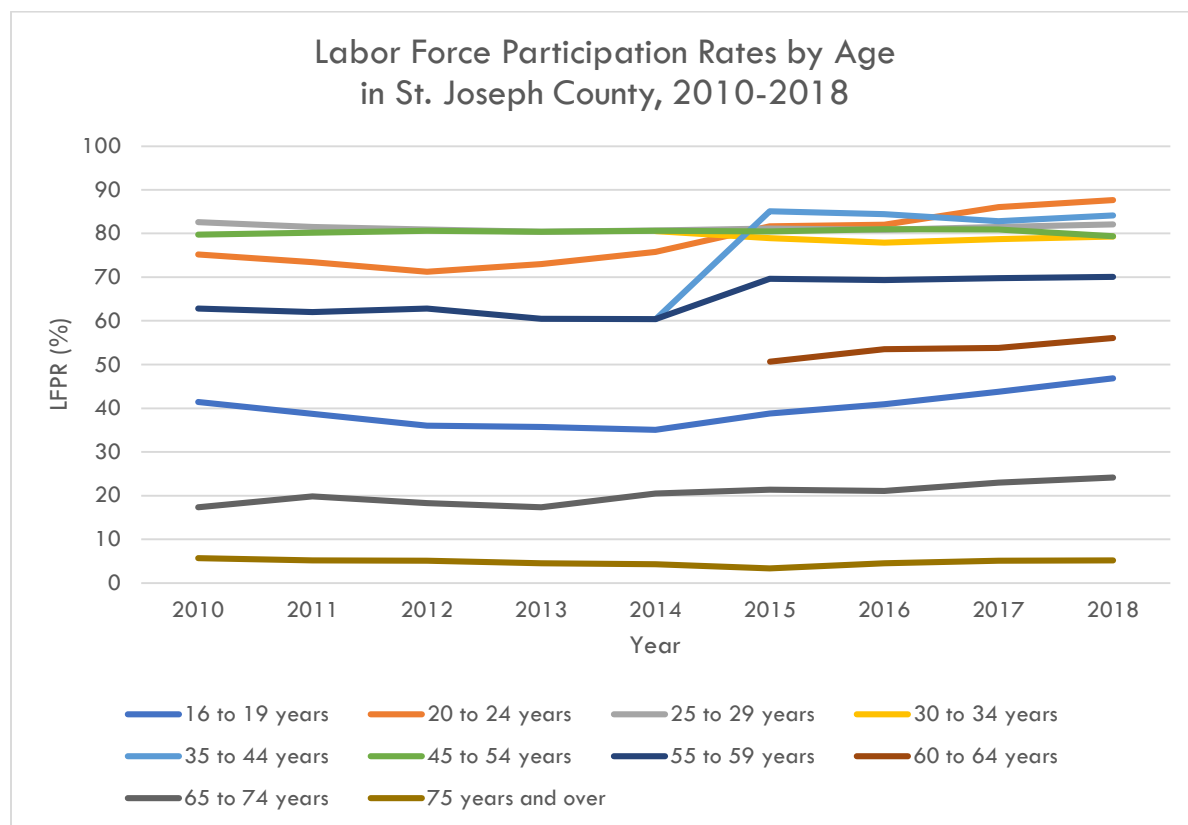
<sup>3</sup> Prices based on area median incomes.

## Economic Conditions

Economic conditions have significant impacts on the county's housing ecosystem because they in part determine the quality and quantity of housing that residents can afford. This section examines the labor force, income, and commuting trends in St. Joseph County and connects these to the housing ecosystem, in order to uplift development and investment strategies that could positively impact both employment and residential opportunities.

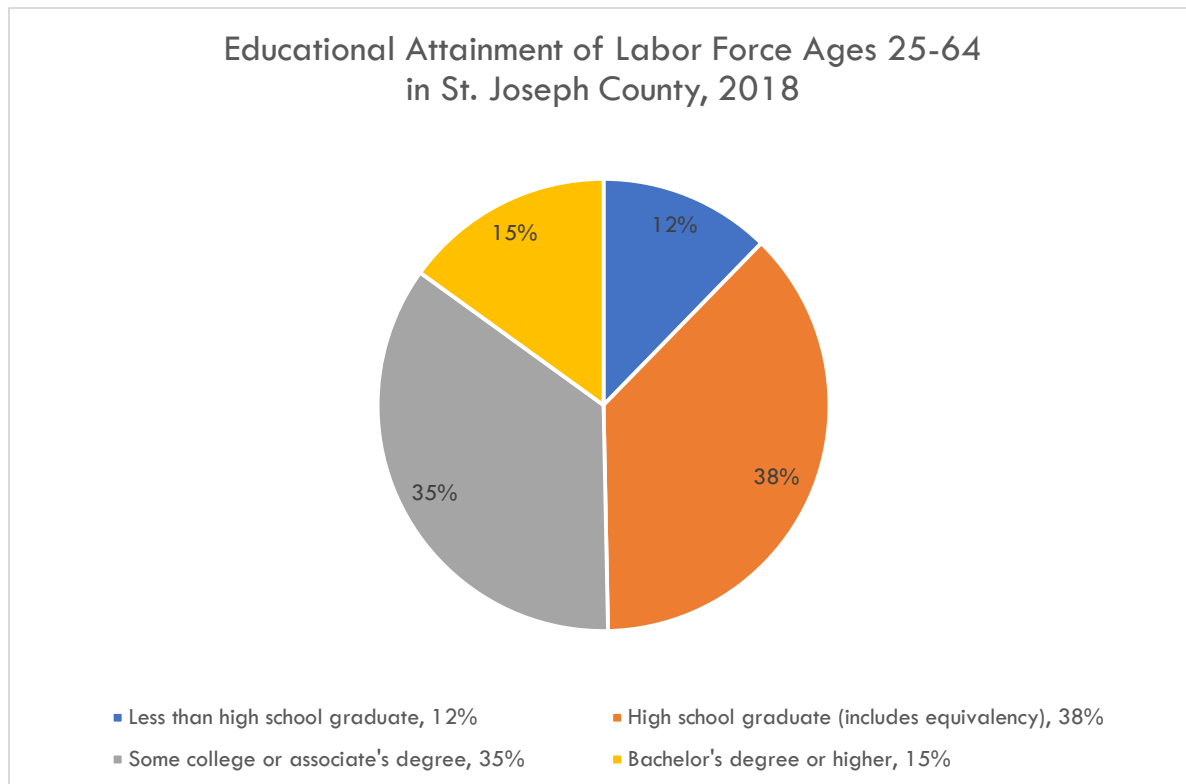
### Labor Force

The characteristics of the county's labor force determines the opportunity for employment and earnings, which control what folks can spend on housing.<sup>4</sup> The labor force participation rate is the number of employed and unemployed people in the labor force over 16 years old, divided by the total civilian noninstitutional population. **Residents of St. Joseph County in their 20s, 30s, and 40s have the highest rates of participation in the labor force,** and are also more likely to have higher incomes.



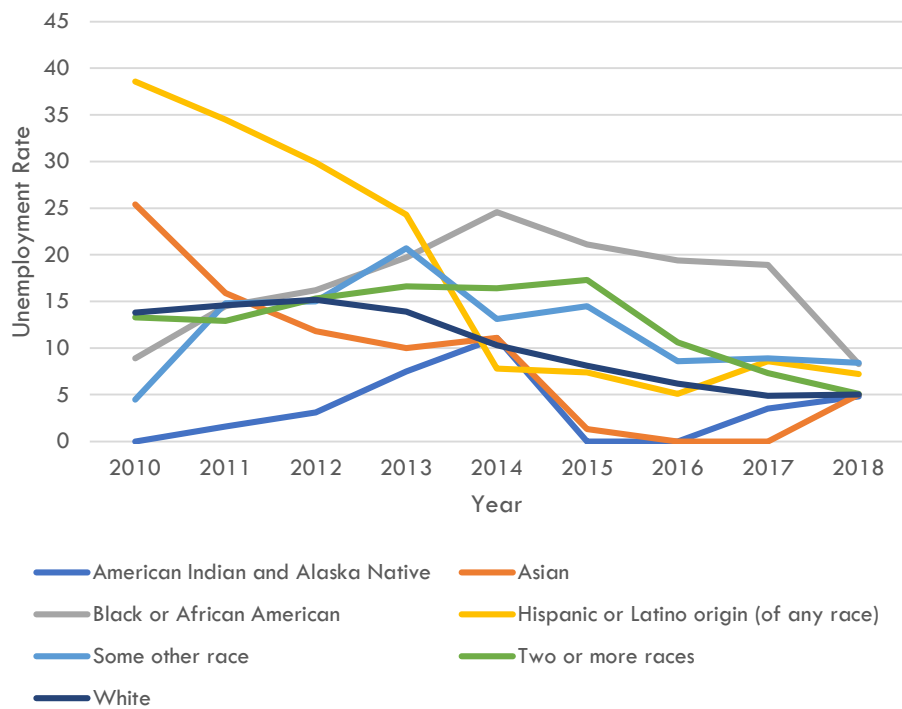
<sup>4</sup> Bureau of Economic Analysis

Educational attainment is a key determining factor of residents' employment opportunities as well. **Most of the county's workers only have a high school diploma and some college experience.** This indicates that some workers would be good candidates for workforce training programs that help them keep their skills updated and increase their potential to receive higher earnings. Housing stakeholders can help by supporting programs that provide high school graduates and young adults 16-to-24 years old with skill training and highlight the county's career pathways. Training programs offered by Michigan Works!, St. Joseph County ISD, and Glen Oaks Community College are targeted at strengthening workers' participation in the labor force. These institutions could also be potential supporters of residential development projects.

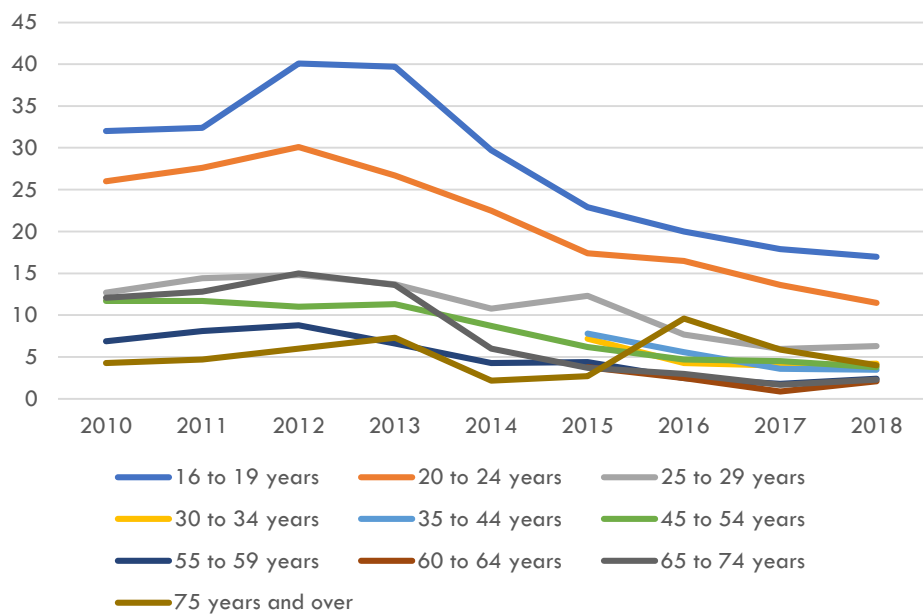


Examining unemployment rates by age and racial identities shows how residents differ in their ability to access employment opportunities in the county. A positive trend is that **unemployment rates for all ages and all racial identities has been decreasing over the last decade.** While Hispanic and Latino residents have seen the greatest decrease in unemployment rates since 2010, Black and African American residents of the county have consistently had the highest unemployment rates. Unemployment rates have also differed by age, with members of the labor force over 45 years old having much lower rates of unemployment than individuals under 25 years old. Addressing these discrepancies in unemployment would not only help to increase residents' incomes, but also could enable more people to establish households in the county before they seek employment elsewhere.

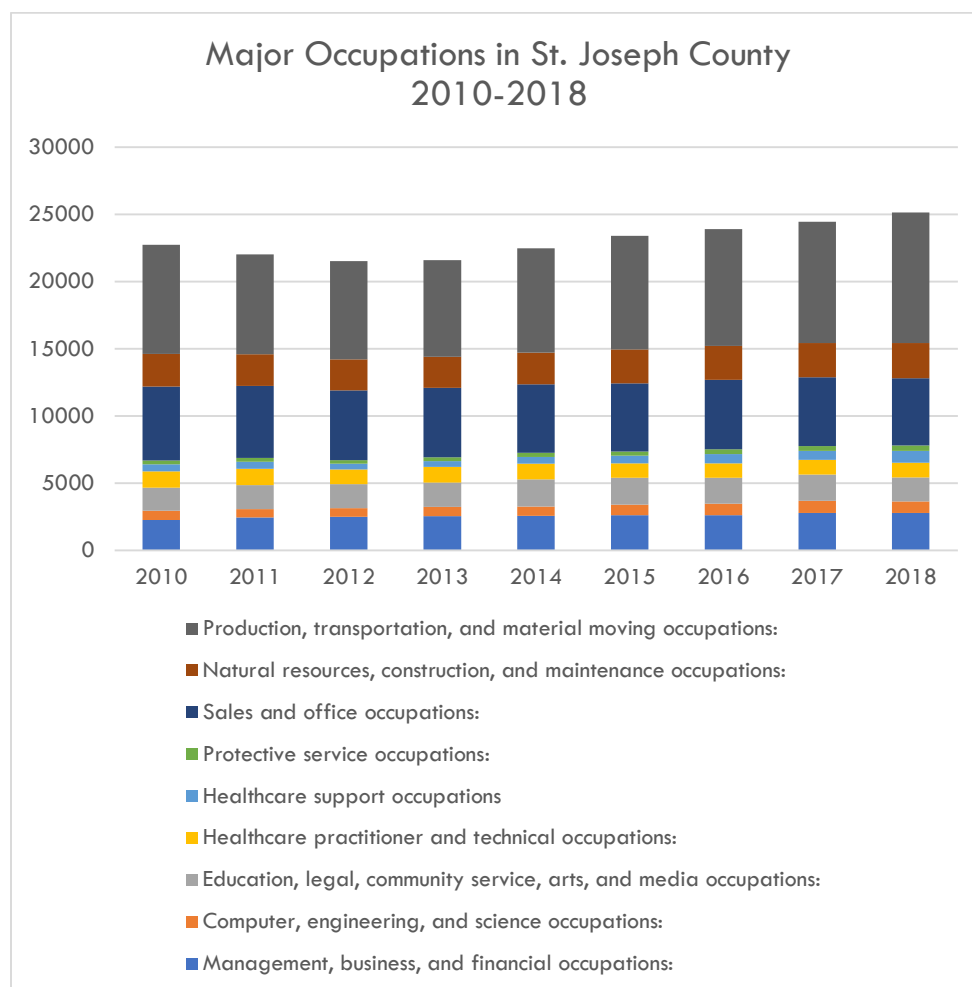
### Unemployment Rates by Racial Identity and Year in St. Joseph County



### Unemployment Rate by Age Group St. Joseph County



**Production, transportation, material moving; management, business, science and arts; sales and office occupations** have been the most common in the county from 2010 through 2018. Service occupations have become increasingly more numerous as well.<sup>5</sup> The largest industry in St. Joseph County has historically been manufacturing, and this industry still represented nearly 39% of employment in 2018. Educational services, healthcare, and social assistance represented the second biggest industry, or 16.7% of employment in 2018. Retail trade is the third most represented employment industry, with 8.5% of employment in 2018.



One industry whose land interests may conflict with future residential and workforce development is **agriculture**. While farming, fishing, and forestry represent only 1% of county occupations, a significant portion of land in the county is prime farmland or farms of local importance, and the majority of land area in the county is dedicated to agriculture. Low-density residential (LDR) development is one type of land use that tends to encroach upon cropland, and thus the tradeoffs of allowing this type of development in farm areas should be carefully considered.<sup>6</sup>

<sup>5</sup> ACS 5YR Est. S2401

<sup>6</sup> American Farmland Trust 2020

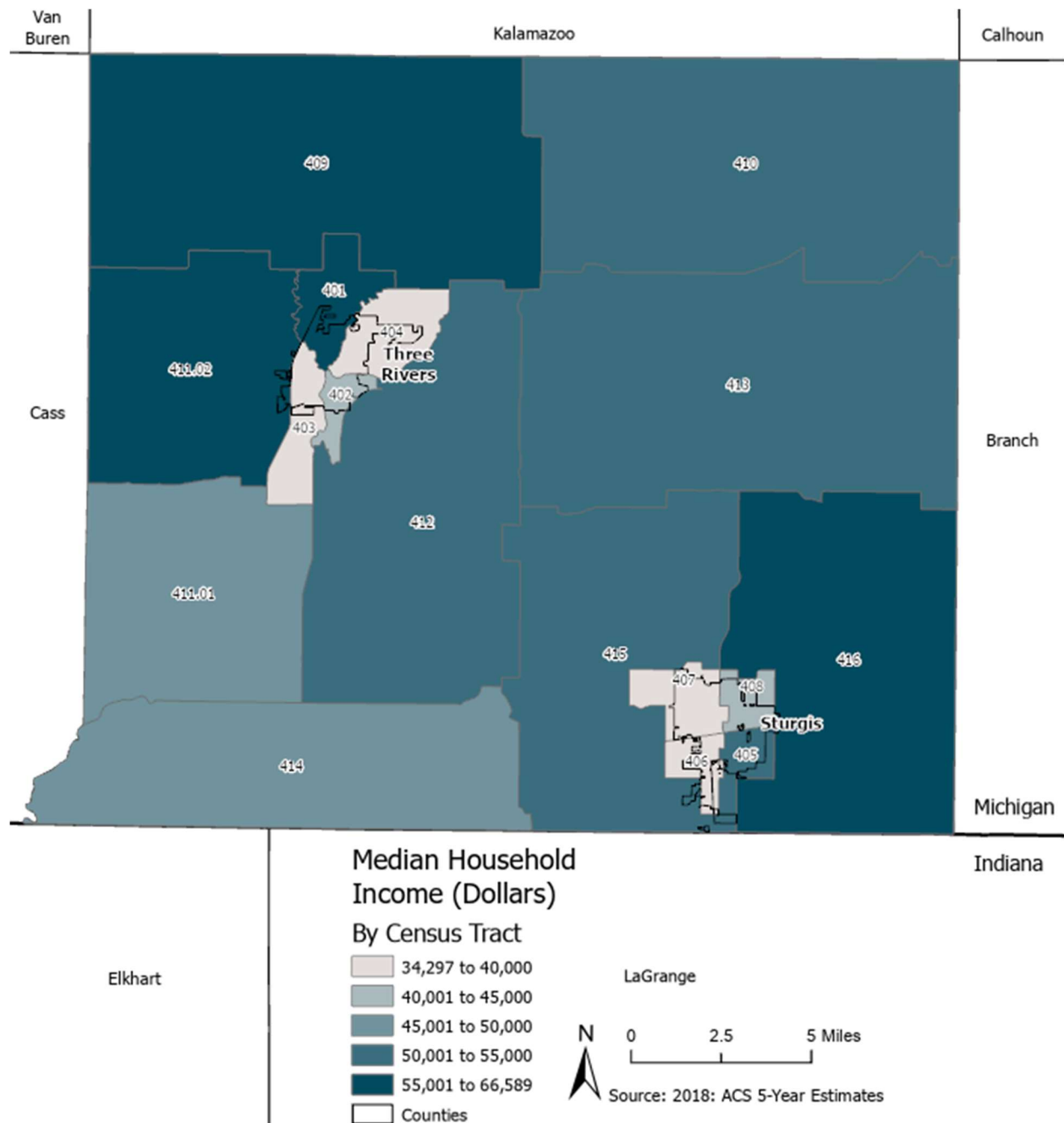
## Income

**The county's overall household median income increased from \$44,392 in 2010 to \$50,117 in 2018**, which is an encouraging positive trend. The median incomes of all age groups in the county have increased since 2010. The tables below break down further the county's median incomes by age groups and racial identities of householders.

Median Incomes by Age Group of Householders, 2010 & 2018					
Source: ACS 5YR Est. S1903					
	2010 Median Income	Percent of 2010 Households		2018 Median Income	Percent of 2018 Households
Ages 15-24	\$33,125	3.6%		\$36,875	5.3%
Ages 25-44	\$50,453	32.7%		\$52,230	29.3%
Ages 45-64	\$52,231	39.4%		\$60,788	38.1%
Ages 65+	\$29,269	24.3%		\$38,067	27.3%

<b>Median Household Incomes by Racial Identities, 2010 &amp; 2018</b>		
Source: ACS 5YR Est. S1903		
Racial Group	2010 Median Income	2018 Median Income
American Indian/Alaska Native	\$53,750	\$26,304
Asian	\$47,228	\$75,333
Black/African American	\$38,482	\$25,776
Hispanic/Latino	\$35,087	\$34,400
Two or more races	\$71,389	\$46,779
White	\$45,103	\$51,030
Entire County	\$44,392	\$50,117

**Map 2: Median Household Incomes by Census Tract in St. Joseph County, 2018**





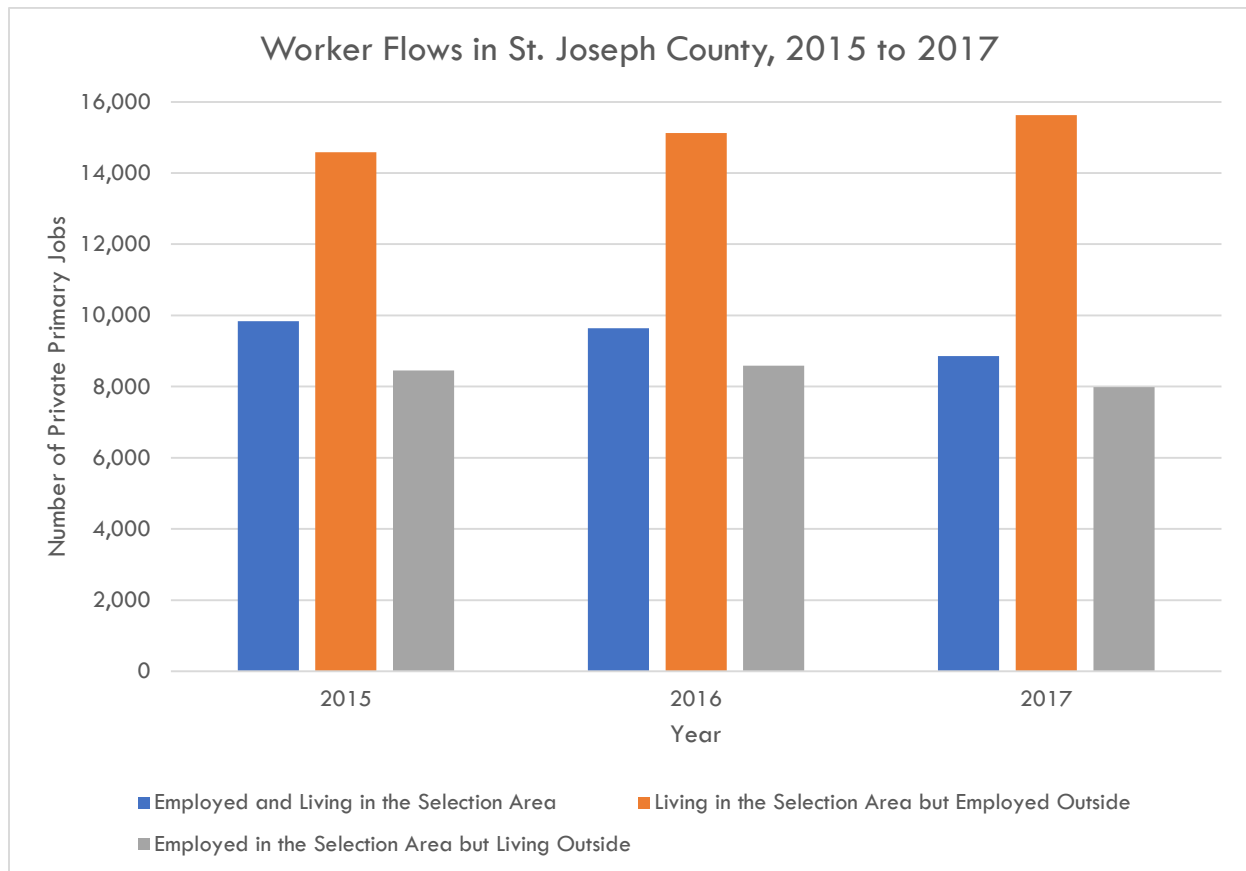
## Incomes and Housing Affordability

The standard metric of housing affordability is that residents do not pay more than 30% of their household income for housing costs. Considering the data above, an idea of affordable housing expenses can be drawn out. **A household earning the area median income of \$50,117 could afford to spend around \$1,250 per month on housing costs.** However, the charts above indicate that affordable **housing costs vary across the county by age and race.** Median monthly housing costs in 2018 ranged from \$403 in homes without a mortgage; to \$703 gross rent; to \$1,041 in homes with a mortgage. While this may appear affordable, many households who currently rent earn less than the median income and could not afford a mortgage and down payment for a newly constructed home in St. Joseph County. To help make ownership an option for these folks, they will need either options for increasing their income, down payment support, or help building equity and savings.

In the regional housing market, **St. Joseph County has competitive median incomes compared to its neighboring counties.** While this has potential benefits for employers, it also means that residential developers may be drawn to work in more urbanized areas where folks with higher incomes can afford to spend more on housing costs. The county's household incomes may also be held down in the near future as more residents in the 55-to-64 year age group enter retirement over the next decade. A strategy that could address this challenge would be for housing stakeholders in economic and workforce development to find ways to partner with regional employers to provide stable, living-wage jobs and career pathways for young residents, in order to grow opportunities for employment, home ownership, and residential development simultaneously in the county.

## Commuting

Job opportunities have a significant impact on where people live. Census commuter data reveals how many people enter, leave, or remain in the county for work.<sup>7</sup> From 2015 to 2017, more people living in the county commuted out for work, while the overall number of people employed in the county declined. The county needs to maintain a steady supply of quality jobs that retain residents and attract new talent to relocate in St. Joseph County for work.



<sup>7</sup> ACS 5YR Est. S0801; OnTheMap Inflow/Outflow Analysis

## Housing Conditions

This section looks at how housing conditions in St. Joseph County have changed in the last 20 years, creating a shortage of affordable rental properties and a surplus of low value, single-family homes. Housing security has been steadily increasing for homeowners, while rents are going up for others. Partnerships are needed to address critical issues like homelessness.

## Housing Supply

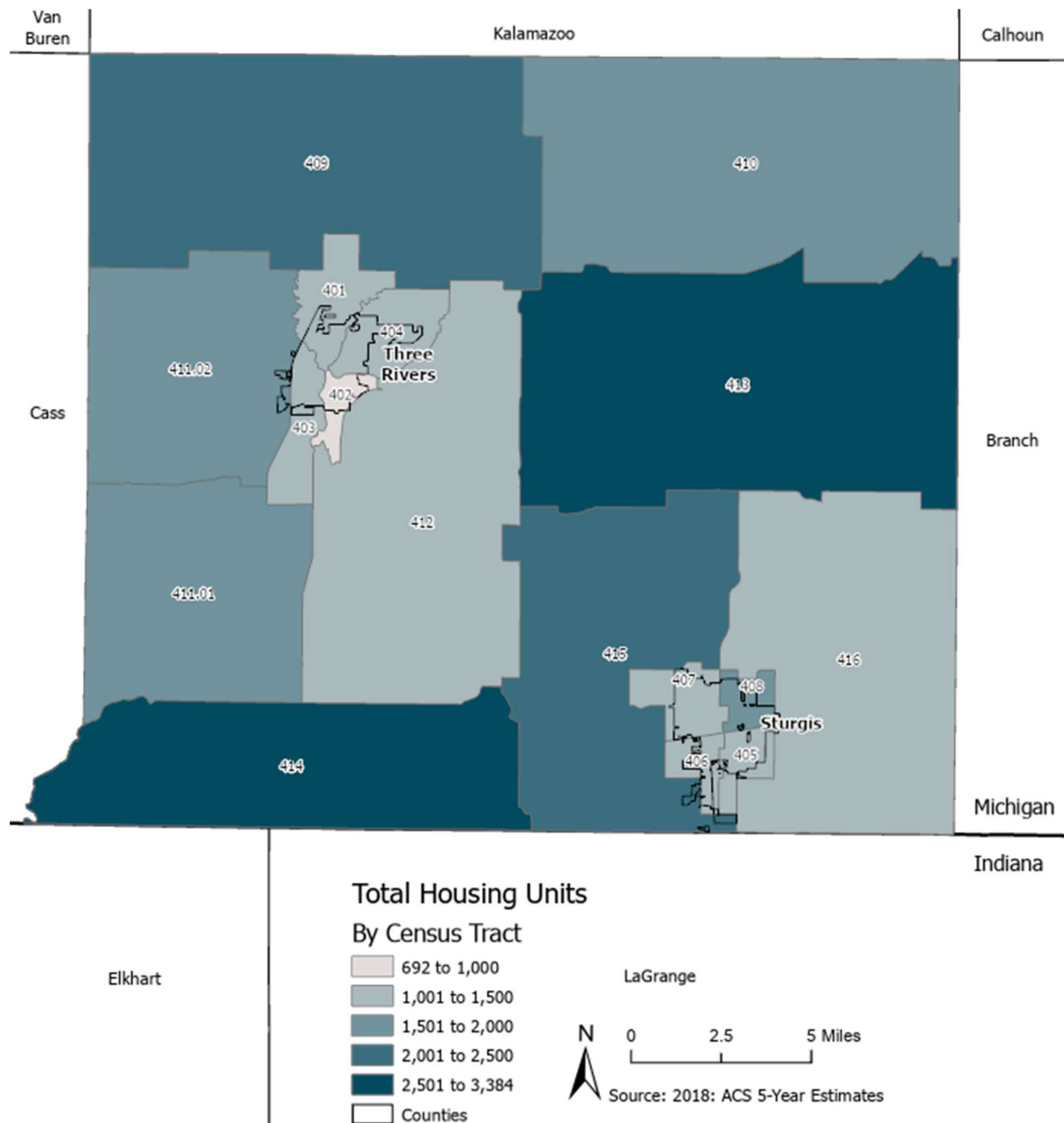
Since 2000, the majority of the county's households have been occupied by owners. While the number of owner-occupied households has remained fairly consistent since then, however, vacant and rental households have also increased. The county's **rental vacancy rate has declined from 21 percent in 2010 to only 2.9 percent in 2018**, indicating a growth in demand for rental properties. This demand is projected to increase in the next several years, which makes the rental market integral to the future health of the housing ecosystem. However, five-year projections show an increase in the county's vacant housing units of all types.<sup>8</sup> This indicates that there is a disconnect between supply and demand for housing that will need to be addressed by both new construction and preservation of existing high-quality homes.

Number of Renter, Owner, and Vacant Households, St. Joseph County. 2000, 2010 & 2018 Source: Decennial Census QT-H1; ACS 5 YR Est. DP04			
Year	Owner-Occupied Households	Renter-Occupied Households	Vacant Units
2000	17,986	5,395	3,122
2010	17,523	5,721	4,534
2018	17,816	6,206	3,850
5 Year Projections, Number of Renter, Owner, and Vacant Households, St. Joseph County Source: Claritas 2020			
Year	Owner-Occupied Households	Renter-Occupied Households	Vacant Units
2025	17,628	5,825	4,833

---

<sup>8</sup> Claritas 2020

**Map 3: Total Housing Units by Census Tract in St. Joseph County**



## Housing Quality

The size, age, and value of residential structures are key determinants of housing quality. The size of homes in the county is typical for the region with the vast majority of homes of all types having two to three bedrooms. The typical housing unit size is a reflection of the county's average household sizes between 2.6 and 2.7 people, as well as the single-family home standard and the age of housing stock in the county.<sup>9</sup>

Over 22,000 housing units, or **79% of the county's existing housing stock, were built before 1990**. This follows national trends – in 2018, the National Association of Home Builder's median age of housing was 37 years; but Michigan's median age was higher, between 40 and 47 years. The age of the housing stock indicates two potential challenges to the county's housing ecosystem – the first being that older homeowners, many of whom have paid off their mortgages, are choosing to stay in their homes for longer. There may also be few options in the county for aging residents to safely and comfortably downsize from their single-family-sized homes; and indeed, this is supported by anecdotal evidence from focus groups. The second challenge is that residential construction has slowed significantly since the 1990's, due to higher material prices, labor shortages, and recessions.

Another key determinant of the quality of housing is its value. **The median value of a home in St. Joseph County was \$115,100 in 2018**. The countywide estimate disguises spatial and quality differences in value, however. Housing values are affected by differences in incomes, demographics, government policy, housing quality, quality of life, and distances to economic and job centers.<sup>10</sup> 7,568 (or 43%) of 17,816 owner-occupied homes in 2018 were valued at less than \$100,000.<sup>11</sup> Geographically, the median home values of owner-occupied properties in eastern Lockport Township, west Sturgis, and Three Rivers were also below \$100,000. In contrast, the highest median home values of owner-occupied units in 2018 were found in western Fabius Township, Park Township, Flowerfield Township, Colon Township, and Nottawa Township.

There are tradeoffs to having so many low-value homes in the county. While they can be easier to purchase due to a lower price, sometimes they can require a lot of investment to make livable. This can make it more difficult for homes to turn over to new owners since it increases their up-front costs. It also puts housing units at risk of losing value if they do not turn over. Current and potential residents may look elsewhere if they cannot find quality housing in the county; and according to focus group participants, this is already occurring. The county's low-value homes might instead get bought by outside investors, something that has been increasingly happening across America since the Great Recession. Because of the conditions of these homes, absentee investors often are incentivized to divide units into rentals and let the properties further degrade. In a time where new development is likely to remain infrequent, it is crucial to preserve as many existing properties and as much local ownership as possible. Local jurisdictions must identify their priorities for household stabilization, preservation, or demolition, in order to invest their limited resources in a way that will preserve the value of the most homes.

---

<sup>9</sup> ACS 2018 5YR Est. DP04

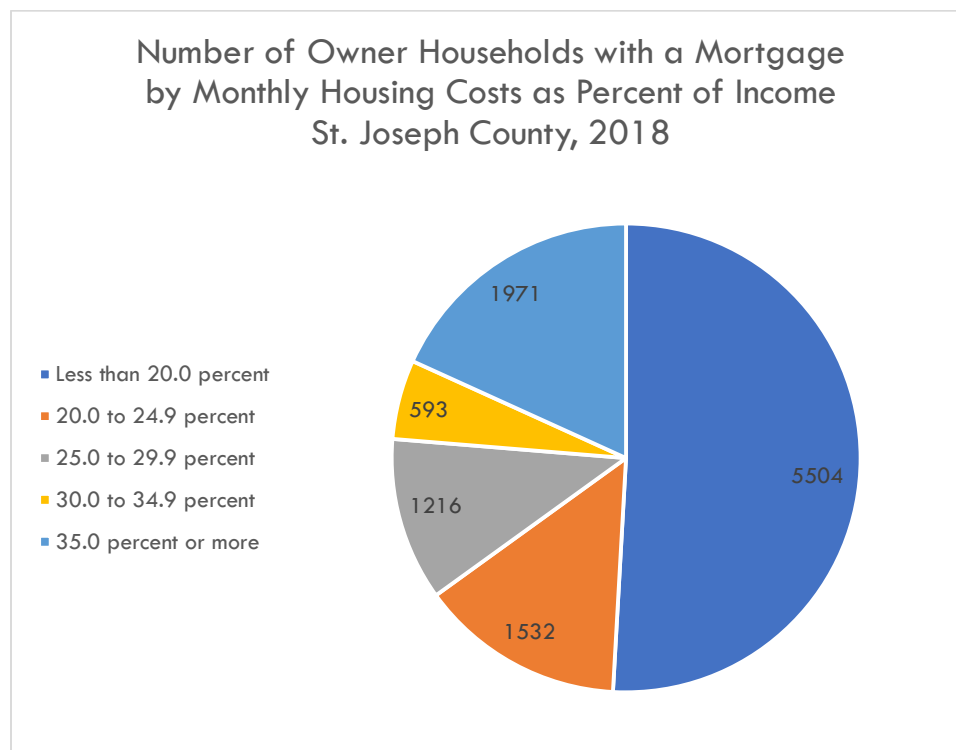
<sup>10</sup> De Bruyne and Van Hove 2013

<sup>11</sup> ACS 5YR Est. DP04

## Housing Costs and Housing Security

The county's owner-occupied households tend to be more financially secure in their housing costs than renter-occupied households. In 2018, 65 percent of homeowners with a mortgage paid less than 25% of their household incomes toward housing. On the less secure side, more than 18 percent of homeowners with a mortgage are considered severely cost burdened, paying more than 35% of their incomes toward housing.<sup>12</sup> **Since 2010, owner households have become increasingly more secure**, and the number of owner households reported as severely cost burdened has gradually been decreasing since 2013.

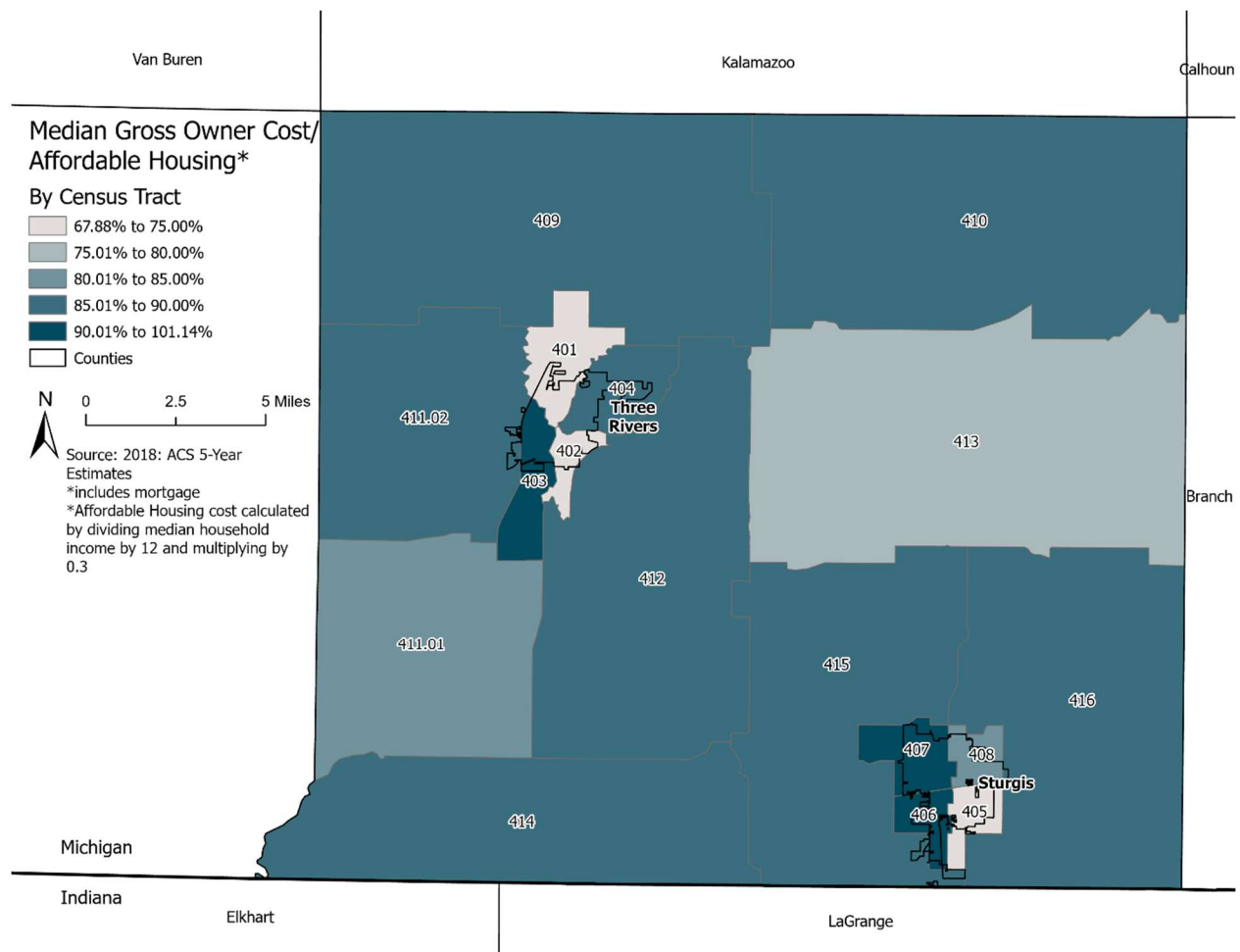
<b>Median Owner Costs with and without a Mortgage</b> in St. Joseph County, 2000, 2010, & 2018		
Source: Decennial Census; ACS 5 YR Est. DP04		
Year	Median Owner Costs with a Mortgage	Median Owner Costs without a Mortgage
2000	\$768	\$229
2010	\$1,083	\$363
2018	\$1,041	\$403



<sup>12</sup> ACS 2018 5YR Est. DP04

The map below shows the differences in affordability of the county's mortgaged housing units by Census tract. The map shows the percentage of housing units with a mortgage in each Census tract that are affordable, based on the median household income. Affordable housing prices were calculated by dividing the annual median household income in each Census tract by 12 months, and then multiplying that number by 30%, which is the standard metric of affordability.<sup>13</sup> The map compares these affordable prices to the cost of existing mortgaged housing units in each Census tract. The map shows that most owner-occupied housing in the county is affordable, but especially so in tracts 403, 406 and 407. In contrast, the least affordable options for homeownership are found near Three Rivers and Sturgis, in Census tracts **401, 402, and 405**. **Development of affordable homeownership options would thus be best suited in and around these tracts.** Development near these core cities would also locate housing close to amenities like shops and schools, which would serve to attract both seniors and young professionals with families.

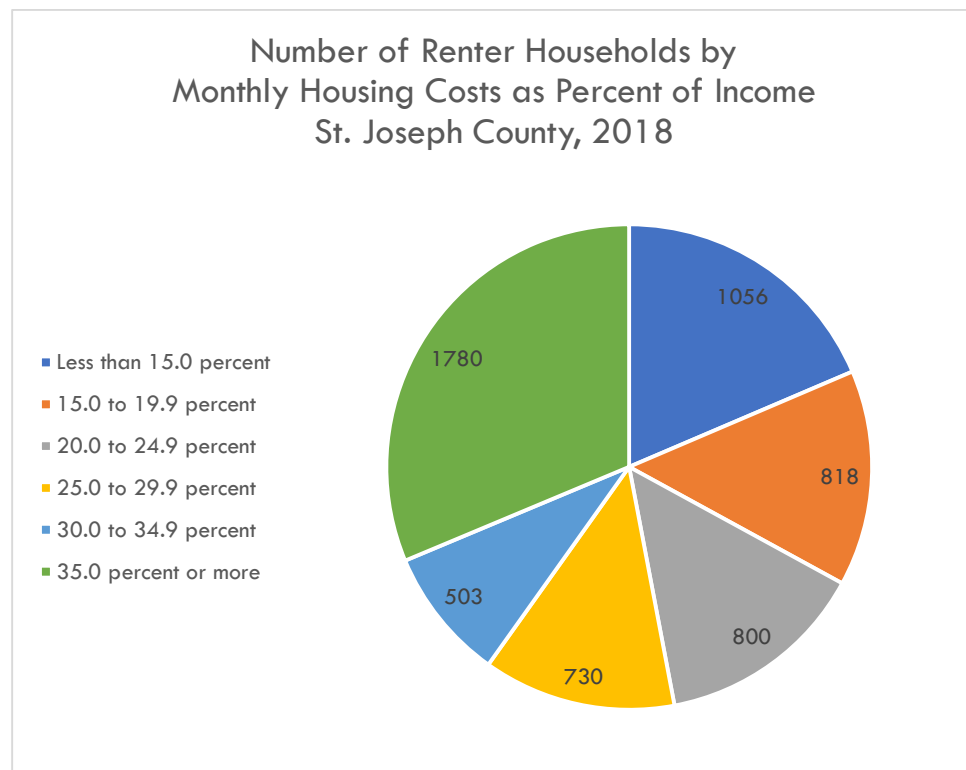
**Map 4: Percent Affordable Owner-Occupied Units by Census Tract in St. Joseph County, 2018**



<sup>13</sup> ACS 2018 5YR Est. S1901

The county's renters are in a slightly more difficult financial situation than owners. 47 percent of the county's renters paid less than 25% of their incomes toward rent in 2018, but 31.3 percent of renters were severely cost burdened, spending 35% or more of their incomes on housing costs. The folks who rent and earn these low incomes tend to be 15-24 years old, or over 65, and Hispanic or Latino. Two positive trends show that the number of renter households paying less than 15 percent of their incomes on housing costs has increased since 2013, and that the number of severely burdened renter households has decreased in that time as well. However, as of 2018 still **more than 30 percent of all renter households are severely burdened**. Focus group participants supported this concern by sharing that the county's seniors have experienced difficulties finding affordable rental options nearby in recent years.

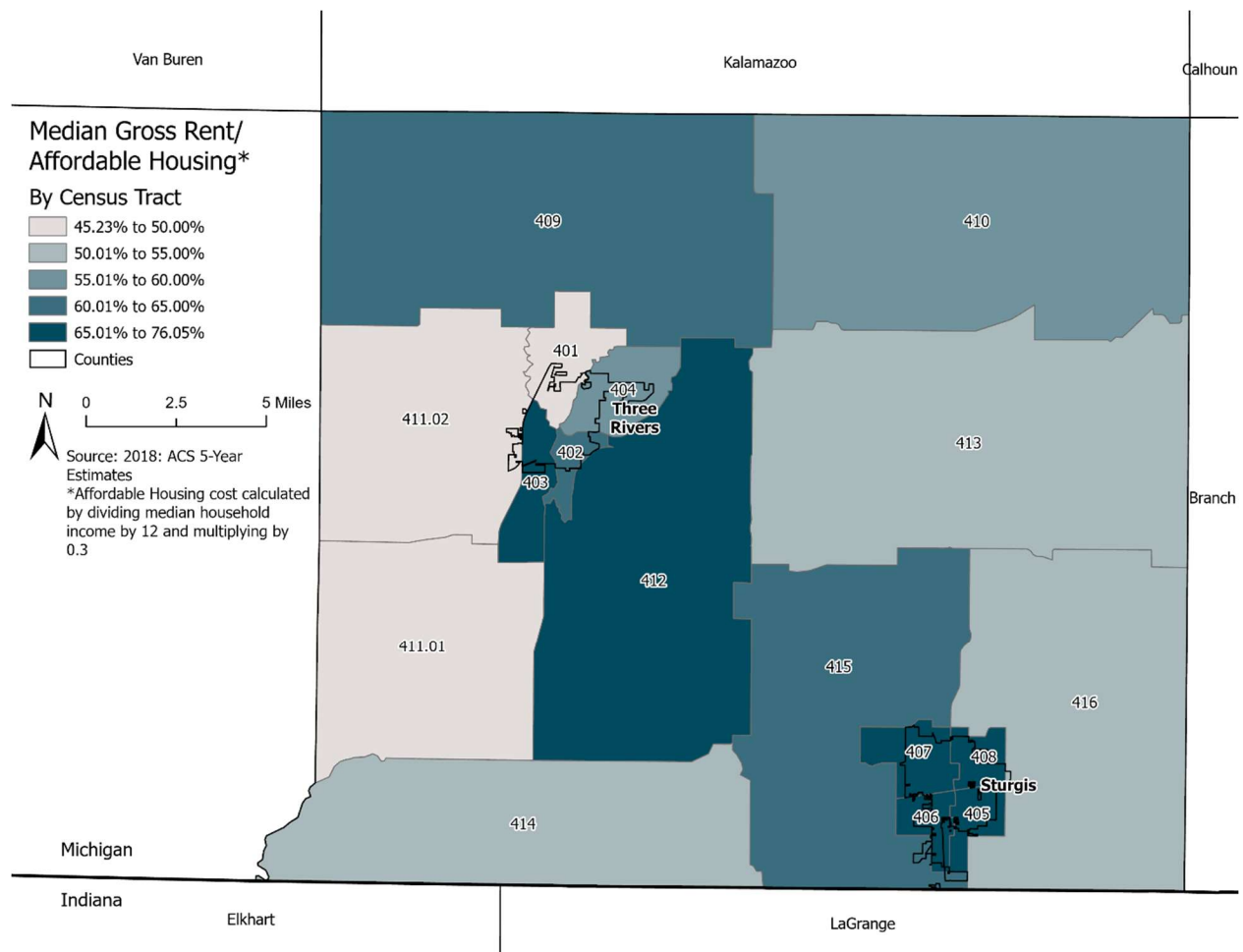
<b>Median Rental Housing Costs</b> in St. Joseph County, 2000, 2010, & 2018	
Source: Decennial Census; ACS 5 YR Est. DP04	
Year	Median Rental Costs
2000	\$460
2010	\$600
2018	\$703





The map below shows the differences in affordability of the county's rental properties by Census tract. The map shows the percentage of rental units in each Census tract that are affordable based on the median household income. Affordable rent prices were calculated by dividing the annual median household income in each Census tract by 12 months, and then multiplying that number by 30%, the standard metric of affordability. The map shows that the most affordable units are south of Three Rivers, in Census tracts 403 and 412, and around Sturgis, while the least affordable units are found in Census tracts 401, 411.01, and 411.02. Census tracts **401, 413, 414, 415, and 416** currently have the highest concentration of middle- and low-income workers, so **affordable housing developments should be targeted in and around these Census tracts.**

**Map 5: Percent Affordable Rental Units by Census Tract in St. Joseph County, 2018**



The more income a household must spend on housing, the greater their risk of experiencing eviction, poverty, and homelessness. Furthermore, the more that an owner or renter spends on their housing costs, the less that resident will have to spend on keeping up their homes, as well as transportation, food, healthcare, and other expenditures that support local businesses and industries. In the last 20 years, the nation's renters have tended to have both stagnant incomes and increasing rent prices, which have contributed to their greater housing insecurity.<sup>14</sup> The large share of renting households spending significant portions of their incomes on housing underscores the need for continued coordination of affordable residential development across the county.

Another way to consider affordability is to examine different levels of housing security. Levels of security are determined by the portion of income that residents spend on their housing, including those who do not have enough income to maintain housing. While residents may experience multiple levels of housing security over time, the ideal is for them to progress towards becoming more secure, eventually purchasing their own home. Examining the levels of security can reveal the interconnectedness of the county's housing ecosystem and help stakeholders identify where the greatest housing needs are in the county.

<b>Levels of Housing Security in St. Joseph County, 2010 &amp; 2018</b> Households by Housing Access and Incomes Spent on Housing Source: Keystone Place; ACS 5YR Est. B25074, DP04		
	2010 (Number of households)	2018 (Number of households)
Literally Homelessness Population	276	424
Severely burdened renters, spending >50% of income on housing	Owners and Renters Spending >35% of income on housing: 4,927	1,160
Burdened renters, spending 35-49% of income on housing		620
Somewhat burdened renters & owners, spending 30-35% of income on housing	1,591	1,214
Comfortable, spending 20-29% of income on housing	5,419	5,007
Very secure, spending less than 20% of income on housing	9,929	12,786

Although it is good news that the number of households that are very financially secure has been increasing since 2010, several of the county's residents are already experiencing the challenges of housing insecurity. According to the county's only homeless shelter, the number of individuals experiencing homelessness in St. Joseph County has increased from 2010 to 2018. The Housing Task Force currently convenes on a monthly basis to perform the Continuum of Care functions for the county, to target housing support services to those most in need, and to coordinate efforts

<sup>14</sup> Matthew Desmond, 2015, Institute for Research on Poverty

across many organizations. The work of this task force is vital, but its stakeholders only focus on one portion of the housing security spectrum. To encourage change in the county's housing ecosystem, **a broader platform for collaboration is needed to connect stakeholders and strategies across all levels of housing security.**

Several promising strategies for systematically addressing homelessness in the county could be implemented with the support of stakeholders beyond the Housing Task Force (HTF). Local jurisdictions should consider modifying their **zoning** to allow developers to build smaller and more affordable housing units in the county. This would make homeownership more feasible for some middle-income residents who are currently renting, which could free up existing rental properties for others. Small homes could also provide rapid shelter to people experiencing **homelessness**, or during an emergency situation. In Salinas, California, clusters of small homes coupled with supportive services have been developed on underutilized land to provide shelter to people experiencing homelessness.<sup>15</sup> In St. Joseph County, this model could be replicated if churches provide the excess land and nonprofits provide the services, but **broader collaboration with community partners** and the HTF would also be required to implement and sustain this type of intervention.

A few urgent housing security issues will necessitate broader collaboration among housing stakeholders. Around 30 percent of the county's residents lost their jobs since the onset of **COVID-19**, and this could increase their risk of experiencing housing insecurity. To counteract this risk, housing stakeholders will need to collaborate with partners across different sectors to prevent eviction, to help residents find work to maintain their incomes, and to address the racial inequities exacerbated by the coronavirus. Cross-sectoral partnerships will help **identify funding** streams and strategies that can make supportive housing more secure and resilient in the future, especially for teens experiencing homelessness. Housing stakeholders will also need to build relationships with employers, developers, and property owners to ensure that the county's rental housing units that currently receive federal subsidies remain affordable once that support expires.<sup>16</sup> These urgent needs highlight not only the need for broader collaboration but also for building capacity around housing. The result of these efforts will be the **development of local housing expertise and a wider range of partners** engaged in helping the Housing Task Force address the challenges they currently face alone.

---

<sup>15</sup> R3, <http://www.r-three.org/prison-partnerships.html>

<sup>16</sup> National Low-Income Housing Coalition 2020

## Regional, State, and National Context

Regional, state, and national data reveal how the county's housing market is connected to and affected by broader trends. This knowledge is necessary when determining appropriate interventions and strategies for the housing ecosystem because local stakeholders must know which aspects of the housing ecosystem are under their control.

### Regional Conditions

While county-level data have already revealed many important aspects of the housing ecosystem, it is also important to examine how nearby counties' housing markets function for two reasons. First, the St. Joseph County housing market does not function in a vacuum, but is constantly affected by what happens in nearby markets. Second, much of the migration to and from St. Joseph County happens between neighboring counties. To gain a broader perspective on the regional housing market, this section will compare St. Joseph County to several counties that surround it: **Berrien, Branch, Calhoun, Cass, Kalamazoo, and Van Buren Counties in Michigan; and Elkhart, LaGrange, and St. Joseph Counties in Indiana.** Several tables with analysis are presented in this chapter to summarize and highlight key issues.

Almost all the counties in Michigan experienced a decrease in population over time, while all the counties in Indiana have increased their populations. Both Kalamazoo and St. Joseph County, IN, are home to colleges and universities, which attract residents as students and employees from across the nation, and are therefore outliers in this comparison. **A mobile workforce links St. Joseph County to its bordering counties in Indiana,** however. Elkhart County, IN, attracted a net positive number of migrants from southwest Michigan border counties from 2010 through 2013, but since 2016 the county has actually lost more population to these Michigan counties than it has gained.<sup>17</sup> This **recent in-movement presents an opportunity** to encourage these residents to deepen their roots and establish households in the county.

Southwest Michigan County Populations. 2000, 2010, & 2018							
Source: Decennial Census and ACS Est. DP05							
Year	Berrien County	Branch County	Calhoun County	Cass County	Kalamazoo County	St. Joseph County	Van Buren County
2000	162,453	45,787	137,985	51,104	238,603	62,422	76,263
2010	156,813	45,248	136,146	52,293	250,331	61,295	76,258
2018	154,807	43,584	134,473	51,460	261,573	60,897	75,272

Indiana County Populations and St. Joseph Co., MI. 2000, 2010, & 2018				
Source: Decennial Census and ACS Est. DP05				
Year	Elkhart County	LaGrange County	St. Joseph County, IN	St. Joseph County, MI
2000	182,791	34,909	265,559	62,422
2010	196,855	36,996	266,522	61,295
2018	203,604	38,942	269,240	60,897

<sup>17</sup> Census OnTheMap

Like St. Joseph County, comparison counties follow the national trend of **increasing median ages** and senior populations. Compared to the other counties in Michigan, St. Joseph County's median age has not increased as quickly as some others. However, all Michigan counties in this comparison are trending older than the three Indiana counties considered here. The primary driver of this difference is a more significant proportion of individuals aged 65-to-74 years old in the seven Michigan counties than in the Indiana counties. The housing market in southwest Michigan is likely to be influenced by the needs of this senior population in the future.

Michigan County Median Ages. 2000, 2010, & 2018 Source: Decennial Census and ACS Est. DP05							
Year	Berrien County	Branch County	Calhoun County	Cass County	Kalamazoo County	St. Joseph County	Van Buren County
2000	37.4	36.7	36.4	38.5	32.7	35.6	36.6
2010	40.3	39.1	38.4	41.4	33.9	38.0	39.4
2018	41.9	41.3	39.8	45.0	34.2	39.7	41.6

Indiana County and St. Joseph Co., MI, Median Ages. 2000, 2010, & 2018 Source: Decennial Census and ACS Est. DP05				
Year	Elkhart County	LaGrange County	St. Joseph County, IN	St. Joseph County, MI
2000	33.0	29.5	34.4	35.6
2010	34.4	30.4	35.9	38.0
2018	35.5	31.4	36.5	39.7

**Incomes in St. Joseph County are competitive for the region, but also constrain residents' housing choices.** Raising the incomes of county residents would help them afford more market-rate home prices and allow them to invest more in maintaining their homes over the long term.

Michigan Counties Median Household Incomes. 2010, 2015 & 2018 Source: ACS 5YR Est. S1901							
	Berrien County	Branch County	Calhoun County	Cass County	Kalamazoo County	Van Buren County	St. Joseph County, MI
2010	\$42,625	\$42,133	\$42,568	\$45,177	\$44,794	\$44,435	\$44,392
2015	\$44,993	\$44,373	\$42,520	\$46,570	\$47,476	\$46,008	\$44,449
2018	\$49,135	\$50,536	\$47,426	\$53,571	\$54,431	\$52,351	\$50,117

Indiana Counties and St. Joseph County, MI Median Household Incomes. 2010, 2015 & 2018 Source: ACS 5YR Est. S1901				
	Elkhart County, IN	LaGrange County, IN	St. Joseph County, IN	St. Joseph County, MI
2010	\$47,258	\$47,792	\$44,644	\$44,392
2015	\$47,913	\$49,964	\$45,471	\$44,449
2018	\$55,399	\$60,675	\$50,938	\$50,117

St. Joseph County experienced a decline in home values from 2010 through 2016, but the county's housing market began to recover value in 2017 and 2018. While all ten counties in this comparison experienced a drastic decline in new construction since 2009, **St. Joseph County has had one of the lowest numbers of new builds overall.** Across the ten counties, however, St. Joseph County has the competitive advantage of **lower costs of home ownership.**

Michigan County Median Home Values, Owner-Occupied. 2010 & 2018 Source: ACS 5YR Est. DP04							
Year	Berrien County	Branch County	Calhoun County	Cass County	Kalamazoo County	St. Joseph County	Van Buren County
2010	\$135,600	\$111,800	\$110,300	\$133,700	\$145,900	\$116,200	\$125,600
2018	\$146,300	\$104,100	\$105,300	\$134,700	\$153,800	\$115,100	\$131,400

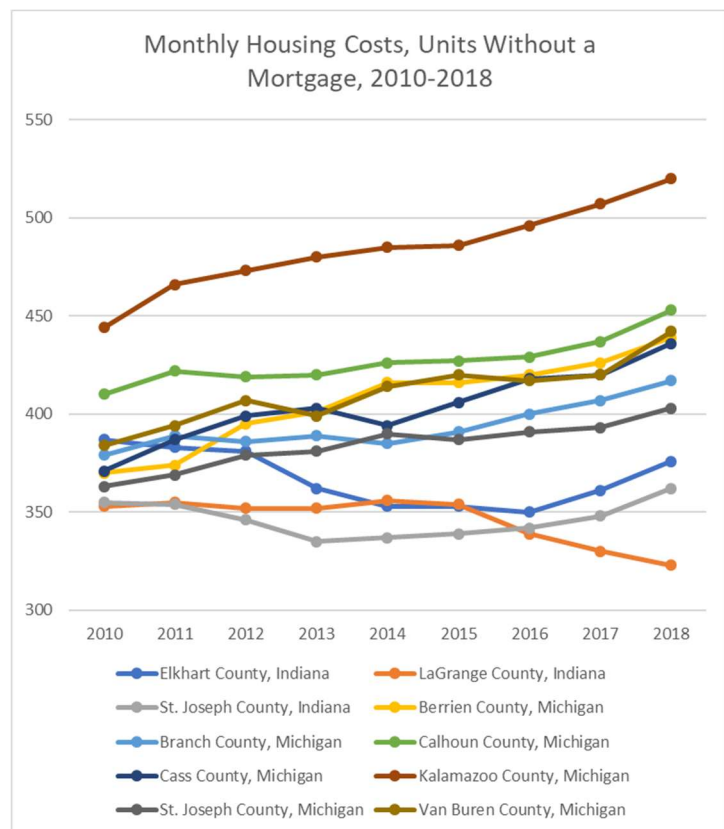
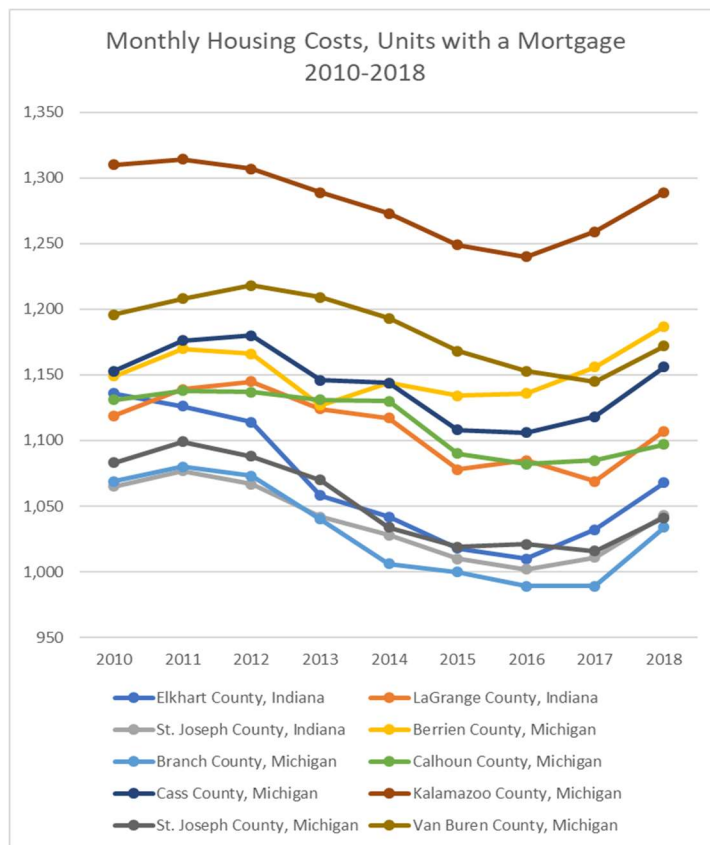
Indiana County & St. Joseph Co., MI, Median Home Values, Owner-Occupied. 2010 & 2018 Source: ACS 5YR Est. DP04				
Year	Elkhart County	LaGrange County	St. Joseph County, IN	St. Joseph County, MI
2010	\$128,000	\$148,200	\$116,300	\$116,200
2018	\$137,900	\$179,200	\$123,900	\$115,100

Considering the total number of housing units in the region, St. Joseph County has a comparable supply of houses to similarly situated counties like Branch and Cass Counties, but has significantly fewer units than in other communities. While the supply of housing units in each county is related to the size of its total population, in the last ten years new construction has been much more common in urbanized counties. This is not only because urban areas have greater potential demand, but also higher potential profits for developers. To counter this trend, rural areas like St. Joseph County must utilize strategies that aim to lower costs for developers, increase residents' incomes, and showcase the quality of life and amenities of their communities.

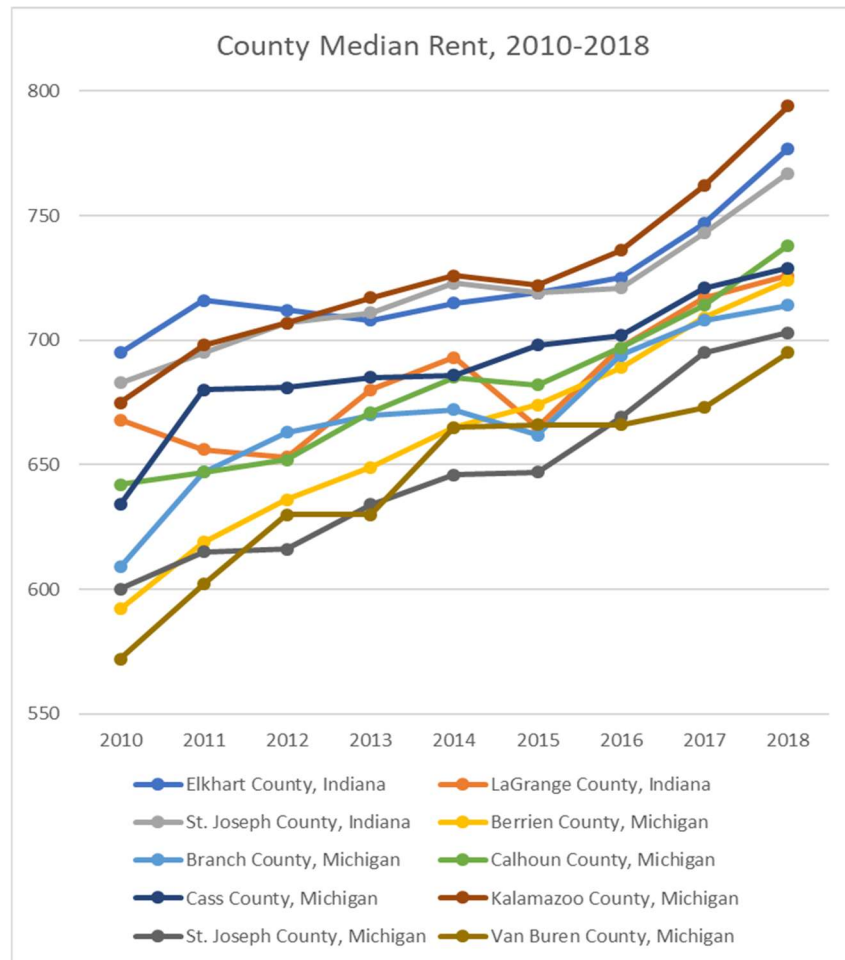
In terms of the costs of owning a home, St. Joseph County has some of the lowest homeowner costs in the region. **Monthly housing costs with a mortgage in St. Joseph County are very comparable to those in neighboring counties.** If nearby counties have similar housing costs but greater employment opportunities, workers are more likely to relocate. Maintaining a diversity of housing types and prices in the county can help counteract this out-migration. Homeowner costs without a mortgage in St. Joseph County are also quite comparable to nearby counties, but this poses less risk of out-migration since these owners are likely to be retired or seniors and move less frequently than other types of homeowners.

<b>Michigan Counties, Year Structure Built. 2018</b> Source: ACS 5YR Est. DP04							
	Berrien County	Branch County	Calhoun County	Cass County	Kalamazoo County	St. Joseph County	Van Buren County
Total housing units	77,322	20,818	60,879	26,213	111,646	27,872	37,122
Built 2014 or later	398	147	114	302	1,406	133	279
Built 2010 to 2013	808	136	428	360	2,094	230	481
Built 2000 to 2009	7,680	2,054	4,191	3,209	11,962	2,345	4,131
Built 1990 to 1999	8,827	2,867	6,700	3,652	15,695	3,112	5,613
Built 1980 to 1989	6,241	2,190	4,205	2,545	12,588	2,793	4,281
Built 1970 to 1979	10,232	2,924	8,281	3,979	16,884	5,301	5,822
Built 1960 to 1969	11,239	2,171	7,085	2,764	13,127	2,679	3,449
Built 1950 to 1959	12,050	1,930	9,873	3,335	14,323	3,503	3,676
Built 1940 to 1949	6,298	1,179	4,174	1,553	7,205	1,842	2,275
Built 1939 or earlier	13,549	5,220	15,828	4,514	16,362	5,934	7,115

<b>Indiana Counties and St. Joseph Co., MI Year Structure Built. 2018</b> Source: ACS 5YR Est. DP04				
	Elkhart County	LaGrange County	St. Joseph County, IN	St. Joseph County, MI
Total housing units	78,804	14,678	116,385	27,872
Built 2014 or later	910	286	754	133
Built 2010 to 2013	1,403	283	1,538	230
Built 2000 to 2009	9,342	2,261	9,718	2,345
Built 1990 to 1999	13,680	2,282	15,370	3,112
Built 1980 to 1989	8,500	1,541	11,347	2,793
Built 1970 to 1979	11,718	1,736	15,869	5,301
Built 1960 to 1969	8,694	1,414	12,913	2,679
Built 1950 to 1959	8,148	1,299	16,195	3,503
Built 1940 to 1949	3,712	439	12,198	1,842
Built 1939 or earlier	12,697	3,137	20,483	5,934







St. Joseph County also has **some of the lowest rental rates of the region**, though rent went up in all ten comparison counties since 2010. St. Joseph County does not currently have the demand nor a ready supply of quality rental housing available to push up prices much further. Since seniors and working families are going to shape the future of housing demand, residential development must be focused on meeting their housing needs, especially for affordable homeownership and rental options.

Geography, community, and natural amenities also impact the desirability of housing in the area. Agritourism and placemaking are opportunities to **capitalize on the county's agricultural and ecological strengths** to attract visitors, create jobs, and enhance quality of life. Chapter 4 provides ideas and a countywide amenities map to help encourage housing developments near existing assets. Building on the county's strengths is a great way to ensure that (re)development projects are as sustainable as possible, creating positive connections to community.

## Statewide and National Contexts

These final sections cover the statewide and national contexts in which the St. Joseph County housing ecosystem functions. Several conditions are outside of local stakeholders' ability to control, but they are still critical factors to be aware of since they impact the feasibility of development in the county. Analyzing these broader trends over time can help uplift the county's unique housing strengths and challenges, and inform stakeholders' strategy choices.

## Demographic Conditions

Michigan's statewide population continued to gradually increase from 2000 through 2018, to almost ten million people. The statewide median age has also slowly increased, up from 39.0 years in 2010 to 39.8 years in 2018.<sup>18</sup> Nationally, the median age has been increasing for several years, particularly as the number of people in the 45-to-64 year old age group, or the "Baby Boom" generation, continues to grow. Harvard University reports that **as of 2016, one in three American homeowners are over the age of 65.**<sup>19</sup> The growing number of older households without children is one reason why overall housing demand, and particularly demand for greater housing diversity, are expected to increase in the future. It is important to note, however, that **immigration** is expected to make up two-thirds of the national projected population growth by 2040.<sup>20</sup> **St. Joseph County's housing ecosystem must adjust to these changing conditions** in order to retain current residents as well as accommodate new ones in the future.

<b>Total Population</b> , National, State, & St. Joseph County Sources: Decennial and ACS 5YR Est. P001, DP05 & B01003			
Year	United States	Michigan	St. Joseph Co.
2000	281,421,906	9,938,444	62,422
2010	303,965,272	9,952,687	61,848
2015	316,515,021	9,900,571	61,022
2018	322,903,030	9,957,488	60,897

<b>Median Age</b> in Years, National, State, and St. Joseph County Sources: Decennial and ACS 5YR Est. DP05			
Year	United States	Michigan	St. Joseph Co.
2000	35.3	35.5	35.6
2010	36.9	38.1	38.0
2015	37.6	39.5	39.2
2018	37.9	39.8	39.7

---

<sup>18</sup> ACS 1YR Est. DP05

<sup>19</sup> JCHS 2018, 20

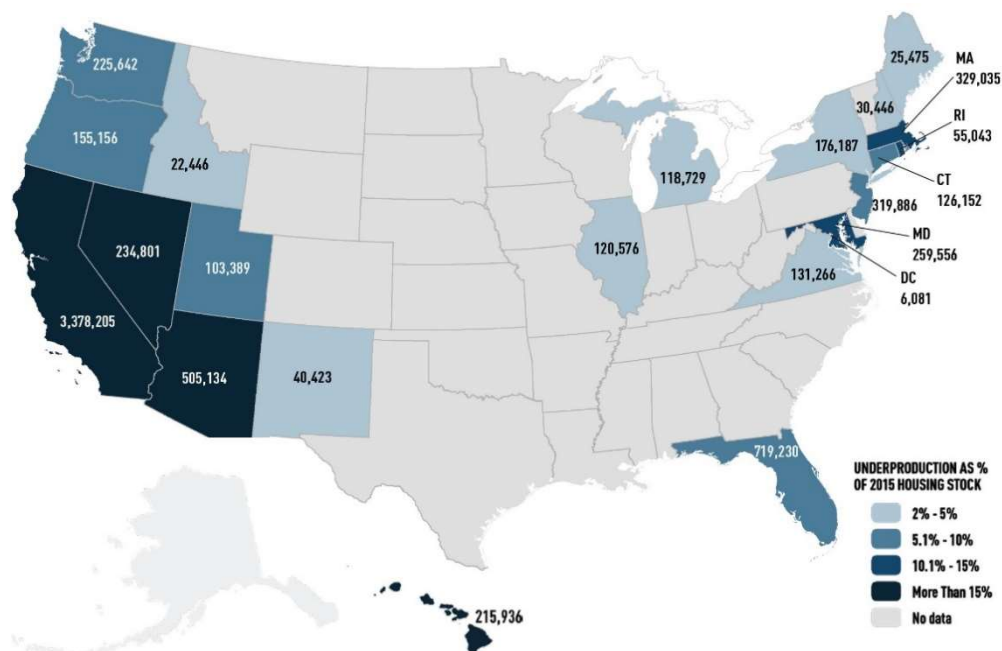
<sup>20</sup> JCHS 2018, 18

## Economic Conditions

In the state of Michigan, the **occupations with the most employment**, both in 2010 and 2018, included **educational and health services, manufacturing, and retail trade**. The statewide civilian labor force grew by 13% over that time, but labor force participation has slightly declined. Nationally, the labor force participation rate has been declining since around the year 2000, and had leveled out at around 63 percent before COVID-19 hit the United States.<sup>21</sup> Slow economic growth at the county and state levels are expected in the next few years, as the recession caused by COVID-19 shutdowns continues to disrupt business and social functions. In the near future, labor force participation rates may be pushed down even further if older adults continue to choose options like early retirement instead of returning to work. Because of their positive effects on incomes, immigration and workforce training would then become even more important to the long-term health of the housing ecosystem and the economy.

## Housing Conditions

**New residential construction has been slowing nationally since the turn of the 21<sup>st</sup> century.** Around 20 percent of housing units in the nation have been built since 2000, with new units concentrated in the South and West Regions of the U.S.<sup>22</sup> The slowdown in construction has been caused by a number of factors, particularly increased building material costs and a shortage of skilled labor. This has created a shortage of ‘missing middle housing’ moderately-sized units that serve middle-income households,<sup>23</sup> but there is a much larger deficit of housing units across the nation. New residential construction will likely remain constrained in the very near future due to COVID-19, as supply chains for building materials and labor are disrupted. This will make it even more **critical to preserve housing units that already exist**.



Source: ECONorthwest estimates, Census Bureau ACS 1-year Estimates of housing Stock

<sup>21</sup> Bureau of Labor Statistics 2020

<sup>22</sup> ACS 2018 1YR Est. DP04

<sup>23</sup> Petrolek 2020

According to the National Association of Home Builders, **in 2019, 87 percent of home buyers purchased previously owned homes**, primarily for their better overall value. Home buyers who purchased new homes were more likely to be 65 and older, and preferred to customize features, or to avoid renovations and structural problems. Around 50 percent of buyers were in their thirties, forties, and fifties. Twelve percent of buyers were creating multigenerational homes, and 63 percent of buyers have children in the home. About a third (33%) are first time home buyers, and most people under forty are first-time buyers. While buyers under forty often use their savings for the down payment, owners older than 65 are more likely to use the proceeds from the sale of a primary residence. While the majority of home buyers are white, buyers aged 40 to 54 are the most racially diverse and have the highest levels of education. This age group also has the highest percentage (13%) of buyers not born in the U.S.

According to a national survey done by AARP in 2018, nearly one in three homeowners needed to make modifications to their home to accommodate their aging needs. In that same survey, about a third of adults said they would consider building an accessory dwelling unit (ADU) on their property, and their main reason for doing so would be to provide space for a loved one. ADUs are an attractive alternative to a single-family home because seniors can live close to others, get help with everyday activities, and lower their housing costs. While most people want to stay in their current home while they age, respondents were more committed to staying in their community than to staying in their current residence. **The quality of the neighborhood, relative location, and overall affordability have significant influence on where people choose to buy homes.** The AARP survey argues that community is a vital source of both individual and social support for residents, and especially for older adults who want to be close to safe parks, maintained streets, and healthcare. Because of the longevity of housing assets, the changes seniors make to their homes and the alternatives that are offered to them will have profound effects on the types of housing available to future generations.

## KEY CONTEXTUAL CONSIDERATIONS

- St. Joseph County and its neighboring counties share a workforce that moves to follow employment
- While St. Joseph County has some of the lowest overall housing costs in the region, it has struggled to attract new residential construction since 2010
- Populations are aging, both regionally and nationally, and fewer people are participating in the labor force every year
- Slowing residential construction increases the importance of maintaining existing homes

## Strengths and Challenges of The Housing Ecosystem

This chapter has presented data that demonstrates how regional, economic, and demographic **conditions** impact the housing conditions in St. Joseph County. These factors, along with those who act within **organizations** to fund, build, or control access to housing, **make up the housing ecosystem**. Local leaders should update the data in this chapter regularly and share this data amongst the county's housing stakeholders to align goals, objectives, strategies, and partnerships, and ensure that development projects positively impact the housing ecosystem. Understanding trends and collaborating more frequently will also help stakeholders build upon the county's strengths, and address challenges in the housing ecosystem.

A clear strength of the St. Joseph County housing ecosystem is the strong **network** of housing and community service organizations. Many of these organizations work together on the Housing Task Force, but another platform is needed to **make wider collaboration possible**. The planning process revealed that the housing ecosystem is impacted by several socioeconomic factors; but not all landlords, bankers, realtors, housing developers, employers, or even government officials know this. The county's housing ecosystem cannot function efficiently if more stakeholders do not align around shared goals and metrics. This plan is one step in that direction and is intended to galvanize partners to action, but continued coordination and communication are going to be what truly sustains positive change. The next two chapters outline steps that stakeholders can take to prioritize and measure the same housing goals.

Other assets to the county's housing ecosystem include **programs** such as the Sturgis Neighborhood Program, the Commission on Aging's home improvement services for seniors, and Three Rivers' redevelopment agreement program. Local **philanthropy** organizations are integral to the health of the housing ecosystem, and thankfully, they are already heavily involved. However, as this report has shown, **employers** are just as critical to the housing ecosystem because they determine in large part where people choose to live and the housing they can afford, but the county's employers are not as engaged or invested in housing issues as they could be. Finding shared priorities with employers, such as training and financial education programs for workers, will help leverage their investment in support of the housing ecosystem.

Lakes, parks, and water features are some of the county's biggest strengths, and they are integral to the cultural identity and slower way of life that defines St. Joseph County. In recent years, the **waterways** have attracted residential development when it was not occurring elsewhere in the county. Most residential areas in the county are well-connected to activities and amenities via roads and highways, but travel in the county is heavily dependent on automobiles which limits equitable access to amenities for some residents. **Limited access** to healthcare is one of the biggest amenity-related concerns according to the AARP,<sup>24</sup> and according to focus groups organized for this plan.

---

<sup>24</sup> <https://livabilityindex.aarp.org>

The county's housing ecosystem is likely to be profoundly shaken by the **coronavirus pandemic** currently affecting the United States and the world. The county's strongest employment industries – manufacturing, office and sales, and services – have also been some of the most impacted by coronavirus-related shutdowns. Lost jobs, prolonged periods of unemployment and diminished productivity, as well as extinguished savings will limit the ability of residents to invest in their homes, probably for several years to come. These contexts must be considered when prioritizing goals and strategies. During this challenging time, there are still opportunities to enhance the county's housing ecosystem now by inventorying assets, building relationships, and developing resources. The next chapter identifies these opportunities in the goals, objectives, and strategies.

Strengths	Challenges
Housing, Faith-based, and Community Serving Organizations	Limited number of stakeholders working on housing
Successful housing programs	Cost barriers to new residential development
Engaged philanthropy	Opportunity to engage more stakeholders, like employers, bankers, landlords, and realtors
Low cost of home ownership	Lower incomes prevent increased investment
Parks and recreational amenities	Transportation dependent on automobiles
Labor force has strong ties to manufacturing, office and sales, and services	COVID-19 disruptions on national economy
High percentage of homeowners are seniors who own their homes	Senior homeowners often need to modify their homes to safely age in place

## Summary

This chapter reviewed data on the demographic, economic, and housing conditions in and beyond St. Joseph County. The data revealed housing opportunities and challenges that are addressed by the goals in the following chapter. Long term stabilization of the county's housing ecosystem will require establishing and implementing shared priorities for preservation, and maintaining shared priorities through platforms of on-going collaboration.

# Chapter 3: Goals, Objectives, and Strategies

## Overview

This chapter outlines the goals, objectives, and strategies identified in the planning process. As was demonstrated in the previous chapter, the county's seniors, amenities, and diversity of housing options are central priorities of this plan; the three goals of this plan address those same aspects.

## Goals, Objectives, and Strategies for the St. Joseph County Housing Ecosystem

### Goal 1: Maintain a diversity of housing options for all residents of St. Joseph County

**Objective 1:** The Housing Task Force coordinates the maintenance a comprehensive inventory of the county's housing assets, identifying all existing housing assets by 2022.

**Strategy 1:** The County's Housing Task Force (HTF) is the central point of information on St. Joseph County's housing ecosystem. This group is empowered to keep the inventory updated, to share information among members, and to assist developers and landlords in making development decisions.

**Strategy 2:** HTF partners with the county assessor's/GIS office to create an inventory of housing data and assets in St. Joseph County. This inventory is updated annually.

**Strategy 3:** The Housing Task Force shares this inventory internally, and with local jurisdictions' economic development departments to enable them to provide technical assistance to potential landlords or developers, and to support development on sites with existing infrastructure access, nearby amenities, pre-approved site plans, and preassembled financial incentives.

**Objective 2:** Countywide institutions prioritize stabilization and collaborate to preserve existing households.

**Strategy 1:** The County Commission on Aging provides maintenance resources for senior homeowners by collaborating with partners to apply for funding to support maintenance of additional senior households.

**Strategy 2:** Local units of government in the county collaborate to create a shared system of prioritizing homes that need maintenance investments, and for identifying homes in critical need of preventative repairs and upgrades. These priorities for maintenance and repairs are recorded in the county's inventory of housing assets.

**Strategy 3:** Local units of government apply to funding sources or find partnerships to provide additional resources to support maintenance and preservation of households in each jurisdiction.

**Objective 3:** Local units of government work with economic development organizations to support at least one innovative housing construction project in the county every year

**Strategy 1:** In partnership and with support from the county's EDOs, local units of government and housing stakeholders explore effective programs or incentives that can increase the number of new developments and residents in the county. This could include any of the following initiatives:

- Create a program to offer foreclosed homes to new owners
- Build relationships with developers and bankers
- Evaluate how zoning ordinances or permitting processes may limit development
- Create and test zoning districts that explicitly allow accessory units and tiny homes, or pre-approve certain home types like the barn-do-minium
- Evaluate how zoning requirements may be limiting development already, such as setback, minimum square footage, parking, and other requirements
- Incentivize housing development in locations with existing assets, such as public utilities, near schools for families, near services for seniors, and in underutilized structures.

**Strategy 2:** Units of government build local capacity to support housing development projects, either through internal capacity-building and hiring, or by supporting organizations such as housing non-profits and churches doing this type of development in the county.

**Objective 4:** Housing stakeholders are involved in resiliency and emergency preparedness planning to ensure that the housing ecosystem can recover from shocks

**Strategy 1:** The Housing Task Force is listed as a resource in the County Sheriff Emergency Manager's pre-disaster mitigation plan annex, and can provide data on the housing ecosystem to inform disaster preparedness.



## **Goal 2: Increase available housing in the county for those who most need options with less maintenance, for the long-term health of the entire community**

**Objective 1:** Stakeholders in government and community service organizations work to ensure that seniors who own homes have the resources they need to maintain their quality of life and their homes' value.

**Strategy 1:** The county's grant writer and the Commission on Aging work together to explore new funding streams for volunteer and/or county-supported maintenance programs that are targeted specifically for senior residents in farmhouses and single-family homes. Ideas for such programs include:

- Expand the Sturgis Neighborhood Program, Three Rivers rehabilitation agreements, COA home repair and care program, and/or Habitat for Humanity program countywide.
- Support workforce development and apprenticeship programs that increase employment opportunities for general contractors, plumbers, electricians, and other occupations critical to the health of the county's housing ecosystem. Identify corporate and employer sponsors for these workforce development programs, especially those targeted to youth.
- Create a program for the county to recommend or manage local/retired contractors who can provide low-cost or subsidized maintenance services to senior homeowners
- Recruit sponsorships and donations to create a tool lending library that can help neighbors access the resources they need to maintain their homes
- Explore programs that provide creative solutions to multiple housing issues at once – such as matching senior households in need of maintenance or income with individuals and families who need rental opportunities in the county; creating incentives for familial return migration; or allowing multi-generational housing (re)developments.
- Increase local education on homeownership and financial coaching opportunities for residents who are renters and/or potential new homeowners.

**Strategy 2:** Housing stakeholders build a relationship with St. Joseph EDGE to identify opportunities to increase the number of low-maintenance housing developments like townhomes, quality mobile home parks, condominiums, and duplexes for seniors in St. Joseph County. At the annual meeting, the economic development organization helps identify opportunities for creative reuse of existing buildings for multi-senior housing (like the COA remodel of the former Three Rivers Inn), and employers who may be willing to invest in workforce housing developments.

**Strategy 3:** Local planning commissions and chambers of commerce are encouraged to identify opportunities to increase the number of rental options in their jurisdictions through zoning, partnerships, and affordable housing development projects. This could include:

- Reuse of existing, unfinished subdivisions with smaller homes (and no basement)
- Duplexes, triplexes, or fourplexes
- Expanding high-quality senior manufactured home parks like Kline's Resort
- Expanding rental options for seniors on fixed incomes
- Expanding rental options for workers with limited incomes
- Ensuring efficient and effective zoning for rental housing options remain in place
- Exploring partnerships with local employers to guarantee rental income for residential development projects

### Goal 3: Collaborate to better promote the county's amenities to potential residents

**Objective 1:** Local units of government participate in collaborative efforts with chambers of commerce to promote existing amenities

**Strategy 1:** Local units of government will work with area chambers of commerce to develop a collaborative marketing strategy, such as a website, placemaking, or items for realtors' welcome packet, during its QOL planning process.

**Strategy 2:** In County QOL planning process, the County government should identify new amenities that partners, entrepreneurs, Southwest Michigan First!, and chambers of commerce could invest in to complement the amenities that already exist, such as restaurants, recreational opportunities, and tourism businesses.

**Objective 2:** Local jurisdictions agree that broadband is a necessary amenity, and commit to the shared goal of improving broadband access in the county's underserved areas.

**Strategy 1:** Local units of government help identify priority areas for investment, and support short and medium-term opportunities to expand reliable and affordable broadband access, with a speed target of at least 100/10 Mbps download/upload for all communities in St. Joseph County by 2025.

### Summary

This chapter has outlined the goals, objectives, and strategies that will be needed to sustain and grow the county's housing ecosystem in the next 10 years. The next chapter, the Plan of Action, goes into more detail about steps that stakeholders can take immediately and over the next five years to ensure that this plan remains relevant and useful.

## Chapter 4: Plan of Action

### Overview

This chapter identifies the **key steps that should be taken in the next five years** to start bringing the plan's goals to fruition. First, the chapter presents an overview on how stakeholders can set shared priorities and expectations immediately. Then, for each goal, two to three priority activities are described in detail. Finally, this chapter outlines data on projections and evaluation that stakeholders can use to anticipate potential challenges, track the progress of ongoing projects and strategies, and identify when change may be necessary.

The contemporary national context during which this plan has been written is unprecedented, to say the least. The onset of the coronavirus pandemic required adjusting the steering committee's planning process and engagement strategies to a context without in-person meetings. The effects of the pandemic and current recession are likely to be long-lasting and are still largely unknown, and unfortunately the entire country was in a housing crisis well before the pandemic arrived, but there is still much that should be done to ensure the health of the county's housing ecosystem. Moving forward in the current context will require flexibility in planning and implementation, which will result from collaborative relationships and up-to-date metrics that help stakeholders respond quickly to challenges and opportunities.

### Maintain Relationships

The first crucial step is to maintain the relationships built during the planning process through a collaborative platform that considers the entire housing ecosystem. This is primarily because more stakeholders need to be engaged in maintaining the health of the housing ecosystem – particularly developers and employers. Currently, only the Housing Task Force (HTF) assembles on a regular basis to consider the county's housing ecosystem, but this group is primarily focused on meeting the housing needs of insecure residents and people experiencing homelessness. A broader group of stakeholders including members of the HTF should be formed to ensure continued investment in the health of the county's housing ecosystem. This broad group, or **Housing Steering Committee**, would likely be coordinated by a countywide organization or government body whose mission aligns with this work. This committee should meet at least quarterly. This group should communicate privately on a regular basis about progress toward shared goals, but should also maintain a meeting platform to build relationships. One aim of this committee should be to increase collaboration with potential partners like employers, realtors, bankers, and community groups.

#### HOUSING STEERING COMMITTEE MEMBERS

- Realtors
- Bankers
- Employers
- Local Government
- Local Businesses
- Housing Task Force
- Churches
- Community Groups
- Chambers of Commerce
- Community and Economic Development

The basis for countywide collaboration should be the members of the steering committee assembled for this plan. Stakeholders from across the housing ecosystem and from many sectors should be invited to attend this meeting, to ensure representation from across the different levels of housing security, the public and private sectors, and community organizations. At this meeting, committee members should review all aspects of the county's housing ecosystem, including the shared data sets, inventory of housing assets, and the goals of this plan. The assembled stakeholders should use this time to align around shared goals for investment and common talking points on housing. The meeting should be used to identify potential projects and partnerships, and to discuss the allocation of resources across the housing ecosystem. Future meetings should also provide accountability checks for shared goals.

## FUNCTIONS OF THE HOUSING STEERING COMMITTEE

- Communicate regularly
- Focus on housing ecosystem perspective
- Implement housing plan
- Interface with the community and potential partners
- Share data on private platform
- Organize annual meeting

By continuing to assemble, the Housing Steering Committee can also initiate action steps toward achieving the goals of this plan, keeping the housing asset inventory updated, and reporting progress on collaborative platforms. This would effectively achieve the goal of building local capacity to foster investment in housing. Stakeholders need a place to hold discussions, to identify best practices, build relationships, address challenges, and create opportunities for collaboration and investment. Individuals and organizations who may wish to invest in the county's housing ecosystem could work with this committee to find where residential development is most appropriate and needed. In short, the Housing Steering Committee is much needed.

## Sharing Data

The other aspect that will be crucial for moving forward is creating and maintaining a system for sharing housing data. Shared data will help stakeholders identify and track changes in the county's housing needs. Up-to-date data also ensure that the Steering Committee is ready to act quickly when resources become available. The Steering Committee should assemble the data through partnerships with the county government, HTF, and others. Some of this data should be sourced from proprietary local sources (such as HTF members, local realtors, and the assessor's office). The Committee and its partners should maintain the data on a shared platform that allows members access on a regular basis, but updates to the data should also be shared at the annual meeting. The key data and categories to collectively track and share amongst housing stakeholders are listed at the end of this chapter and in a spreadsheet in Appendix B.

The remainder of this chapter assumes that the action steps of sharing data and maintaining an annual meeting of the Housing Steering Committee because strategies will be more impactful if they are supported by data and partners. The following section describes the key strategies under each goal that stakeholders can advance in the next five years.

## Priority Action Steps, Key Partners, and Timelines for the Next Five Years

This section embodies the ‘living document’ function of the plan by guiding the action steps that stakeholders should take to improve the health of the county’s housing ecosystem in the next five years. Two to three key activities are described in detail for each of the three goals outlined in the previous chapter, along with additional resources for getting started. While most of the activities can be undertaken at the local level, every action step will have greater impact if it is coordinated across the county.

### Goal 1: Maintain a diversity of housing options in St. Joseph County

*Action Step: The Housing Steering Committee creates an Inventory of Housing Assets*

#### HOUSING ASSET INVENTORY

- Residential areas and undeveloped land zoned residential
- Location, size, and condition of residential structures, including bedrooms, bathrooms, and lot sizes
- Location and size of the county’s major employers
- Name and info of developers, lenders, and construction firms that work in the county
- Houses prioritized for maintenance investment and preventative home repairs

This inventory is a vital project for several reasons. First, it forms the backbone of the shared data set that was described above, and it creates a system by which progress towards goals can be measured. The inventory is also a crucial tool for engaging partners across different sectors. Stakeholders can use the data to show which areas of the county are most suited for residential developments of various forms and prices, and to demonstrate areas of greatest need.

For the annual meeting, the inventory should also be mapped and graphed as much as possible so that the information can be quickly understood by everyone participating. The inventory, along with maps and graphs, should be kept in a privacy-protected format such as a non-public Google Drive, so that steering committee members may access the data between annual meetings for funding applications. The inventory data should only be shared publicly at annual meetings or as needed to advise potential developers and partners.

The Housing Steering Committee can put together the inventory in six to twelve months, and should thereafter be updated every year. The steps to putting together the inventory include identifying responsible parties, requesting and receiving the information, and organizing the data. The data for the inventory is available from three primary sources: the county assessor/GIS department, chambers of commerce, and the Census. The county government should be responsible for retrieving the information on residential structures and land from the county assessor/GIS department. Local realtors, chambers of commerce, and the St. Joseph County EDGE should be recruited to provide data on businesses and developers. Finally, the Housing Task Force should gather Census data.

## STEPS TO ASSEMBLING THE HOUSING ASSET INVENTORY

- HSC coordinates annual data collection
- County government provides residential structure data
- Realtors or economic development organizations provide data on businesses and developers
- The Housing Task Force gathers Census data

### *Action Step: Local governments evaluate how zoning ordinances can more effectively guide housing developments*

Zoning ordinances impact housing diversity by regulating the types and locations of residential development within each jurisdiction. It is therefore crucial that local governments evaluate their zoning. These evaluations should investigate what types of residential development are allowed under the current zoning ordinance, and how these types might differ from what residents desire. Evaluations of zoning ordinances should also identify where zoning conflicts and violations most often occur, and whether any opportunities exist to take advantage of existing yet underutilized assets. The goal of these evaluations should be to identify zoning regulations that can be adjusted to increase the supply of housing that meets current and future residents' needs.

Local governments should thoughtfully and deliberately consider changes to local zoning ordinances since the process to do so can be time-consuming. The most important aspects to consider are **density, minimum square footage, lot coverage or floor area ratio, accessory units, and parking**. In St. Joseph County, the most promising zoning ordinance adjustments include explicitly allowing more diverse types of housing, like accessory units; barn-do-miniums, tiny homes, duplexes, and other multiple unit buildings; lowering the minimum square footage to allow construction of smaller units; and reducing the permitting processes and timelines for residential developments. Local jurisdictions' planning commissions can use Community Builders' D.I.Y. Code Audit Tool to evaluate zoning codes and test many kinds of zoning adjustments that could allow different building types in their communities (<https://communitybuilders.org/project/breaking-the-code-toolkit/>). Local units of government should annually report changes to local zoning ordinances to the Housing Steering Committee, since investigating the effects of zoning changes in other communities can inform a planning commission's decision about whether to modify their ordinance. Unfortunately, commissioners should anticipate some resistance from residents to these kinds of zoning ordinance changes, but this can be mitigated with advanced planning and by identifying local champions.

## Goal 2: Increase available housing options in the county for those who most need options with less maintenance, for the long-term health of the entire community

### *Action Step: Stakeholders collaborate to expand senior homeowners' access to maintenance resources*

An important action step that stakeholders can take toward increasing lower maintenance housing options in the county is to expand support and resources for senior homeowners. Home preservation and maintenance are especially crucial given the aging of the population and the growing number of homeowners over 65. Currently, 34 percent of the county's homeowners are 65 years or older. Another 23 percent of homeowners are aged 55-to-64 years old, and will thus be entering retirement age in the next ten years.<sup>25</sup> Seniors' incomes generally decline as they age and stop working, which limits their ability to invest in their homes. At the same time, as seniors age, they increasingly need to make modifications to their homes to ensure that they can safely age in place. While some seniors may choose to downsize, most seniors prefer to stay in their homes.<sup>26</sup> Focus group participants reported a serious lack of low-maintenance and affordable housing options for seniors in the county, which further limits their moving frequency. With these things in mind, it is crucial to increase housing maintenance resources for the county's senior homeowners. This will make their homes safer to live, potentially add value to their homes, and ensure that these homes are available to future owners, contributing to the long-term health of the county's housing ecosystem.

A low-cost option is to **organize a tool-lending and volunteer service program** which should be used primarily to assist local seniors with their maintenance needs. Another low-cost, innovative program that is in place in other states could connect seniors who have extra bedrooms with people looking to rent, through **voluntary home sharing agreements**.<sup>27</sup> A nonprofit could run such a matching program, or the county government could help seniors sign up for digital platforms such as Silvernest.com or Nesterly.com. Seniors would gain extra income by renting a room, but they could also reduce part of the rent in exchange for help with home maintenance. These agreements are an opportunity to solve not only seniors' maintenance challenges, but also issues of social isolation, declining income, and lack of access to services. The renter has the opportunity to learn from the senior about home maintenance and life in St. Joseph County. The broader benefits to the housing ecosystem are that the county increases its supply of rentable units without the added construction costs, and strengthens social cohesion.

There are several existing **programs** in the county that could serve more senior homeowners. These include activities of the Commission on Aging, the Sturgis Neighborhood Program, and Community Action. County and local governments could help to fundraise and expand these programs, or increase promotion to senior households. Alternatively, new initiatives could be piloted to increase seniors' maintenance resources. The Commission on Aging could **establish partnerships** with faith-based organizations, the Sturgis ISD, or local employers in order to create new, low-cost home maintenance programs for seniors. The county government, with its broad geographic scope, might be best suited to target these types of resources towards the senior

---

<sup>25</sup> Claritas 2020

<sup>26</sup> AARP 2018

<sup>27</sup> AARP 2018



households that most need help with maintenance. The county government could also **pilot programs** that create opportunities for education and enforcement of maintenance standards, or try to increase seniors' use of the Michigan Choice Waiver Program, which can help address home accessibility issues.

A common theme amongst all these opportunities is that they provide benefit to the entire housing ecosystem, not just seniors. Thinking systematically helps stakeholders design the most impactful interventions and reinforces the importance of coordinating these kinds of programs across professional and jurisdictional boundaries.

## EXPAND MAINTENANCE RESOURCES FOR SENIOR HOMEOWNERS

- Organize tool lending and volunteer maintenance programs in the county
- Assist seniors who wish to participate in home sharing agreements
- Expand funding and partners' support of the county's existing maintenance programs
- Pilot new maintenance programs with the St. Joseph County government
- Coordinate interventions that have positive impact on the entire housing ecosystem

### *Action Step: Local jurisdictions and the Housing Steering Committee identify opportunities to increase rental options in the county*

As Chapter 2 described above, the county's rental market is an important component of the housing ecosystem. Chapter 2 also showed that there has been an increase in demand for the county's rental properties in the last twenty years, and that this demand is predicted to continue to grow in the future. Anecdotal evidence supports the notion that a developer could expect high demand and low vacancy rates for affordable rental development in St. Joseph County. Stakeholders will need to ensure that the housing ecosystem can accommodate these changing conditions by identifying opportunities to increase rental options in the county, particularly for seniors and families who need more affordable housing. Even though COVID-19 may delay residential construction in the near term, there are still several opportunities to help make development more feasible over the long term.

One strategy that could benefit the housing ecosystem over the long term is **identifying underutilized assets**, such as land, structures, and infrastructure, that make certain areas of the county more ready for residential development than others. The county government and local planning commissioners could **consider granting by-right development permissions** for certain housing types that they deem most needed in their jurisdictions. Local economic development organizations can work with Southwest Michigan First! and St. Joseph County EDGE to **identify potential subsidies or tax credits for developers** that could increase the feasibility of certain development projects. A housing development feasibility model was created just for southwest

Michigan and St. Joseph County through the Southwest Regional Prosperity Initiative microgrant,<sup>28</sup> so that stakeholders can **evaluate the likelihood of different housing types and better advocate for appropriate development**. Local jurisdictions can use other digital tools like the Inclusionary Housing Calculator<sup>29</sup> to evaluate the profitability of and provide support for different housing development products in St. Joseph County.

**Building relationships with a broader range of stakeholders** through the Housing Steering Committee is another activity that will help identify opportunities for rental development. Housing stakeholders would benefit from relationships with developers, realtors, employers, and bankers because both parties would have useful information to share, but other community partners could also contribute to affordable rental development. For example, there are more than 100 churches and faith-based organizations in the county, and many have a social mission to work in the community. These relationships can be facilitated by an invitation to join a meeting, or by providing access to proprietary information found in the housing inventory and shared data set. These types of partnerships will be necessary to accomplish new residential development projects in the county, so there is no reason to wait to start building connections with them.

## OPPORTUNITIES TO INCREASE THE COUNTY'S RENTAL OPTIONS

- Identify underutilized assets like buildings, land, and infrastructure
- Consider by-right development permissions
- Identify potential developer subsidies or tax credits
- Utilize tools to evaluate feasibility of housing development and advocate for appropriate types
- Expand relationships among the Housing Steering Committee and outreach to other potential partners

---

<sup>28</sup> [https://live.mapcraft.io/upjohnhousing/?bkmrk=M6723710OxWAQbfn7jN&lab=upjohn\\_housing](https://live.mapcraft.io/upjohnhousing/?bkmrk=M6723710OxWAQbfn7jN&lab=upjohn_housing)

<sup>29</sup> <https://inclusionaryhousing.org/calculator/>

*Action Step: The Housing Steering Committee supports workforce training programs that increase local employment opportunities that support the health of the county's housing ecosystem*

The slowdown in residential construction that the county experienced since 2010 has been due in part to a shortage of skilled labor in the construction sector. One way that stakeholders can help address this shortage is to **support workforce development and training programs** that increase access to local employment opportunities in occupations critical to the health of the county's housing ecosystem. For example, skills in building trades, construction, and remodeling industries are going to be increasingly needed to help senior residents maintain and remodel their homes as they age in place. Local workers would benefit from having the skills to fill these openings, and potentially earn better wages. In turn, their increased wages would allow them to spend more on housing, and support the development of a greater diversity of housing types. This is a great example of where the county's employment and economy overlap with the housing ecosystem, and an important reason why housing and workforce development stakeholders should collaborate more closely.

Currently, the only program that exists within the county to provide these kinds of skills is a high school-level career and technical education (CTE) program that teaches residential construction trades through the St. Joseph County Intermediate School District. Housing stakeholders can support this program by **building relationships** with administrators and instructors, by **helping promote** this program to parents, and by **advocating for the expansion of similar programs**. Focus group participants also frequently suggested that Glen Oaks Community College could be a valuable partner in supporting residential development. Glen Oaks could be invited to an annual meeting of the Housing Steering Committee to build relationships and to explore opportunities to build more training programs for these kinds of occupations.

New programs could also be developed. To support growth in the food and agriculture sectors, Glen Oaks and the St. Joseph County ISD could **develop an agritourism certificate program** targeted at graduating high school students. Such a program might combine courses in agriculture, marketing, business, and tourism, which are currently offered by MSU Extension, with a new CTE program on food preparation. Beyond their traditional silos, housing stakeholders also can have a role in supporting workforce development. Local jurisdictions, the Sturgis Community Foundation, or the county government could establish an entrepreneurship fund to support small business development in recreation, tourism, and general contracting. This would support the county's culture, small businesses, and amenities, which in turn can help to attract new residents and define local quality of life.

### Goal 3: Collaborate to better promote the county's amenities to potential residents

#### *Action Step: Stakeholders increase collaborative efforts to promote the county's existing amenities*

Quality of life is already a critical factor to the health of the housing ecosystem, and this aspect will only get more important in the future. Amenities, small businesses, culture, recreation, and reputation influence people's decisions about where to purchase homes, and this is especially true for prime homeowner markets of Millennials and Baby Boomers. Furthermore, COVID-19 is likely to change how many people think about remote work, and could make rural areas more viable options for people who work from home on a regular basis. COVID-19 is also likely to accelerate the trend of people wanting to live closer to where they play than to where they work, an observation shared during one focus group meeting. In the regional housing market, St. Joseph County has the competitive advantages of being the center of the St. Joseph River watershed, as well as having excellent recreational amenities, a strong agricultural heritage, and a relaxed way of life.

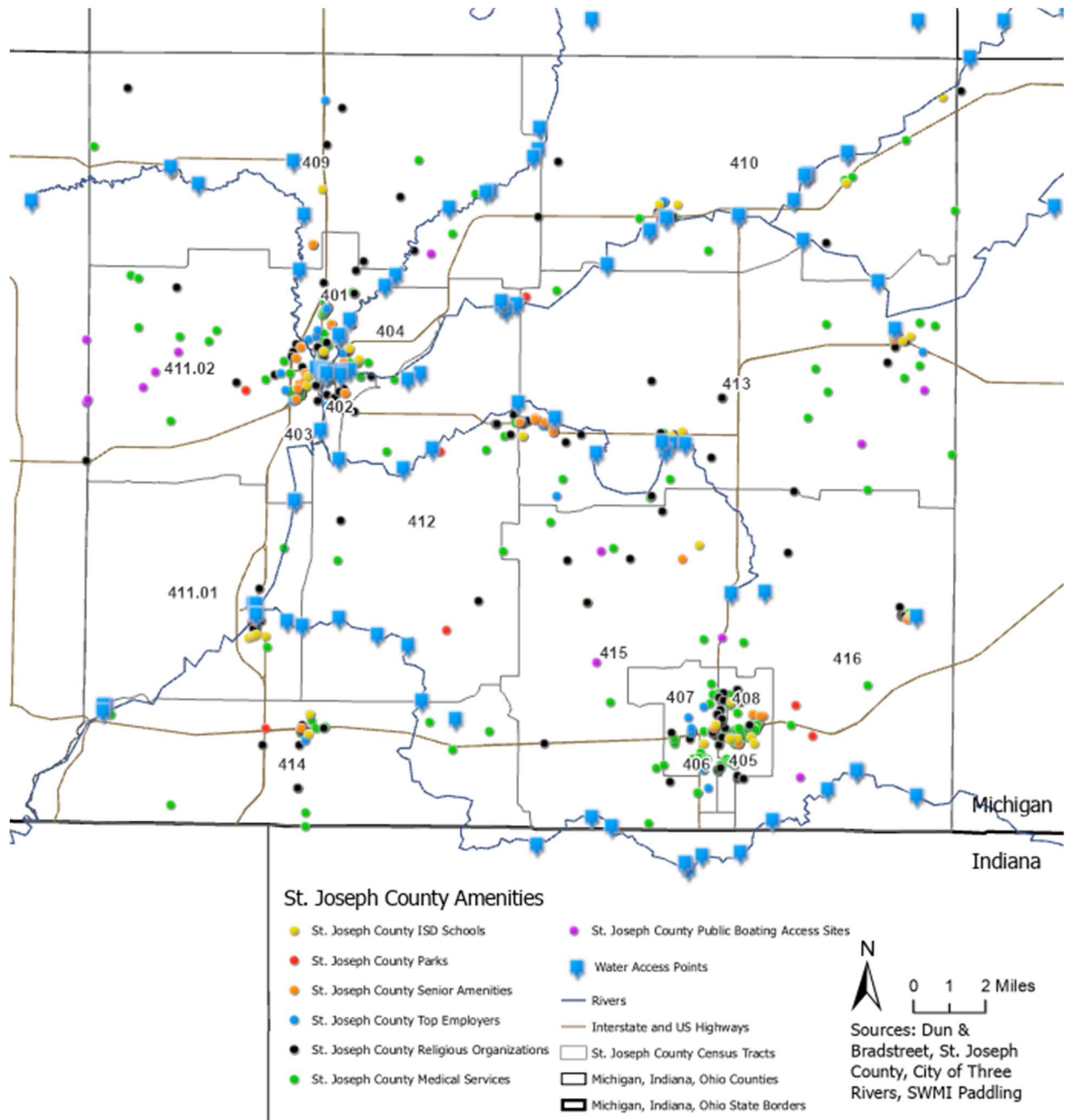
Stakeholders across many sectors could collaborate to better promote and develop these unique amenities as a strategy to attract new residents to St. Joseph County. There is an opportunity to **better define and market the experiences people have in St. Joseph County** in countywide planning. There could be a revamp of the StJoeH2o.com website, or a concerted effort to get broader media coverage for local businesses and farm markets. Local jurisdictions could agree to test out coordinated placemaking strategies around agriculture, or water recreation, which could include winning awards, creating events, or organizing a regional recreational council. Housing stakeholders in all areas of the county should also be advocates for **expanding access to affordable broadband** for people and businesses. No longer an amenity, reliable internet access is now truly a necessity to achieve equitable access to education, employment, and services, and this is especially true during the coronavirus crisis.

**Data** on the county's amenities needs to be included in the shared inventory of housing assets. This data can be used as evidence to support project proposals and grant applications for the development of future amenities. Proximity to amenities is going to be a crucial factor that stakeholders must consider when searching for the right place to develop new housing, because both Millennials and Baby Boomers prefer locations that are walkable and close to amenities. Since downtowns are likely to have the most condensed amenities, development will be most feasible in these locations, at least in the short term. Over the long term, however, this could change, and this makes it even more important to track data on local amenities. To help the housing steering committee get started tracking this data, SMPC and the Upjohn Institute have developed a map of amenities in St. Joseph County, including businesses, senior services, and recreational assets. This map is included below, and an interactive webmap is also available.<sup>30</sup>

---

<sup>30</sup> <https://upjohn.maps.arcgis.com/apps/webappviewer/index.html?id=80cb889a9d104b628b288c1c5a834617>

**Map 6: St. Joseph County Amenities**



## Five-Year Data Projections

### Overview

Although the future is unpredictable, data projections can help stakeholders identify potential challenges and opportunities that could arise in the housing ecosystem. This section reviews five-year projections from Claritas, a paid data source accessed by the Southcentral Michigan Planning Council through the W.E. Upjohn Institute for Employment Research. Projections about the population, labor force, and incomes are presented and compared to projections for housing units, renters, owners, and housing values. While many things are predicted to stay the same in the next five years, **the increasing age of the population alongside increasing housing costs will change how residents make housing choices and where they choose to live.**

### Demographic and Economic Projections

Census data for 2010 through 2018 reported a decline of 338 persons from the overall county population. Claritas data predict that **the slow, downward population trend will continue across the county**, except Fabius Township is expected to grow at a slow pace (around 1.5%). While the overall county population is projected to remain steady at around 61,000 people, this is still lower than the total population level in 2010. While the population aged over 25 years old is expected to remain steady, Claritas projects a **slight increase in the population of people between 16 and 24 years old, and a large increase of people in the population over 65 years old**. In terms of race and ethnicity, the most significant change is projected in the City of Sturgis, which is anticipated to attract over 100 Hispanic households in the next five years.

**Residents' involvement in the labor force is expected to remain steady** in the next five years, with only a slight increase projected for the county's overall labor force. More residents are expected to be out of the labor force in five years, which makes sense for an aging population. Changing labor conditions are projected to have an impact on residents' future earnings. While most county residents' median incomes currently range between \$38,500 and \$70,000 per year, **median incomes are expected to rise to between \$43,500 and \$76,100** per year by 2025. When broken down by age, the county's householders who will be between 45 and 54 years old in 2025 are projected to have the greatest increase in median householder income, especially those in Lockport Township and Sturgis. Householders under 34 are projected to have the smallest wage increases in the next five years. Wage increases could make housing more affordable, but increased housing demand associated with COVID-19 could also increase housing prices, so the data for both categories should be tracked together to get a clear picture on how these aspects affect the county's housing ecosystem over time.

## Housing Projections

Claritas projections also cover important aspects of the housing ecosystem, including data on households, units, occupancy, and housing values. The total number of households in the county is not expected to greatly increase, but the number of housing units is **expected to increase at approximately 40 new units per year** over the next five years. This unit increase is on par with current rates of construction in the county, but as it is happening now, **the increase will likely occur unevenly**. Northern Lockport Township and the northeastern part of Sturgis will most likely see the greatest increase in housing units, while Sherman Township and the areas around Constantine will likely see decreases in housing units. Local jurisdictions will need to adopt varied approaches to housing development to address their specific needs.

Another aspect that will affect jurisdictions' approaches to housing development is the balance between renters and owners. Overall, the situation is not projected to change greatly in the next five years. **The number of owners in the county is projected to remain steady** in all Census tracts, with the only growth in homeownership predicted for the areas north and west of Three Rivers, around White Pigeon, and near Colon. Over the next five years, **the number of renters is also projected to remain steady** across the county, with no increases predicted except in the urbanized areas of Fabius Township and Sturgis City. For both owners and renters, **the average length of residency is predicted to grow longer**, but the increase for renters is more significant. This difference will likely be driven by housing costs and the housing choices of the county's senior population.

Economic factors will also influence the housing ecosystem, particularly home values and residents' incomes. According to Claritas projections, current median home values range between \$80,328 in southeastern Three Rivers, to \$172,153 in western Fabius Township. **Home values are projected to rise in every Census tract** over the next five years, but this change will also occur unevenly by geographic location. Median values are projected to increase to \$85,918 in southeastern Three Rivers, but in Park and Flowerfield Townships home values increase up to \$188,628. The greatest projected increases in home values correspond to areas of the county that are also predicted to have the most high-wage earners, including those already mentioned and the Census tracts that encompass eastern Centreville, Colon Township, Nottawa Township, the northern portion of Three Rivers and Lockport Township, Mottville Township, and White Pigeon. Conversely, the Census tracts that contain **Colon Township, Mottville Township, White Pigeon and Nottawa Township** are projected to have the highest concentrations of households earning under \$35,000 per year. These areas of the county will thus have greater need for affordable housing options over the next five years. It will require broader ongoing collaboration to ensure that the strategies used to address these diverse local challenges have positive impacts across the entire housing ecosystem.

<b>Summary of Demographic Projections</b> Source: Claritas 2020		
<b>Category</b>	<b>Projected 5-Year Change</b>	<b>Notes</b>
Overall Population	Steady with a slight decline	Fabius Township expected to grow
Population Age	Large increase of seniors over 65, slight increase in residents 16 to 24 years old	Total population over 25 remains steady
Racial Identities/Ethnicities	Sturgis attracts Hispanic households, while rest of county sees little change	
Labor Force	Steady participation, with more residents out of labor force	Affected by aging of the population
Incomes	County median income is expected to rise to between \$43,500 and \$76,100	Median incomes differ by age

<b>Summary of Housing Projections</b> Source: Claritas 2020		
<b>Category</b>	<b>Projected 5-Year Change</b>	<b>Notes</b>
Total Households	1% increase, for a total of 23,453 households	Growth occurs near Three Rivers, Sturgis, and Fabius Twp.
Total Housing Units	1% increase, for a total of 28,286 total housing units	Change happens unevenly, with growth in some places and contraction in others
Owners	Steady, less than 1% increase	Growth predicted near Three Rivers, White Pigeon, and Colon
Renters	Steady, less than 1% increase	Growth predicted near Sturgis and in Fabius Twp.
Length of Residency	Renters increase to 7-9 years average residency. Owners increase to 17-22 years average residency.	Increased length of residency is more significant for renters
Median Home Values	6-13% increases, between \$85,918 and \$188,628	Increases in value differ by location



## Performance and Evaluation Measures

As critical as strategies are to the health of the county's housing ecosystem, **tracking and sharing data among housing stakeholders is the most important step to take**, because it creates the foundation upon which strategies can be built and evaluated. Data can be used to identify specific needs of the housing system, and to effectively develop strategies that address those needs. Throughout the implementation process, data can be used to measure partners' actions and adjust as needed. At the conclusion of projects, data can be used to evaluate whether the strategy has had the intended effects, and to identify where it could be improved. While the process of setting up a shared data system could take a few months of stakeholders' time and effort, the payoff will have many positive long-term effects. Not only will data sharing facilitate collaboration among partners, but it will also increase the capacity of housing stakeholders to impact change and support development. The following sections outline the data on trends, resources, and projects that are most important for stakeholders to track and share.

**Data trends are used to track how aspects of the housing ecosystem change over time and to identify what issues might be emerging that need attention.** Several of these trends were reviewed earlier in this plan to provide a baseline for comparison, including the annual demographic estimates of the county's population by age, race, and ethnicity. Another important trend to follow will be the number of renters and homeowners in the county, both overall numbers and by the percentage of total households. Tracking changes in these categories will help indicate how residents' housing needs change over time. Stakeholders will also need to track the changes in the eight levels of housing security in order to identify issues that may arise with incomes or housing costs. Tracking the annual changes in the countywide and census tract-level median incomes alongside median housing costs for renters and owners will indicate similar issues. The final trend to track will be the county's annual rate of new residential construction, as this will help stakeholders identify the need for new development or maintenance across the housing ecosystem.

One way to measure the impact of strategies is to quantify how they change the different types of **housing resources** that residents can access, and how many households are assisted as a result. Stakeholders will need to track the use of new financial and educational resources that are made available to residents, especially the number of households that are assisted by these resources. This information will be especially important to track for new funding streams and programs that are implemented or expanded to provide maintenance resources to homeowners. Stakeholders should document new partnerships in the shared database as well so that collaboration can be expanded and so more communities can benefit from partners' expertise. Tracking the continued **participation of key groups and organizations** in the Housing Steering Committee and at the annual meeting will also be important qualitative measures of the strength of collaboration around the county's housing issues.

Finally, data on project implementation and evaluation will be especially important **to support both capacity building and collaboration around housing issues. Shared project data** would help improve stakeholders' capacity by allowing them to judge whether a specific intervention would be a good fit for their community, which aspects of a project might need to be changed to fit their local context, and what impacts on the housing ecosystem they hope to have as a result. Following the goals of this plan, projects should be measured and evaluated for their **impacts on senior housing, the diversity of housing stock, and the eight levels of housing security**. The collaborative impacts of housing development projects are also important to evaluate, since they require **building relationships** to succeed. Finally, development projects should be evaluated for their ability to **maintain value** into the future, since housing assets benefit not only an individual homeowner but also contribute to the health of the community and the housing ecosystem.

## Summary

This chapter has reviewed the action steps that stakeholders should prioritize in the next five years to collectively address the county's housing challenges and opportunities. The uncertainty of the future makes it vital for housing organizations to collaborate across sectors and with new partners. An annual meeting of the Housing Steering Committee and shared housing data are baseline activities that will support stakeholders' strategy implementation, but additional capacity could be built by meeting quarterly and implementing the priority action steps outlined here.

## PRIORITY ACTION STEPS

- Maintain relationships by establishing the Housing Steering Committee
- The Housing Steering Committee creates and maintains a system for sharing housing data, including an Inventory of Housing Assets
- Local governments evaluate how zoning ordinances can more effectively guide housing developments
- Stakeholders collaborate to expand senior homeowners' access to maintenance resources
- Local jurisdictions and the Housing Steering Committee identify opportunities to increase rental options in the county
- The Housing Steering Committee supports workforce training programs that increase local employment opportunities that support the health of the county's housing ecosystem
- Stakeholders increase collaborative efforts to promote the county's existing amenities

## Chapter 5: Adoption of the Plan

### Preparation and Adoption

The St. Joseph County Human Services Commission approved the St. Joseph County Housing Plan on March 9, 2021.

The Commission approved the plan as a living document. Henceforth, the Human Services Commission and Community Action will be responsible for distribution and implementation of the plan. Public information on committee events, programs, and proceedings will be housed on the Human Services Commission website.

### Partners

Many individuals and organizations contributed to the creation of this housing plan, including local chambers of commerce, landlords, employers, municipalities, non-profit agencies, residents, and zoning officials. Partners and stakeholders have contributed critical direction and innovative ideas to the planning process, which has in turn shaped the goals, objectives, and strategies in this plan. The original members of the Housing Plan Steering Committee, who have directed this work, are listed below.

- Tim Stoll, SJC HSC Chair
- Jan Reed, DHHS, SJC Housing Task Force
- Cathi Abbs-Garn, Sturgis Chamber of Commerce
- Sarah Beckle
- Laura Brott, SJC HSC
- Jill Gunn, Hope United
- Jan Michaels, United Community Assistance Program
- Kathy Olsen, Michigan Works!
- Kathy Pangle, SJC Commission
- Jeffrey Short, Community Action
- Kirk Spence, Village of Mendon
- Kelli Tackett, Keystone Place
- Christy Trammel, Three Rivers Chamber



## Appendix A: Shared Data and Housing Asset Inventory Data

### Housing Data

- Housing characteristics: owner/renter occupied estimates, household size, value, age
- 8 levels of housing security countywide
- Median monthly owner and renter housing costs
- Residential construction in St. Joseph County and neighboring counties

### Demographic Data

- Total Population of the County, and surrounding counties
- Population by census tracts, and annual percent change
- Population groups by age, race and ethnicity, countywide; median ages
- Mover data by year and destination, age, income, and housing tenure; motivations

### Economic Data

- Median area incomes by county and Census tract; poverty rates
- Occupations in the County
- Location and size of major employers in the county
- Size, educational attainment, of labor force; LFPRs by age and race
- Median incomes by census tract, age, and racial identity
- Census OnTheMap Inflow/Outflow analysis
- Median incomes of surrounding counties
- ALICE Report from United Way, for Michigan and St. Joseph County

### Data and Evaluations of Strategies and Projects

- Projects Ongoing
- Project Ideas
- Shared development priorities
- Updates to Goals of the Housing Plan
- Evaluation Metrics
- Partnerships and Continued Participation
- Community feedback, suggestions, ideas

### Inventory

- Residential areas and undeveloped land zoned residential
- Location, size, and condition of all residential structures
- Houses prioritized for maintenance investment and preventative home repairs

### Housing Costs + Income Gap Analysis

- All Occupied Housing Units
- Renters and Rental Units

## Appendix B: Existing Plans that Impact Housing in St. Joseph County

- Burr Oak Township Land Use Plan, 2014 – plan for housing types, location, and environments that accommodate different capabilities and preferences.
- Village of Centreville Master Plan Update, 2016 – high density residential designation will provide opportunities for mobile home parks to meet residents' diverse housing needs.
- Constantine Township Master Plan, 2010 – smart growth principles including creating a range of housing opportunities and choices; establish stabilization committee.
- Fabius Township Future Land Use Map, 2010 – added High Density Residential zoning designation to 12 parcels in the east of the township, close to the City of Three Rivers.
- Fawn River Township Zoning Ordinance, 1986 – Four Residential zoning districts: Single family, Multiple family, Mobile home parks, and Lake resorts.
- Florence Township Zoning Ordinance, 2003 – Three Residential zoning districts: Low Density, High Density, and Mobile Home Parks.
- Flowerfield Township Master Plan, 2009 – Instead of allowing scattered large-lot residential development, a balance of types of uses, open space, density of residential land uses, land used for non-residential development, and coordinated development of all types should be pursued. Concentrate high density uses, and pursue efficient use of land.
- Lockport Township Zoning Ordinance, 2015 – both single-family and multiple family residential districts, and also agricultural residential district to guide the transition of marginal agricultural land to suburban residential use.
- Village of Mendon Zoning Ordinance, 2015 – Residential Districts A (single family), B (medium density, minimum 1100sqft, one and two-family dwellings) and C (mobile homes); plus regulations for condominiums.
- Mottville Township Zoning Ordinance, 2001 – Residential Districts R-1 (single family) R-2 (single-family and duplexes), and R-3 (mobile home); plus regulations for condominiums.
- Nottawa Township Master Plan Update, 2020 – 4 residential districts are proposed in the recently-completed plan: R-1 (low density), R-2 (medium density near services), R-3 (waterfront), and RM-1 (mobile home).
- Park Township Zoning Ordinance, 2017 – 6 residential districts: AR (agricultural residential), RR (rural residential), R-1 (high density), R-2 (mobile home), R-3 (rural estate), and R-4 (waterfront). Regulations for group homes, adult foster care facilities, prohibit more than one single family detached structure unless part of approved condo project, but allow multiple housing developments by special land use permit.
- St. Joseph County Master Plan, 2007 Update – prioritizes smart growth, urban development, open space preservation, and farmland production. Provide choice of housing types, locations, and environments, and plan for growth. Planning Commission provides common zoning language for local jurisdictions.
- City of Sturgis Master Plan of Future Land Use, 2010 – provide cross section of quality housing for all segments of population while maintaining emphasis on single-family homes and home ownership; inventory needs; promote maintenance; cluster housing; balance growth of rentals and needs of senior population.
- Sturgis Township Land Use Plan, 2008 – goal is to provide for new residential development while promoting preservation of the most agricultural land possible. Future land use plan calls for low, medium (single-family and duplexes), and high density (more than 3 units per acre) residential district designations. Encourage PUDs in residential districts, create mobile home park district, and identify 'growth boundary' areas between agricultural and residential areas.