

**Little Traverse Bay Housing Partnership  
c/o Petoskey Regional Chamber of Commerce  
401 E. Mitchell St.  
Petoskey, MI 49770**

TO: Members of the House Local Government and Municipal Finance Committee

FROM: Carlin Smith, Co-Founder, Little Traverse Bay Housing Partnership (Emmet County)

DATE: April 27, 2022

Re: Support Housing Michigan Legislation, SB 362, SB 364, SB 422, SB 432

Dear Chair Calley and Members of the House Local Government and Municipal Finance Committee,

I am writing on behalf of the Little Traverse Bay Housing Partnership to encourage your support of the package of bills designed to give communities more tools to address the critical housing shortage we are facing in the State of Michigan. The housing crisis is of greatest urgency in rural communities. According to a Target Housing Market Analysis commissioned by Housing North and conducted by Land Use USA, Emmet County has a demand for 2,288 residential units between 2020 and 2025 and we are not close to being able to meet that demand.

While we see all bills in the package as potential tools for us in Emmet County, but we are particularly interested in SB 432, PILOT Option For Local Governments. We are currently working on a multi-family housing project in the City of Petoskey where this could apply.

This project, known as the Lofts at Lumber Square, would be built on a vacant parcel that was once a lumber yard. It is within a block of the gateway to the city's Greenway Corridor which is a biking/walking path to the Downtown Central Business District. The original developers applied for LIHTC funding through MSHDA but did not qualify. At that time, the City of Petoskey negotiated a PILOT with the developer as required in the LIHTC application. Since the project's denial by MSHDA, the Petoskey-Harbor Springs Area Community Foundation is utilizing its Emmet County Housing Solutions Fund to hold and hopefully purchase the property. The developer is still willing to do the project.

As planned, the project would be 60-units in all. To make the project pencil out, and to make the units as affordable as possible, we would still like to negotiate a PILOT with the City of Petoskey and we're confident they would be willing to do so. However, they currently are not legally able to. If we can pass the PILOTS for Housing Bill, it would open the door for this private-public-philanthropic partnership to bring 60 much-needed housing units to Petoskey. It's a tool we could use right away to make an immediate impact.

Our slogan in Emmet County is "Housing Development *is* Economic Development." We hope that you will agree and will provide some new economic development tools to address this critical need.

*The Little Traverse Bay Housing Partnership is a grassroots coalition of organizations and community volunteers. It was formed in 2016 to address the housing shortage crisis in Emmet County.*