

## **Introductory Remarks (Before Slide 1)**

Good morning, Chair Jenkins-Arno, Vice Chair Robinson, Vice Chair Martus, Representative VanWoerkom, Representative Cavitt, and other distinguished members of the committee.

Thank you for the opportunity to speak with you today. My name is Lenny Avery, and I serve as Economic Development Coordinator representing the communities of Northeast Michigan. I'm grateful to be here on behalf of the many regional stakeholders working together to address a critical need in our state—rural housing.

Today, I'll share with you why housing must be viewed as essential infrastructure, how our proposed Community Development Corporation can help fill the gaps left by the market, and why we're seeking first-year funding to launch this effort.

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## **Slide 1: Why Housing Matters for Economic Development**

In Northeast Michigan, housing is no longer just a quality-of-life issue—it's an economic one.

Across our region, employers in healthcare, education, manufacturing, and public safety all echo the same concern: they cannot attract or retain workers because housing is either unavailable or unaffordable.

When workers have no place to live near their job, they look elsewhere. When young families can't buy a starter home or seniors can't downsize, the local economy stalls.

Housing is workforce infrastructure. It's the foundation for population growth, school enrollment, job creation, and small business stability. If we want vibrant communities, we must invest in housing like we do roads and water systems.

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## **Slide 2 – Housing: A Cornerstone of Economic Development**

"Housing is more than just shelter—it is the infrastructure of opportunity. Without affordable and attainable housing, businesses can't attract or retain workers, families can't put down roots, and local economies can't thrive. Mixed-income developments not only stabilize neighborhoods, but they also diversify our communities and increase local tax revenue. Housing investment is a critical driver of both economic development and community health."

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### **Slide 3 – A Regional Emergency: Housing in Northeast Michigan**

"Our housing shortage is not hypothetical—it is measurable and immediate. We need over 10,900 units across the region, with the majority being for-sale homes. Our regional vacancy rate is an alarming 1.2%, well below the healthy range of 4–6%. At the same time, 40% of renters are cost-burdened, and employers consistently cite housing as the top barrier to workforce recruitment. Developers aren't building here. Why? Low ROI and high infrastructure costs. This is the crisis we are working to solve."

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### **Slide 4 – Building Our Own Future: Growing Local Solutions Through a Regional CDC**

"The solution is to stop waiting for outside developers and start building our own future. A regional Community Development Corporation—or CDC—will bridge the gap between plans and action. This CDC will focus on workforce housing, infill development, and rehab projects that engage local contractors, trades, and builders. It will also support site readiness and zoning across multiple counties—something no single local government can do alone."

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### **Slide 5 – Workforce Housing: Development & Retention Strategies**

"The CDC's housing strategy is two-fold: develop and retain. On the development side, we will construct new workforce housing and repurpose vacant properties. On the retention side, we'll offer repair programs, homebuyer assistance, and rental stabilization to help families stay where they are. These tools are essential if we want to preserve existing housing while growing our inventory to meet future needs."

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### **Slide 6 – Investing Wisely: Maximizing State Resources**

"This is not just about spending—it's about investing. Grand Valley State University research shows that every \$1 million invested in housing generates \$1.5 million in economic output, \$500,000 in labor income, and supports up to 10 jobs. With a \$3 million investment over four years, we're not just building homes—we're building a regional economy. This is a high-ROI, cost-saving solution for the State of Michigan."

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## **Slide 7 – Do What You Always Done, You Get What You Always Gotten!**

"Let's be honest—doing the same thing over and over isn't working. The private market won't fix rural housing shortages without help. Local governments are stretched thin. If we want different results, we need a different model. The CDC is that model—purpose-built, regionally coordinated, and locally driven."

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## **Slide 8 – Regional Problems Require Regional Solutions**

"This is not a county issue—it's a regional one. And it requires a regional response. That's why we're seeking your support for year-one funding to prove this model can work. This is not a handout. It's a hand up—an investment in housing infrastructure that can sustain and grow Northeast Michigan's economy."

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## **Slide 9 – Thank You**

"Thank you again for your time and consideration. I'd be happy to answer any questions or provide further detail on how this investment will be deployed effectively and transparently. Together, we can build the foundation for a stronger, more resilient rural Michigan."