

Otsego, Michigan

Housing Needs Assessment, 2023



Flywheel

MOMENTUM TO BUILD COMMUNITY.

Executive Summary

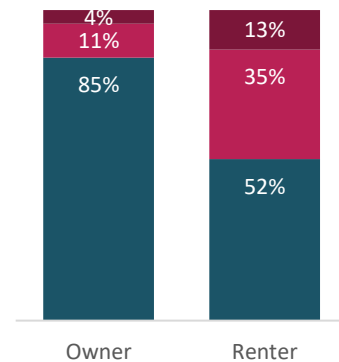
The City of Otsego could be on the precipice of a resurgence in investment within the community. While momentum may not yet be evident, the opportunities are abundant, and the market will begin to discover them in the coming years.

To realize these opportunities, some concerted effort to attract and support new investment in the community will be required. However, the community’s traditional downtown and access to the Kalamazoo River are extraordinary assets that can be harnessed to attract and retain new residents of all incomes as well as the businesses to support them.

Development financing in emerging markets always presents a chicken and egg conundrum – if limited new investment in ground up construction has occurred within the last 10 years, it is more difficult to finance new construction. However, once the first and second project are fully financed and completed, each successive project gets exponentially simpler to finance while market conditions remain stable or improve.

Like many communities in Southwest Michigan, Otsego is facing the challenge of **housing costs rising much faster than income**. The national economy has seen changes in how people work, where they work, and where they move in pursuit of work. Simultaneously, the cost of construction has pushed even the most modest homes outside the reach of many families.

Otsego is home to **1,014 cost-burdened households**, paying more than 30% of their income towards housing expenses, including **104 households severely cost-burdened**, paying over 50% of their income towards housing expenses.



A housing strategy should offer a dual focus on creating long-term affordable housing for the local workforce and seniors while simultaneously attracting reinvestment into older homes.

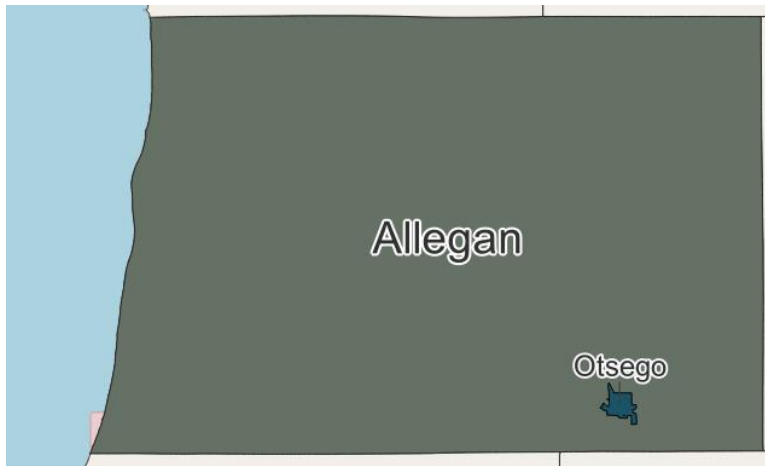
Specific Needs Identified:

At least **52 new workforce housing units are needed in 2023** within the City of Otsego. **An additional 130 - 180 affordable units will be easily absorbed over the next 24 months.**

Programs to **incentivize investments and repairs in existing homes** for middle income homebuyers.

Up to 200 accessible, low-maintenance units for adults over 55 will be needed within the next 10 years.

Community Overview



The City of Otsego is located in Allegan County, Michigan. Otsego is located 158 miles from Chicago, 159 miles from Detroit, and 244 miles from Indianapolis.

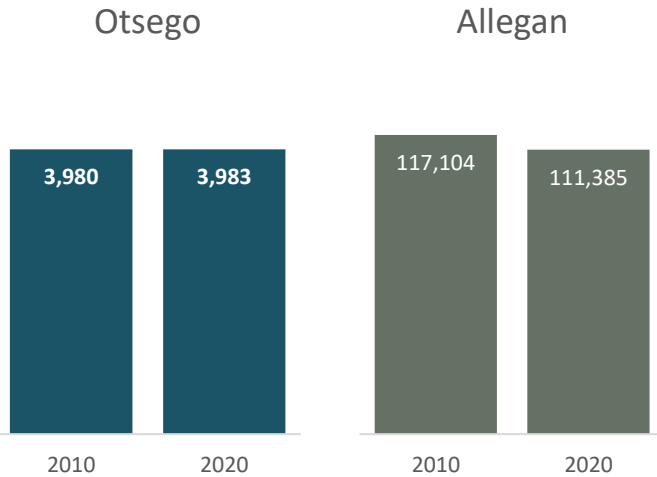
Otsego is located along M-89 and US-131, two major throughfares in the region, connecting it directly to the larger communities of Grand Rapids, Kalamazoo, and Battle Creek. Otsego is neighbored by the City of Allegan to the west, Plainwell to the east, Martin to the north, and Alamo to the south. The Kalamazoo River runs through Otsego.

Otsego has a population of 3,983 and an area of 2.12 square miles (1,359 acres), for a population density of 228 residents per square mile.

Source: OpenStreetMap, Michigan State Open Data, American Community Survey S0101

Demographic Overview

Population Trends 2010 - 2020



The population of the Otsego has stayed the same over the past 10 years, increasing from 3,980 total residents in 2010, to 3,983 residents in 2020. Over the same time period, Allegan County decreased from 117,104 to 111,385.

Source: 2010 and 2020 American Community Survey S0101

Population Change by Generation 2010 - 2020

Ten Year Change		Otsego	Allegan
Generation Alpha	2010-2020	441	14,806
Generation Z	1995-2010	-154	-1,722
Millennials	1980-1995	-24	861
Generation X	1965-1980	-127	355
Baby Boomers	1945-1965	157	-2,218
Silent Generation	1930-1945	-291	-6,252
Total	1930-2020	+1	+5,380

Between 2010 and 2020, every generation demographic declined in Otsego, except for Generation Alpha (born after 2010) and Baby Boomers (born 1945-1965). Allegan County saw an increase in Generation Alpha, Millennials (born 1980-1995), and Generation X (born 1965-1980), with a decline in Generation Z (born 1995-2010), and individuals born before 1965.

Source: 2010 and 2020 American Community Survey S0101

What is the family makeup of Otsego?

	Otsego	Allegan
Total Households	1,724	43,416
Married or cohabitating couples	948	28,415
Married and cohabitating with children	316	10,249
Householder Living Alone	496	9,440
Householder 65+ years	226	4,001

29% of households in Otsego are individuals living alone, and **22%** of households in Allegan are individuals living alone.

Source: 2029 American Community Survey DP02, B09005

Where did people move to Otsego from during the year 2020?

	Otsego	Allegan
Did not move in the past year	91.6%	90.7%
Moved in from Allegan County	6.2%	4.5%
Moved in from a different county in Michigan	2.2%	3.9%
Moved in from a different state	0.0%	0.8%
Moved in from abroad	0.0%	0.2%

Roughly 8.4% of Otsego community residents moved into Otsego from other parts of Allegan County, other parts of Michigan, other states, or from abroad in the year 2020.

Source: 2020 American Community Survey DP02

Poverty by Household Type

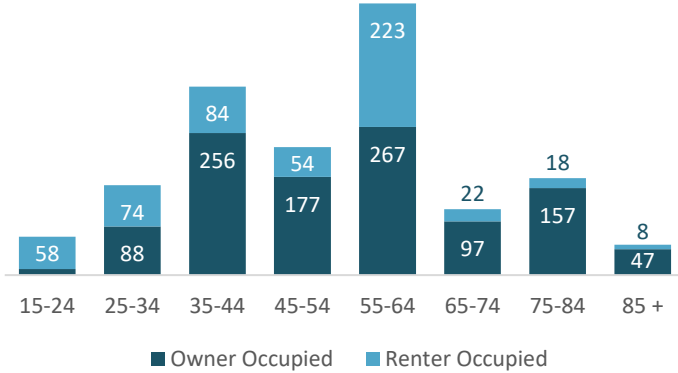
	Otsego		Allegan	
Total Population	3,965	100%	115,744	100%
Family households above the poverty level	3,089	78%	93,206	81%
Non-family households above the poverty level	409	10%	12,377	11%
Family households below the poverty level	361	9%	7,647	7%
Non-family households below the poverty level	106	3%	2,514	2%

Compared to Allegan County, Otsego has a slightly higher proportion of family and non-family households below the poverty line.

Source: 2020 American Community Survey B17021

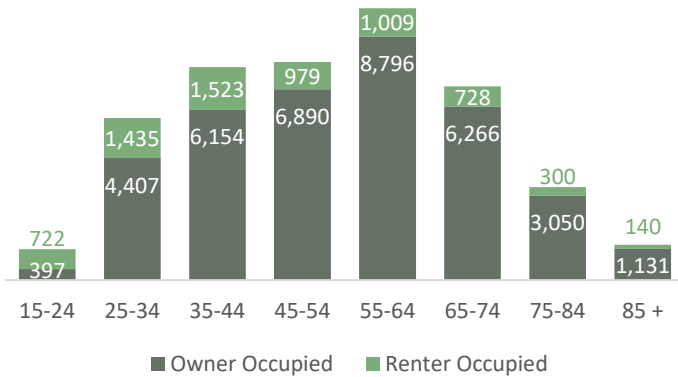
Age of Head of Household and Tenure

Otsego



Otsego does not have a smooth distribution of household head ages, with spikes in the 35-44 and 55-64 age categories, and gaps in the 25-34, 45-54, and 65-74 age categories.

Allegan

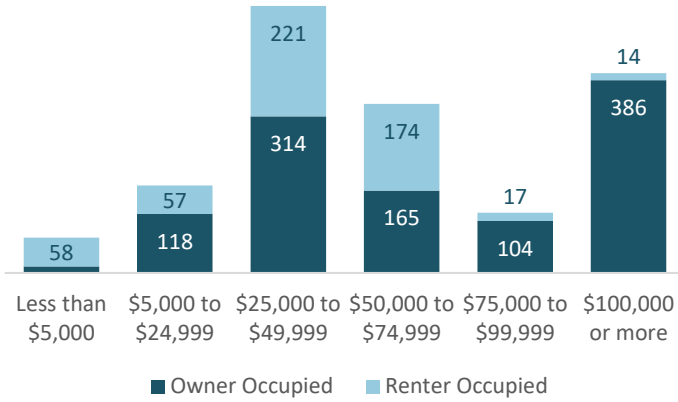


Allegan County has a smooth distribution of household head ages.

Source: Source: 2020 American Community Survey 5-Year Estimates B25007

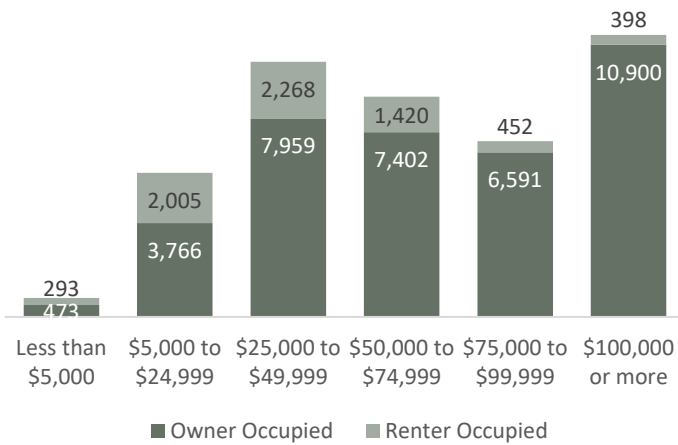
Household Income and Tenure

Otsego



The majority of households in the Otsego (52.4%) earn over \$50,000 per year.

Allegan



The majority of households in Allegan County (61.8%) earn above \$50,000 per year.

Compared to Allegan County, Otsego has relatively fewer households earning between \$50,000 and \$100,000 per year.

Source: 2020 American Community Survey B25118

Homeownership Rates by Race and Ethnicity

	Otsego		Allegan County	
	Population	Home Ownership Rate	Population	Home Ownership Rate
American Indian and Alaska Native	0	0%	268	81%
Asian	0	0%	253	53%
Black or African American	15	0%	407	53%
Hispanic or Latino	66	0%	2,208	64%
Native Hawaiian and Other Pacific Islander	0	0%	0	0%
Some Other Race	99	100%	487	70%
Two or More Races	122	20%	1,009	70%
White	1,405	70%	41,503	85%

Source: 2020 American Community Survey B25003

Across all races and ethnicities, homeownership rates are higher in Allegan County than in Otsego, which is typical when comparing cities to counties. However, disparities in homeownership rates between races and ethnicities should be examined with care to identify any contributing factors that prevent all households from accessing homeownership options.

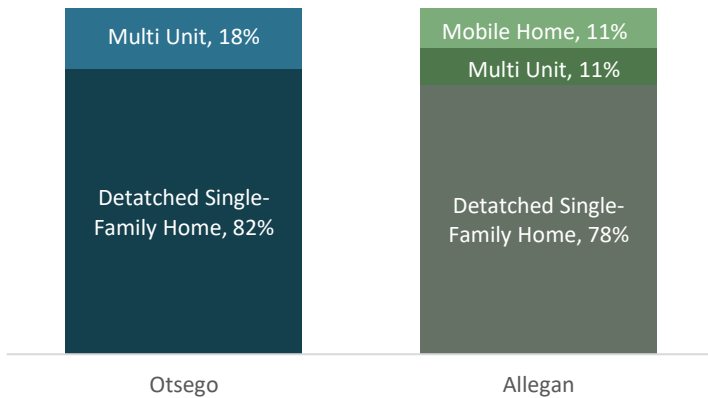
Housing Assessment

According to the 2020 Census count, there were 1,641 dwelling units in Otsego. These dwelling units are split among different categories based on size (number of dwelling units in the same development), tenure (for sale, or for rent), and Dwelling Unit Availability (vacation homes, or resident-occupied). Dividing housing this way gives us a basic grasp on the total number of dwelling units available for residents, employees, visitors and guests in the Otsego community.

IN OTSEGO, 65% OF OCCUPIED DWELLING UNITS ARE OWNER-OCCUPIED, SINGLE-FAMILY HOMES.

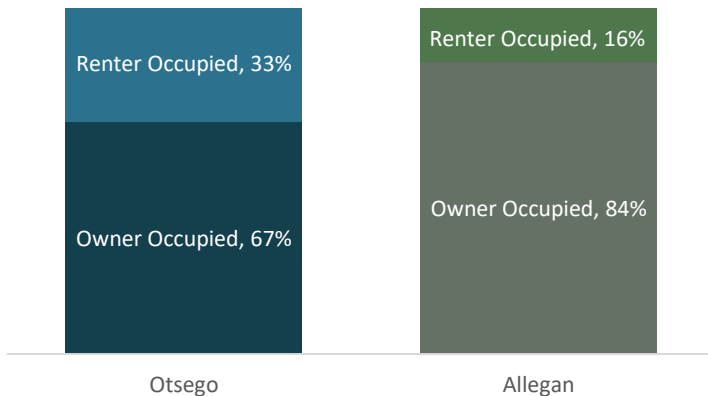
Housing Type and Tenure

Housing Type



Housing Type – Otsego has 1,641 occupied housing units. Of these, 82% are single-family houses, and 18% are multi-unit structures. Allegan County has a similar diversity of housing type, having its 43,927 occupied housing units proportioned with 78% being single-family houses, 11% being multi-unit structures, and 11% being mobile homes.

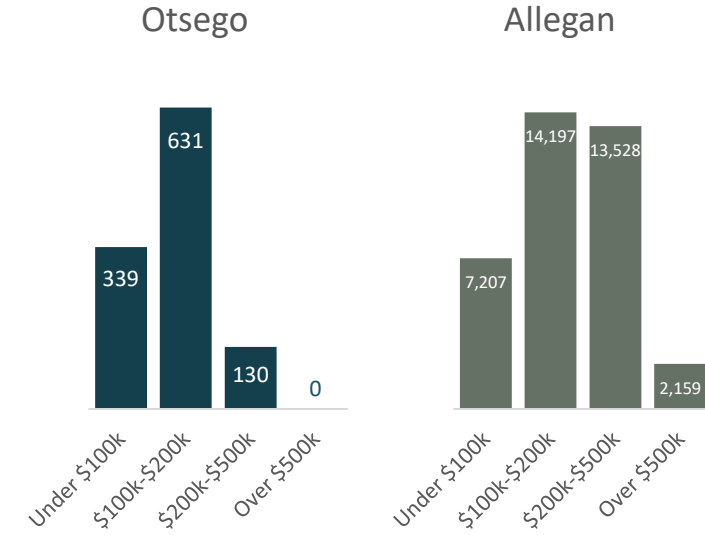
Housing Tenure



Housing Tenure – Otsego has a greater proportion of housing available as rental units compared to Allegan County, with 67% of its occupied housing units owner occupied, and 33% of its occupied units renter occupied. Allegan County has a ratio of 84% owner-occupied units to 16% renter-occupied units.

Source: 2020 American Community Survey b25032

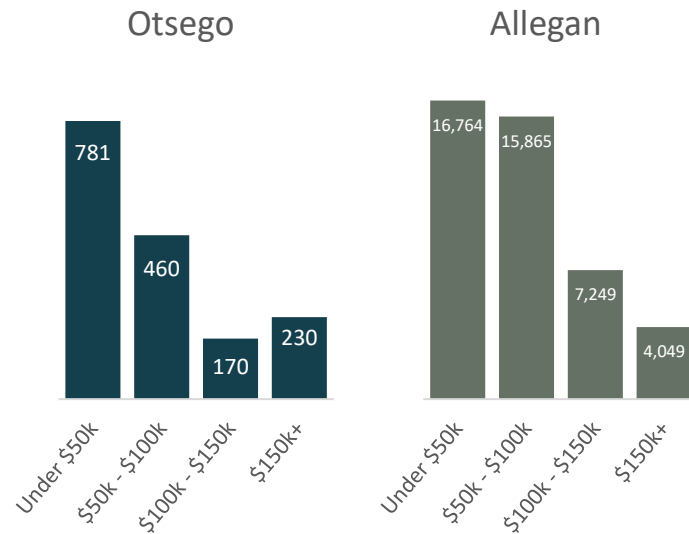
Property Value Distribution



The majority of houses in both Otsego and Allegan County are valued below \$200,000. However, Allegan County has a significantly greater number of units valued above \$200,000 when compared with Otsego.

Source: 2020 American Community Survey B2505

Household Income Distribution

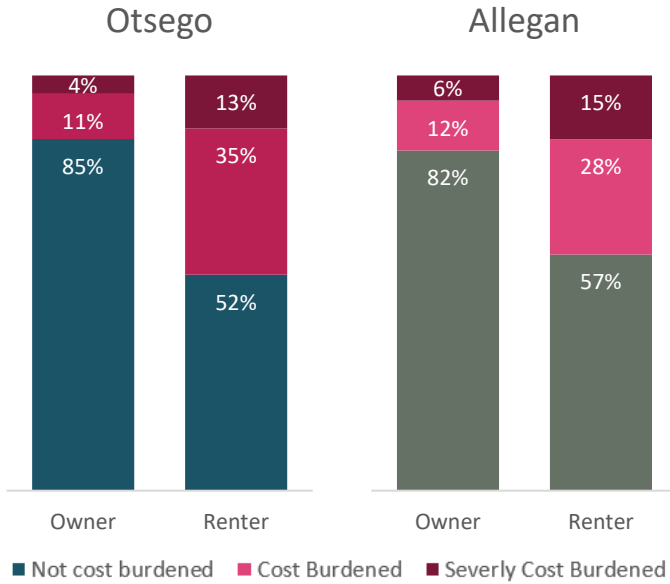


Of the 3,907 households in Otsego, 1,241, or 76%, **have an annual household income below \$50,000**, while 400 households, or 24%, have an annual household income above \$100,000.

Allegan County has a similar income distribution, with 74% of households earning below \$100,000 per year, and 26% earning above \$100,000 per year.

Source: 2020 American Community Survey B19001

Cost Burden



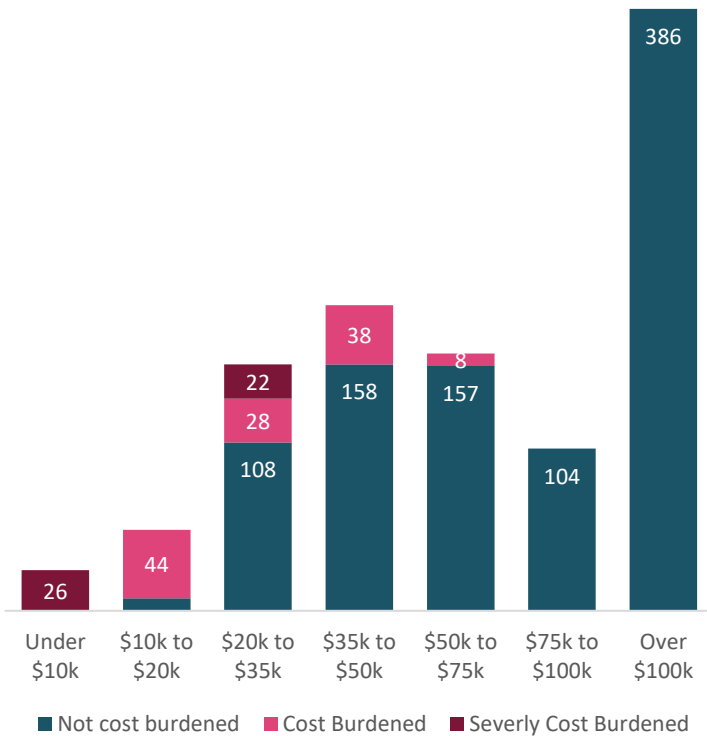
26% of Otsego households are cost burdened

An indirect measure of housing affordability is the number of households that are identified as cost burdened (paying over 30% of their income towards housing) and severely cost burdened (paying over 50% of their income towards housing).

Otsego has similar rates of cost burden compared to Allegan County among both households who own their home and households who rent.

Source: 2020 American Community Survey B25095 and B25074

Otsego Homeowner Cost Burden: Breakdown by Household Income



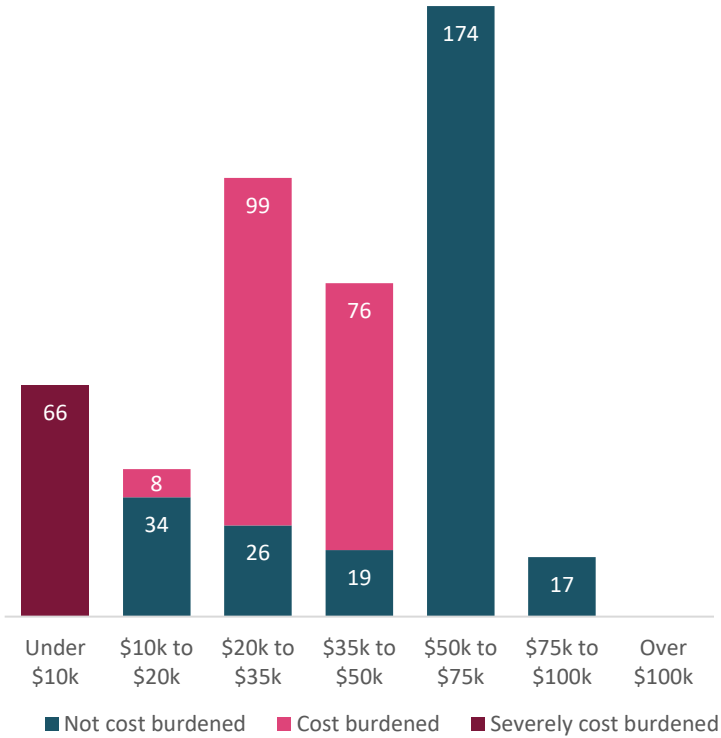
Of 1,087 households which own their residences, **166 (15%) are cost burdened**, paying over 30% of their income towards housing expenses.

Of these cost burdened households, 118 pay between 30% and 50% of their income towards housing expenses, and 48 are *severely cost burdened*, paying over 50% of their income towards housing expenses.

The majority of cost-burdened homeowner households earn below \$50,000 per year.

Source: 2020 American Community Survey B25095 and B25074

Otsego Renter Cost Burden: Breakdown by Household Income



Of 519 households who rent their residences, **249 (47%) are cost burdened**, paying over 30% of their income towards housing expenses.

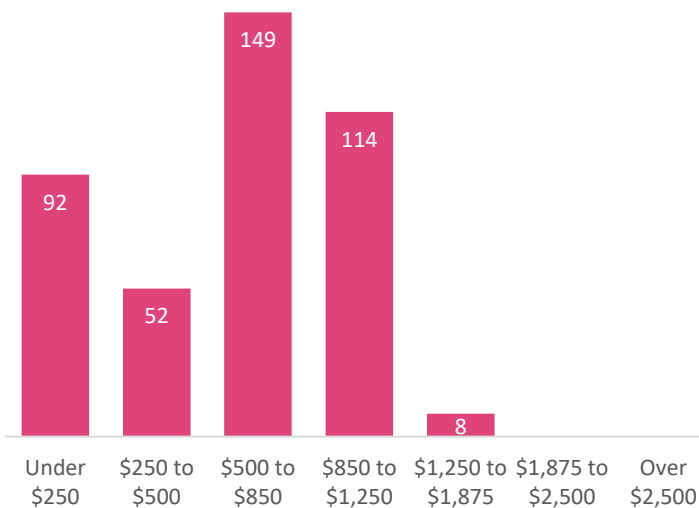
Of these cost burdened households, 183 pay between 30% and 50% of their income toward housing expenses, and 66 are *severely cost burdened*, paying over 50% of their income toward housing expenses.

All households earning under \$10,000 per year are severely cost burdened, and no households who rent earn over \$100,000 per year.

Notably, the largest segment of households who rent are earning between \$50,000 and \$75,000 per year. None of these households are considered cost-burdened.

Source: 2020 American Community Survey B25095 and B25074

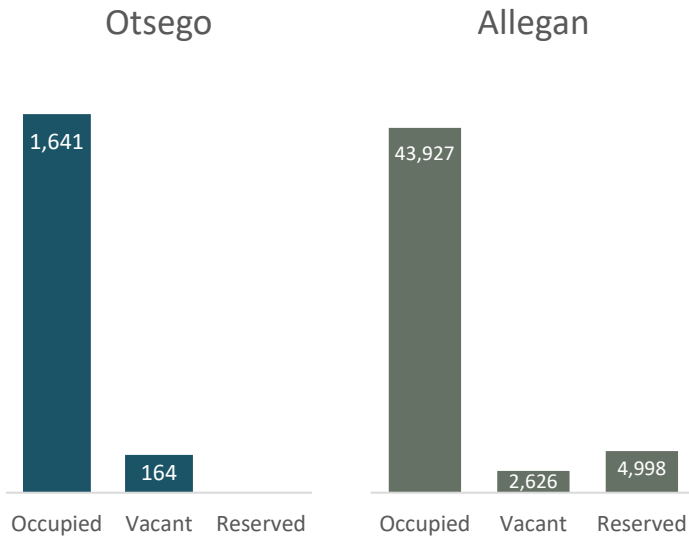
Visualizing Cost-Burdened Housing Need



Otsego is home to 415 cost-burdened households. Each has an individual situation determining household income and housing choice, but all currently spend more money on housing expenses than is considered affordable.

Source: 2020 American Community Survey B25095 and B25074

Census Vacancy Rate – 9%



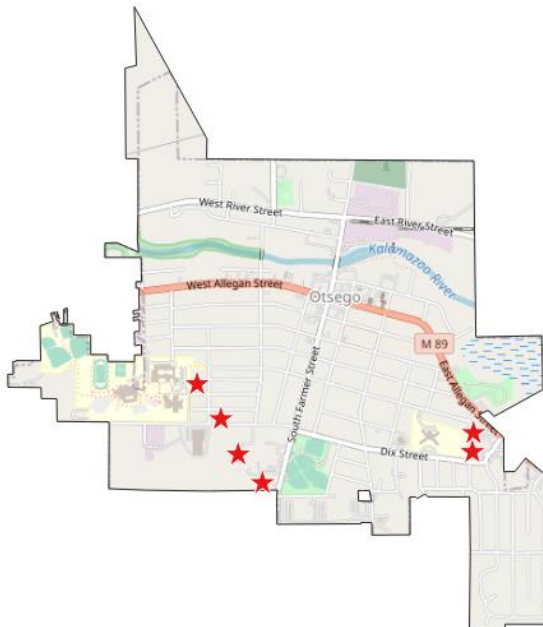
Source: 2020 American Community Survey B25001, B25002, B25003

Vacancy rates have a significant impact on the housing market. Recent analysis of the U.S. housing market has shown “a small percentage is necessary to allow mobility and sufficient space for growth, and is an indicator of healthy urbanization. Conversely, widespread housing vacancies may indicate structural crisis due to property abandonment.”

(Newman et. al. 2019 “Evaluating drivers of housing vacancy: a longitudinal analysis of large U.S. cities from 1960 to 2010”)

A low vacancy rate can make it difficult for existing residents to change their situations, if they have a change in family size, income, ability, or life situation. Simultaneously, it limits the number of people who can enter the community. Additionally, low vacancy rate creates a “seller’s market” where households across income ranges have to compete for the few units available, causing prices to increase above the prices many incomes in the community will support.

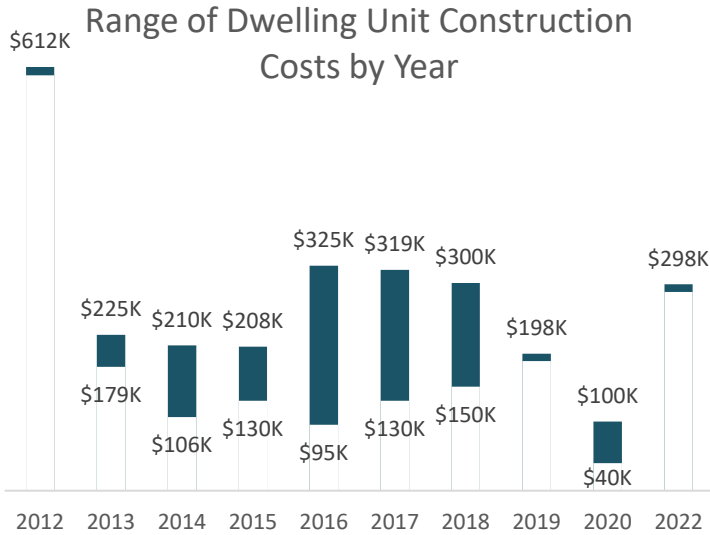
Apartment Vacancy Rate – 1.8%



Source: Direct survey of property management

Six apartment buildings in Otsego comprise 170 individual dwelling units. A direct inquiry to each apartment complex revealed only 3 vacant units. Several property managers reported waiting lists of over 1 year.

Housing Development History



This chart shows the range of dwelling unit construction costs based on permits each year.

Between 2012 and 2022, Otsego added 40 new dwelling units and demolished 14, for a total increase of 24 dwelling units.

Based on the permit data, the new construction costs range from \$40,000 to \$612,000, with an average cost of \$184,356 per dwelling unit.

Source: Professional Code Inspectors of Michigan, Inc.

Community Needs and Opportunities

Rental Housing

The City of Otsego currently has a total of 170 apartment units in multi-family structures. This makes up just under 10% of the total housing stock within the community. Currently less than 2% of those units are vacant and most properties have at least a year-long waiting list.

Among the 519 current renters in the Otsego housing market, 37% of renter households (191) are earning more than \$50,000 per year. This demographic group can afford market rate rental prices in most communities across the region, and they are choosing Otsego to call home. This is a prime demographic group to attract to the community as renters and to encourage future homeownership within the region. As their incomes rise, this demographic is typically able to purchase an older home and make the necessary investments to improve the home and build equity over time while simultaneously raising the property value.

Average residential rentals rates in the City of Otsego have risen from \$653 per month to \$1,005 per month – a 53.9% increase in 10 years. During the same period, average incomes have risen from \$48,199 to \$64,658 – a 34.1% increase. Yet, the average rental rate remains well below 30% of the average household income, meaning that local rents have remained affordable for households earning middle income wages and salaries.

There is an immediate demand for at least 52 new affordable housing units within the City of Otsego.

However, households earning less than \$40,000 per year (or less than \$20 per hour) are likely having a much harder time keeping up with monthly costs. This tends to include some of the most critical workers in a community – first year teachers and daycare providers, public safety officers, retail and restaurant workers, and others are probably feeling stretched thin.

At least 175 existing households in Otsego are earning between \$11 and \$20 per hour (about 40% to 60% of the county-wide area median income) *and* are currently spending more than 30% of their income on housing. This demographic would be a primary target for new housing funded using the federal tax credit program. An additional 1,300 households currently live in Allegan County, rent their home, and earn within the same income range. The Kalamazoo metro market is within a 20-minute drive and is home to another 7,500 renter households earning within this same income range. This data suggests significant potential demand for housing to serve full-time workers earning at or below \$20 per hour. These workers tend to be early in their careers and have often not yet started families. It is a prime demographic to attract and retain as future homeowners while they progress in their careers.

There is an immediate demand for at least 52 new affordable housing units within the City of Otsego. Examining the potential market beyond the City of Otsego, there are 4,421 residents currently living within a 20-minute drive of downtown Otsego who are earning between \$20,000 and \$50,000 per year while spending more than 30% of their gross income on housing. Using a likely 3% capture rate of this population would suggest that at least an additional 132 affordable housing units could be supported in the next 12-24 months. With an effective marketing strategy, this number may be at least twice as large.

Owner-Occupied Housing

Most recent home sales in Otsego were at or under \$200,000, which is at least \$50,000 below the cost to build a new single-family home in West Michigan. As a result, new construction of single-family homes is unlikely in the community unless the homes being offered are a premium product or are supported by some form of subsidy.

Currently, 55% of all households in Otsego earning \$75,000 per year or more are homeowners. Among households earning less than \$75,000, only about 22% are homeowners. With interest rates currently

Households that earn less than \$75,000 per year (68% of Otsego households) cannot afford a traditional mortgage for a new house.

ranging from 6.5% to 7.5% and median home sales nearing \$200,000, it is unlikely that households earning less than \$75,000 per year will be able to afford a traditional mortgage.

Among existing homeowners, more than 200 households are over the age of 75 and may be seeking lower maintenance housing options in the coming 5-10 years. Very often, seniors prefer to age-in-place even when transitioning to a lower-maintenance lifestyle. Providing housing options as

an alternative to single family homes will be important to allow these households to remain in the community and feel supported. Furthermore, as these households transition to low maintenance condominiums or apartments, they will make available their older homes for the next generation of families who want to become homeowners.

Otsego Market Trajectory

The City of Otsego could be on the precipice of a resurgence in investment within the community. While momentum may not yet be evident, the opportunities are abundant, and the regional housing market will begin to discover them in the coming years.

The National Association of Realtors conducts a semi-annual study of homebuyer preferences and has found consistently over the last 10 years that a majority of homebuyers are willing to pay more for homes located in walkable neighborhoods with access to local amenities. The small-town charm of downtown Otsego, paired with access to the Kalamazoo River provide two outstanding assets which can be expected to be significant drivers of growth if properly leveraged. However, some headwinds remain:

Otsego currently has limited name recognition in the West Michigan and Southwest Michigan region. Many younger adults are unaware of Otsego as an opportunity and may be missing affordable options to purchase a home. Downtown amenities and activities are still limited. A strong housing strategy is always paired with a solid economic development strategy. Investments in small businesses, community events, and public parks can be some of the biggest drivers of private investment within the local housing market. Eventually, a positive feedback loop is created. The more investment that occurs in small businesses, the more investment is reciprocated into local housing options, and the more new residents invest in local businesses. This cycle also has a positive impact on schools, parks, infrastructure, and community engagement when well planned.

Recommendations

It is always important to have a clear line of sight to the ultimate destination, while maintaining focus on the immediate next steps. The City of Otsego has an opportunity to maintain a strong balance of housing options that are affordable to the local workforce while simultaneously attracting new investment in housing that is more likely to serve higher-income households.

Affordable Housing

There is clear demand for additional rental product in the Otsego market. Given the number of cost-burdened renters currently within the local housing market, targeting new multi-family developments that will provide long-term affordable rental rates will be an important component of a future residential growth strategy. If these new units are directly targeted to residents already within the City and nearby areas of Allegan and Kalamazoo County, providing affordable housing can be a significant economic development tool. The income these residents can save on rent is very likely to be spent in the local economy on food and dining out, transportation, childcare, clothing, and other essential needs. Furthermore, when community residents can keep their housing costs within a manageable range, it is far more likely that they will be able to save for a down payment on a future home purchase within the community.

There are several State and Federal programs available to support housing that is affordable to the local workforce. The City of Otsego can guide new development to ensure that the quality of construction, architectural design, and scale of the buildings are compatible with the local community. Most funding programs will target households who are already living in or near the community and working full-time but earning less than is necessary to secure a market rate rent in the region.

Next Steps

1. Partner with an experienced developer in affordable and workforce housing. Define the goals and objectives of the community as it relates to households being served, amenities offered, and connectivity to the broader Otsego community. Establish a shared understanding of the types of buildings that can be financed using currently available resources and work define an initial project scope. Seek out a project with at least 52 units and pursue a total goal of roughly 200 units over the next 3-4 years.
2. Communicate with local business owners about their workforce needs. How many local businesses have employees who are currently struggling to find housing that is both nearby and affordable? How many local businesses are having a hard time attracting employees? What do business owners perceive to be the largest needs for additional housing?
3. Communicate with the local school district. Is the district being challenged by a lack of available and affordable housing for teachers and/or students? If housing for teachers is a barrier to the district's success, what types of housing are most needed to support this workforce? What are the likely salary ranges for these positions?
4. Use the information gathered to further inform and refine the scope of work with the development partner described in item 1 above.

Market Rate Rental Housing

There is a demonstrated demand for additional market-rate rental housing. However, the typical rental price in Otsego (under \$1,100 per month) is not sufficient to cover the high cost of construction and interest rates that drive developer decisions. Therefore, new construction in Otsego will likely be priced well above the average rental rate in the community.

Otsego’s downtown charm and access to the Kalamazoo River provide unique characteristics that will help to draw new market rate renters. However, the willingness of local and regional renters to pay \$1,200 to \$1,500 per month for a new apartment or condominium is still unproven in the local market. Otsego will have to work closely with a potential development partner to craft a small-scale infill development intended to test the market. Local financial incentives in the form of a tax abatement and/or tax increment financing will likely be necessary to justify the project risk for a developer. Support from the Michigan Economic Development Corporation will also likely be needed. There are several potential grant and loan programs available to support this type of infill development in the downtown district.



A mixed-use infill project recently completed in Downtown South Haven.

Next Steps

1. **Downtown Property Analysis.** Identify potential properties available for redevelopment within a five-minute walk of downtown Otsego. Include publicly owned property on this list.
2. **Local Zoning Audit.** Assess the local zoning ordinance to determine what can be built under the current code requirements and compare these standards with the market reality. If the local zoning ordinance limits structures to only one or two stories, if the ordinance requires more than one parking space for new residential dwelling units, if residential dwelling units are required to satisfy minimum dimensional standards that do not align with market realities, or if other standards may be in the way of downtown development, consider amending the zoning code to accommodate modern development standards.
3. **Network with Developers.** Begin discussions with a handful of regional development firms that have built attractive buildings in other small towns in West Michigan. Learn about their development model, whether other communities would recommend working with those developers, and what tools or resources were used to finance the developments.

Missing Middle Infill

Prior to the 1970s, most communities in the United States had a roughly 60/40 balance of single-family homes to small scale multi-family homes. In the pre- and post-WWII eras, it was common to include two-family, four-family, and even 6-10 family buildings in all but the most exclusive neighborhoods. This mix of single-family homes and smaller multi-unit buildings ensured that every community included a variety of housing choices for different family sizes, incomes, and stages of life. However, as communities began to use zoning to do more than promote public health, safety, and welfare, alternatives to the single-family home became less and less common. These types of new buildings are actually the most financially viable opportunities for Otsego in the current market. Finding ways to permit these types of buildings in traditional neighborhoods can allow for new market-rate investments to grow the local tax base while also allowing for a greater diversity of housing choices.



A four-unit building can look just like a single-family home.

Next Steps

1. **Vacant & Blighted Property Analysis.** Examine where there are vacant lots or blighted structures which likely need to be removed or significantly rehabbed. Create a parcel map to illustrate where these lots are in the city.
2. **Zoning Audit.** Examine the requirements of the zoning ordinance as it relates to the construction of new 2-family homes, 3-4 family homes, or accessory dwelling units. If there are limitations to these building types, are the limitations appropriate? Would it be possible to design and build a high-quality structure that blends into the neighborhood while allowing for more than one dwelling unit per parcel?
3. **Amend Zoning.** Where appropriate, draft simple zoning amendments to allow structures that are properly designed to coexist with single family homes. The city may wish to make these structures special land uses in an effort to exert more control over design, materials, parking etc. However, it is very important that new standards are realistic for the local market.
4. **Consider whether additional police power ordinances are needed to ensure adequate enforcement of non-zoning related issues like outdoor storage, on-street parking, etc.**

Senior Housing

New rental housing in the community should include a share of senior-oriented housing. Roughly 46% of current renters (271) are adults age 55+. Among this group of renters, more than 82% (223) are still below the age of 64. This means a large group of existing renters are moving toward retirement and will likely remain within the community for another 20 years or more. This signals a strong demand for additional senior-oriented rental housing to serve existing residents.

Given the relatively young age among this group of seniors, it is likely that lower service housing options will be the preferred development pattern. Demand for long-term and nursing care facilities is not likely to be in significant need for another decade or more, though smaller facilities are likely to be needed in the short-term.



In addition to local seniors who may be transitioning to a more low-maintenance lifestyle in the coming years, there are more than 25,000 seniors within a 20-minute drive of Otsego who are of a similar age and demographic profile. This signals a significant opportunity to capture market share by leveraging the assets of downtown Otsego.

Homeownership

Encourage renovation and rehabilitation of existing homes with the use of locally approved incentive programs. Homes for sale in Otsego are still relatively affordable when compared to similarly sized homes in nearby communities. Roughly 2/3 of all homes in the city are more than 50 years old. There are likely to be many homes in need of moderate to significant investment over the next 10-20 years. Nearly 10% of existing single-family homes are vacant in Otsego. The city should consider a targeted and limited strategy to encourage new homebuyers to make investments in older single-family homes.

Examples

Recent changes to the Neighborhood Enterprise Zone (NEZ) Act have expanded the eligibility of the program to all Cities, Villages and Townships within the State of Michigan. A NEZ can help bring down the long-term cost of owning a home by providing a tax abatement to the homeowner, in exchange for the homeowner making investments in the residential property.

The NEZ program takes advantage of Michigan property tax law. The Headlee Amendment caps the increase in taxable value by 2% per year, until the property is sold to a new owner, at which point the value is uncapped.

For middle-income homebuyers who are also facing higher interest rates, the increase in property taxes when values become uncapped can be a barrier to homeownership. The NEZ allows the local unit of government to incentivize these new home purchases when paired with a minimum investment in the homes. This tool works best in communities where local zoning allows an owner occupant to remodel to create a second dwelling unit on the premises that is available for rent. The second dwelling unit will further reduce the monthly cost of the mortgage to the homeowner and will also provide reasonably priced but market rate housing options for single adults and young couples.



This older home has been converted to a duplex.

There are 1,205 households in the Kalamazoo metropolitan area who are currently earning \$50,000 per year or more and are cost-burdened by their existing rental housing. These renters are likely spending \$1,300 to \$1,800 per month on rent in the Kalamazoo area. This is very similar to the median cost of homeownership in Otsego for new buyers financing at 6.9%. Depending on the ability of these households to obtain a 5% down payment, a majority of these 1,200 households are likely able to afford a home purchase of \$212,000 or less if paired with an NEZ abatement.

The City of Otsego could set a target of 25 older homes renovated in the next 5 years utilizing the NEZ program as an incentive. Using the Kalamazoo metro data, the City of Otsego would need to attract roughly 2% of eligible homebuyers from the Kalamazoo market to achieve this goal. Similarly, there are 424 households in Allegan County earning more than \$50,000 per year and spending over 30% of their income on rent. In Kent County, there are more than 2,400 renters earning over \$50,000 per year and spending more than 30% of their income on housing.

Next Steps

1. Evaluate the Neighborhood Enterprise Zone tool for possible utilization in the City of Otsego. Estimate the impact on neighborhood revitalization, short-term and long-term property tax implications, and priority areas where a NEZ district might make sense.
2. Consider outreach strategies to potential first-time homebuyers in Otsego. Network with local and regional real estate brokers and agents about a potential incentive program.
3. Consider a simple marketing package which highlights any local incentives offered for new homebuyer investments. Also consider including information and links to state and federal incentive programs available to support energy efficiency improvements.

Data Sources Used

Allegan County Parcel Viewer

https://gis.allegancounty.org/portal_webadaptor/apps/webappviewer/index.html?id=2ec1c68c8edc4ef595f41cc10596f3eb

American Community Survey <http://data.census.gov/>

Open Street Map <https://www.openstreetmap.org>

State of Michigan Open Data <https://gis-michigan.opendata.arcgis.com/>