

Together



West Michigan

10% Ownership Goal Included in County's Affordable Housing Fund

“What I would say to those in Together West Michigan: If your hope was to ensure that homeownership was a priority and focus, you have succeeded.”

Commissioner Stephen Wooden's comment was one of many acknowledgements Together West Michigan (TWM) won Aug. 10 from Kent County commissioners as they voted on the rules for the county's new Affordable Housing Revolving Loan Fund. Because of TWM's months of work, the fund includes a goal that 10% of the affordable units be owned by families, rather than rented.

You can see comments by Together West Michigan members [here](#) starting at 2:30 and [here](#) starting at 18:00, along with press coverage by [Mlive](#) and [Crain's](#).

To create the Affordable Housing Revolving Loan Fund, Kent County is using \$17.5 million in federal pandemic relief money as seed money. Matched by a community development financial institution (CDFI), this immediately will grow to \$58.3 million, and one key local housing expert has predicted that it could rise as high as \$200 million.

Even though nearly two-thirds of the projected 5-year need of 34,699 units is in the for-sale or owner-occupied category, the revolving loan fund is starting out concentrating primarily on rental units, because they are far easier to finance.

The TWM Housing Team has repeatedly cited the virtues of homeownership: creating generational wealth, giving people a stake in a community, protecting tenants from rent hikes, giving businesses employees who can live closer to their workplaces, and more.

Several county commissioners agreed in principle with TWM that they would like to see the fund's financing of owner-occupied units grow over the years. Together West Michigan's Housing Team had at the Aug. 8 County Finance Committee meeting urged that the loan document itself contain the aspirational goal of “50-by-50.” That means that at least 50 percent of the units built through the fund would be owner-occupied by 50 percent (the midpoint) of the lifespan of the 30-year fund.

Commissioner Wooden expressed his concern at both the Aug. 8 and Aug. 10 meetings that an aspirational goal—at this point—of anything more than 10% as owner-occupied units would be for the county to “overpromise and under-deliver.” The commission set the aspirational initial goal of 10% of units for ownership, but several commissioners said they would like to move that number up in the coming years. Several commissioners urged TWM to keep up the pressure for a steady increase in owner-occupied units as the fund evolves.

TWM also urged the County Board to include at least two people who have actual experience as so-called “consumers”—that is, of living in what is deemed to be affordable housing—on the committee that will help monitor the fund in future years.

The advisory committee that created the loan document met in secret for months, and that secrecy was publicly noted by TWM Housing Team Leader Ted Hartzell.

“We feel it was a violation of public trust for the (11)-member advisory committee to create this document behind closed doors,” Hartzell said. “We urge openness from this point on. Openness and trust will be vital for a fund that will start at \$58 million and could reach as high as \$200 million.”

Because the advisory committee’s work was closed to the public, the TWM Housing Team met individually with all of its 11 members, as well as with nearly two-thirds of the 21 county commissioners.

Ryan Kilpatrick, lead consultant for Housing Next and a key creator of the Kent County Affordable Housing Revolving Loan Fund, has advised TWM that if it wants to see homeownership greatly increase in Kent County, it can help by advocating zoning changes at the level of local municipalities in the county. Kilpatrick has emphasized that only with local regulatory changes can homeownership be greatly increased in Kent County.

Taking Kilpatrick’s advice, the TWM has set a meeting with Wyoming City Planner Nicole Hofert on Aug. 16 to talk about zoning, among other things. Kilpatrick has also advised the TWM team to meet with Brooke Oosterman of Housing Next, and that meeting is being planned for early September.

Want to join the work?

Contact Ted Hartzell at tedhrz@gmail.com.