
Sunrise Rotary

FACLT Workforce Housing

August 16, 2022

The Frankfort Area Community Land Trust

Who we are and what we do

- Chartered by the Frankfort Housing Commission, however serving all of Benzie
- Focus on “missing middle” housing, primarily ownership
- Build or acquire turn-key homes
- Advocate for zoning that enables middle-income housing
 - Minimum height
 - Smaller lot size
 - Setbacks
 - Square Footage
 - Density
- Reserve community property in trust for workforce housing efforts
- Promote senior housing and temporary/seasonal workforce housing

Benzie’s “Missing Middle” are working individuals and families who do not qualify for subsidized housing but are priced out of the current market. Northwest Michigan’s housing needs are rooted in a long-standing housing supply shortage, combined with an imbalance between wages and cost of homes. Economic changes since 2020 have exacerbated that imbalance, while the housing pipeline has stopped—creating a growing backlog of unmet housing demand for local workers.



HOW MANY MORE RENTAL UNITS DO WE NEED IN BENZIE COUNTY?



425

RENTALS NEEDED

Household Incomes

Up to \$26,000
\$28,000 - \$40,000
\$42,000 - \$60,000
\$64,000+

Affordable Rents

\$650 and less
\$700 - \$1000
\$1050 - \$1500
\$1600 +

Units

232
167
26
0

% of Potential Demand

55%
39%
6%
0%

HOW MANY MORE HOMEOWNERSHIP UNITS DO WE NEED IN BENZIE COUNTY?



278 OWNER UNITS

Household Incomes

Up to \$60,000
\$70,000 - \$100,000
\$110,000 - \$150,000
\$160,000

Affordable Home Values

\$150,000 and less
\$175,000 - \$250,000
\$275,000 - \$375,000
\$400,000+

Units

37
212
16
13

% of Potential Demand

17%
76%
6%
5%

Current Project: Grove Place



Traditional CLT Model

- FACLT retains land ownership
- Homeowner buys at 25% under market rate; mortgage thru commercial lender or USDA
- Owner able to build playset, garage, etc
- Owner builds home equity
- Land Lease ensures future home sale to new qualified family at below market rate; homeowner recoups home investment to date + 50% of appreciation
- Remaining 50% of appreciation allocated towards new workforce homes.



Q&A

1. How are you different from Habitat for Humanity?
2. Who will live in your first homes?
3. How do you ensure successful homeownership?
4. How is a model like this taxed?
5. Will you provide rentals?
6. Where are your next projects going to be?
7. Can I help?



Help Other Benzie Families on the Path to Homeownership

We are grateful to Benzie residents, businesses and organizations for the unbelievable support received thus far. Please consider joining our volunteer and donor community:

- Start-up/Seed Funding
- Special Bequests
- Donation in-kind
- Real Estate
- Recurring Gifts
- One-time Memorial or Honorarium

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The Frankfort Area Community Land Trust is an IRS-approved 501(c)3 non-profit organization, and your contribution may be tax-deductible under Internal Revenue Code Section 170. Please consult your tax advisor.

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