

City of Houghton

616 Shelden Ave.

Houghton, MI 49931

906-482-1700

News for immediate release

Media contact: Eric Waara, City Manager

City of Houghton

906-482-1700. eric@cityofhoughton.com

**City of Houghton Planning Commission to Consider Zoning Changes**

HOUGHTON – The City of Houghton Planning Commission will consider amending the zoning of two large parcels to allow construction of denser housing on them. Public hearings will be held on September 23 at the commission’s regular meeting.

The first is a large parcel owned by the Houghton Housing Commission (HHC) west of M-26. This parcel consists of two adjoining properties, one of which the HHC developed with 15 single-family rental homes in the early 1980s; the other, intended for a second phase, was left undeveloped.

The existing Waterworks neighborhood, as developed, does not comply with the R-1 zoning for the parcel in that all the homes are on a single piece of property with the HHC as the sole owner. R-1 Single Family zoning requires that each home be constructed on a single, distinct parcel plus dictates lot size, the distance between homes, etc. Amending the zoning of the property for the current Waterworks development to R-3 Multiple-Family will zone the property consistent with its historic and present use.

The undeveloped HHC parcel is also zoned R-1, but in order for the HHC to develop duplex or quadplex homes, the HHC has requested that the property be rezoned to R-3 Multiple-Family, which would permit something more than a single home to be built on the lot.

“The lack of available housing is a real problem in our area and all over the state.” said Eric Waara, Houghton’s City Manager. “Overall, single family home prices have shot up in recent years. There are many families who want to live in Houghton to be close to their workplace and our great schools, but what we lack is that middle-market affordability.”

Admittedly, Waara said that much of the past new multifamily housing development has concentrated on housing Michigan Tech students and a lot of existing single-family homes in the City are rented as student housing. “This takes many of those middle-market houses out of play, often drives prices up, and creates a barrier to new families living in the City.”

Sherry Hughes, Executive Director of the HHC, explained their plans for more housing on the now vacant property. “We are looking to partner with a housing developer to build an initial fourplex home. The designs we are looking at are for what looks like a large house, just with four, two-bedroom units in it, which doesn’t look like a traditional apartment building.” Hughes went on to say that three of the four units in the house would be available to middle income households who are at or just above the area’s median income. “Those units will be available to families making up to about $88,000 per year and the remaining unit would be available for families earning 60% of the area median income. Think of your teachers, nurses, or staff at Tech, most of the units will be very desirable to them.”

The Planning Commission will hold a public hearing on the conditional rezoning request and then take up the matter of whether to recommend the conditional rezoning to the City Council, who actually has the authority to change zoning in the City. The HHC has requested that the rezoning be done, but with added conditions such as disallowing short-term rentals, or certain types of businesses which by R-3 zoning may be allowed.

“The Housing Commission just wants to keep to its mission to provide affordable housing to our community. “ Hughes said. “We don’t need those additional things that R-3 zoning allows, so we asked that those be taken off the table.”

The second rezoning request the Planning Commission will consider is for part of a large City owned property on East Lakeshore Drive, near the Super 8 Motel. The proposed rezoning would be from RSV-Reserve to R-3 Multifamily. A developer, Houghton Quality Housing, who has built several rental properties in the area, most recently in Portage Township south of the high school, inquired about purchasing some of the property from the City and constructing four unit condominium buildings south of the street.

“The City acquired this large piece of property a long time ago. The waterfront part was sold for people to build homes. Some was sold for the Super 8. Our Master Plan mentions this remaining piece as one the City should consider selling for development to increase housing availability and grow our tax base.” said Tom Merz, Chairman of Houghton’s Planning Commission. “it was zoned Reserve and was left that way until someone came up with a possible use for it.”

The developer’s original concept was to build up to eight, four-unit condominium buildings along the entire length of the street. As the designs progressed and the site was further investigated, the developer homed in on the western part of the property across from Super 8 and adjacent to some student rental properties he owns. This smaller piece would limit the development to four or five units.

“Condominiums and apartments are the same in the eyes of our zoning ordinance. The only difference between them is that a condo is something an individual owns and an apartment is something that they rent.” Waara said. “We have heard from dozens of Houghton residents who are looking for condominiums. They’d like to get out of owning their home, and the maintenance, snow removal, and so on – and get into a condo. They don’t want to leave the area, they just want a different living option in this community.”

The rezoning of the portion of the City property would be part of the process to move forward to an eventual purchase agreement, a development agreement, and sale. This property does not need conditional rezoning because the City, as the seller, can place conditions on the sale to limit to buyer, and any future owner, to abide by what the City agreed allow on the property to in order for the property to be sold in the first place.

“Deed restrictions or the obligations in a development agreement are arguably more easily enforced than the City’s zoning. The City can negotiate what will happen on the property to be in the City’s best interest overall – forever.” Waara said. “The City is in the driver’s seat. If the City doesn’t like what the buyer has planned; we can just refuse to sell them the property.”

The City Council would ultimately have to approve the development plan and purchase agreement which would be a condition of selling the property. First, however, the matter of rezoning will need to be settled.