

# Otsego County Community Development Plan

All applicants for funds under the Community Development Block Grant program are required to identify their community development and housing needs in accordance with provisions set forth in Title 1 of the federal Housing and Community Development Act of 1974, as amended. In order to comply with the requirements outlined in the federal legislation, it is not necessary for an applicant to prepare an elaborate community development plan. The following plan was prepared to meet these requirements.

## 1. Assessment of needs and problems

The following plan is derived from information contained in the 2009 Otsego County Master Plan, This plan was designed to reflect an assessment of the needs of the community especially the low and moderate income persons.

### Community

Historically, Otsego County's economic vitality was based first around the logging of the White Pine and associated manufacturing, transportation and services related to the logging industry. Early manufacturing included "Big Wheels" used to haul logs, Last Blocks, as well as other products made from hardwood lumber produced in the region. The County's manufacturing economy changed as Michigan's changed. The Gaylord Car was manufactured briefly during the early stages of the auto industry. The City of Gaylord, the county seat, also served as the commercial center serving the burgeoning tourism industry in Otsego County. In the mid-1980's community leaders developed the first industrial park which is now completely developed and housing a range of manufacturing and industrial services companies. A second industrial park was developed in 2002. Otsego County also serves as the base of operations for most oil and gas development, production and service companies working in the Niagran Reef (oil) and Antrim shale gas fields.

In 2010 (4<sup>th</sup> quarter), the average private sector wage in Otsego County was \$34,424. Overall, Otsego County's average wage was 71% of the state-wide average wage. In 2000, unemployment in the County averaged 4.1%. By 2010, the average unemployment rate was up to 14.8%. During this period the labor force declined from 12,348 to 11,436 or 7%. This trend has started to change with unemployment down to 12.1% and the labor force growing slightly to 11,563 by June 2011.

The County's plan has the following goals:

### 1. Agriculture & Forestry

#### *Agriculture*

1. Encourage and facilitate feasible options for continued agricultural uses of active prime farmland
2. Ensure that land designated for agricultural activities is accurately identified through the presence of prime soils or locally important agricultural soils and/or the land has been used historically for agricultural uses
3. Research and share information on the economic role of Agriculture in Otsego County.
4. Allow agricultural property owners to create smaller tracts of land for residential or farming purposes

#### *Forestry*

1. Promote re-forestation and sound forestry management practices in areas with suitable, productive soils
2. Research and share information on the economic role of Forestry in Otsego County.

### 2. Community Services

#### *Transportation*

1. Improve and maintain the transportation systems to reduce traffic congestion to accommodate the needs of residents, visitors, and commercial enterprises
2. Provide for an adequate transportation system that will facilitate balanced, orderly growth and ensure the safety and well-being of Otsego County residents
3. Provide and/or maintain safe and efficient routes in and through Otsego County while respecting the rural character
4. Work with state agencies to formulate solutions to long-term interstate, highway, and local transportation issues, including access to I-75 and M-32
5. Work with Gaylord Regional Airport officials to anticipate and plan for expansion of commercial air passenger service to and from the Gaylord area; address planning issues that may develop in response to airport expansion
6. Work with the local railroad and state officials to plan and improve rail service to Otsego County
7. Review public transportation services and consider possible ways of making and/or maintaining public transportation as a viable alternative for county residents
8. Provide design guidelines for communities within Otsego County to promote a pedestrian, bicycle, and neighborhood electric vehicles oriented community

#### ***Utilities***

1. Provide for the improvement and maintenance of public utilities to accommodate the needs of residents, visitors, and commercial enterprises
2. Encourage appropriate, new development in areas consistent with proposed and projected improvements to public utilities
3. Encourage the use of green building techniques
4. Encourage the use of proactive storm water management practices
5. Improve Otsego County residents' access to communication technologies
6. Encourage the use of alternative sources of energy

#### ***Waste Management***

1. Study the feasibility of establishing a county wide recycling and garbage pickup service
2. Encourage the provision of services in an efficient, environmentally respectful, fiscally responsible manner to meet the needs of the residents, property owners, business people and visitors
3. Conduct solid waste and landfill development planning on a county and regional basis
4. Educate elected and appointed officials and community members on landfill, sewer, and water expansion

#### ***Public Safety***

1. Incorporate the needs of the local emergency services including fire, EMS, and law enforcement in county planning
2. Encourage the protection and maintain an awareness of ground water quality

#### ***Health Services***

1. Encourage facilities for senior and special needs citizens, including a continuum of care facilities, and elder friendly housing within close proximity to neighborhood shopping facilities, pedestrian walkways, and parks and recreation facilities
2. Ensure that health facilities, programs, and systems are consistent with the community's needs and determine ways to finance expansion if necessary

#### ***Educational & Cultural***

1. Encourage age-appropriate after-school/summer opportunities for area youth by utilizing senior groups, professional, volunteer, and faith-based organizations to provide supplemental educational services (e.g. tutoring and mentoring) and enrichment activities beneficial to the entire community
2. Explore the creation of additional civic events within the county for the enjoyment of residents and tourists
3. Encourage development of childcare facilities in appropriate areas
4. Support educational and cultural services for residents
5. Encourage the review of methods for improving Otsego County schools' cultural and educational

facilities for today and as growth occurs

6. Encourage the development of alternative educational opportunities
7. Encourage further development of the M-Tec/University Center. Encourage the establishment of additional education opportunities
8. Protect and enhance the cultural and historical assets of Otsego County

#### ***Recreation***

1. Facilitate the improvement of recreation in Otsego County
2. Develop a complete system of trails and pathways with safe access to businesses and services
3. Promote sustainable tourist activities in specific areas while maintaining the attractiveness of the natural environment
4. Encourage the creation of additional recreational events within the county for the enjoyment of residents and tourists

#### ***Social Services***

1. Encourage the development of quality housing for all income levels and lifestyles
2. Encourage the implementation of the existing 10-Year Plan to End Homelessness in Otsego County. The plan can be reviewed at [www.otsego.org/homelessness](http://www.otsego.org/homelessness)
3. Encourage community programs that contribute to the welfare of our children

### **3. Economics & Housing**

#### ***Commercial Centers***

1. Support the focus and continuation of commercial Town Centers
2. Ensure that the architecture, landscaping, and signage associated with commercial establishments are compatible with local character
3. Improve blighted areas in the commercial districts
4. Coordinate planning efforts with local units of government, Downtown Development Authorities, Chambers of Commerce, Convention and Tourism Bureaus, and other organizations
5. Encourage economically healthy and vibrant commercial districts

#### ***Economic Development***

Support the continued focus that the economic health of Otsego County is enhanced by a great diversity of resources and activities. Some major contributors to our economic well being include but are not limited to: Recreation, Tourism, Sales, Distribution, Light Manufacturing, Industrial, Oil and Gas, Agricultural, Retirement, Education and Health Care.

##### 1. Recreation / Tourism:

a. Continue to support local and statewide efforts to promote Northern Michigan as a recreation and Tourism destination

##### 2. Sales and Distribution:

a. Retain and expand existing base industry through a coordinated effort by local, regional and state economic development and workforce development professionals and others

b. Provide and utilize incentives to create new businesses in Otsego County

##### 3. Light Manufacturing:

a. Investigate and Encourage methods of assisting local businesses to remain competitive, maintain a diverse employment base and promote living wage jobs

b. Identify and assess local barriers to the expansion and location of business in Otsego County

c. Build infrastructure to support and attract businesses while continuing community development

d. Market Otsego County to new businesses using cost effective location appropriate plan that targets businesses with potential to locate in Otsego County

e. Work with airport officials to improve customer service and provide an attractive gateway to corporate users. Encourage commercial air services and increase commercial freight shipping opportunities to the Gaylord Regional Airport

##### 4. Industrial:

- a. Assist location of new base industry into Otsego County by developing and providing location information including vacant site and building data, current wage data, demographics, location costs, municipal services, etc.
- b. Provide for desirable, orderly industrial development in areas served by adequate transportation systems, utilities and services
- c. Promote the development of industrial parks rather than scattered single lot development
- 5. Oil and Gas:
  - a. Support efforts for clean environmentally sound development of Otsego County's oil and gas industry
  - b. Develop scenarios to plan for potential impacts on local employment, tax revenues, and land use resulting from the departure of oil and gas companies
- 6. Agriculture:
  - a. Support local efforts to preserve agricultural zoned properties
  - b. Support the development of farmer markets
  - c. Support local and statewide efforts on the development of bio-fuels
- 7. Retirement:
  - a. Support Otsego County as a retirement destination
  - b. Support the development of facilities that promote both living and recreation opportunities for citizens of retirement age
- 8. Education:
  - a. Support efforts to continue our education system as one of the best opportunities offered in the entire state
  - b. Support local efforts on the expansion of both the University Center and the MTEC
  - c. Recognize that education is not only a community service, but is also a commodity to be produced, marketed and sold which as such, can expand both the economic and social base of the community
- 9. Health Care:
  - a. Support efforts to maintain and enhance Otsego County's Health care facilities
  - 2. Develop scenarios to plan for potential impacts on local employment, tax revenues, and land use resulting from the departure of oil and gas companies'

### ***Housing***

- 1. Encourage safe, sanitary, and well maintained housing that is income appropriate
- 2. Preserve and encourage the elements of residential neighborhoods which result in desirable living environments for permanent and seasonal residents

## **4. Growth and Development**

- 1. Coordinate development in Otsego County through updating and enforcing a clear, consistent zoning ordinance.

## **5. Natural Resources**

- 1. Provide for the enhancement and protection of Otsego County's surface and ground water quality
- 2. Ensure that development or re-development takes place in an environmentally sound manner by minimizing the potential for soil erosion
- 3. Protect, as much as possible, the existing natural environment
- 4. Encourage land use in a manner which recognizes the importance of forests to the overall character of the county and to the quality of life and economic well-being of its citizens.  
Recognize forests as sources of economic revenue, protectors of water quality, providers of recreation, and providers of habitat for wildlife
- 5. Recognize the importance of wildlife to the overall character of the county and to the quality of life and economic well-being of its citizens and encourage land uses which facilitate wildlife protection
- 6. Recognize the unique roles of natural resources -- such as oil, gas, mineral, sand, gravel, and water -- in terms of location, scarcity, and state laws

The community recognizes the need to diversify its employment base to maintain a healthy community. The community can achieve this by supporting the expansion of its existing manufacturing base and preparing for the location of new industries.

### **Overall Community Development**

In 1997, community leaders, spearheaded by the Chamber of Commerce, began the process of establishing a county-wide economic development organization. The community leadership recognized the impact that rapid growth was having on all segments of the community and the need to implement a mechanism and process to help focus and supporting growth and development in a positive fashion. The organization, the Otsego County Economic Alliance, is a broad coalition including the City of Gaylord, Otsego County Board of Commissioners, Otsego County Township Association, Village of Vanderbilt, Gaylord/Otsego County Chamber of Commerce, a number of private sector firms, and several utilities.

As a result of a county-wide economic development strategic planning process, the community's leadership established the following vision for the County:

- < A community that provided higher wage jobs, managed its growth through land use planning that channeled, clustered and balanced growth, as well as preserved and maintained open space, natural beauty and recreation opportunities.
- < A community that planned and constructed roads and other infrastructure (water & sewer) to accommodate appropriate development.
- < A community with strong schools, diverse educational opportunities, affordable housing and more manufacturing.
- < The employment structure of the county to be very similar to what exists now except that both the retail and service sectors would employ a slightly smaller share and manufacturing, transportation and construction sectors would employ a somewhat larger share

This vision has led to county-wide economic development plan that has as its primary goals, the following:

- < Retain Employers Providing Higher Paying, Family Supporting Jobs
- < Attract New Employers Providing Higher Paying Jobs
- < Develop roads, sewer, water and other infrastructure to support economic development
- < Influence and Champion Change and Growth

Otsego County's future and the future of the low and moderate income persons lies in developing a healthy, dynamic base industry composed of manufacturing, wholesale distribution and energy related companies. The community has made great strides through the previous development of an industrial park and location of over 40 base industries. Community leaders were also instrumental in securing state and local funding for the construction of the 47,000 square foot University/M-TEC Education Center. This state-of-the-art education and training facility is designed to provide seamless, state of the art academic and career technical training for high wage, high skill employment.

### **Housing Needs**

Housing has been an issue County-wide. The County's 30% population increase from 1990 to 2000 had placed a great deal of pressure on land and home prices. In 1990, the average single family home value was \$64,450. By 1999, it had increased by 60% to \$103,302 and the average sale price was over \$108,000. Average sale price peaked in 2005 at \$138,798, but fell to \$89,077 in 2009 as a result of the mortgage meltdown and global recession.

During the period leading up to the mortgage crisis and recession it had become noticeably difficult for young professionals, factory workers, as well as the retail and service employees to find affordable housing within Otsego County. The steady development of the large retail outlets as well as a new industrial park put pressure on the community to take steps to address the affordable housing shortage. To this end the City has supported development of a number of multi-family housing projects for low and moderate income residents including the granting of Payment in Lieu of Tax agreements to induce the investment in affordable housing. This is also reflected in the fact that 47.5% of all housing units in the City are rentals units. County-wide, only 18.3% of all housing are rentals. The County Housing Committee has also worked with the City to undertake a number of MSHDA supported upper floor apartment rehabs in the downtown area.

Otsego County has an active housing rehabilitation program through its Housing Committee, the local Habitat for Humanity chapter has undertaken rehabilitation and new construction to provide housing for low and moderate income families, and a regional affordable housing Community Development Corporation - Northern Homes - is developing single and multi-family housing. In addition, at least one private developer has completed the first 48 units of a 96 unit affordable housing complex in the City of Gaylord.

## **2. Summary list of possible long term activities to address needs (2+years)**

Community development needs identified include acquisition of the Chamber information center property, completing acquisition and development of the Louis M. Groen Nature Center property, replace/expand County jail, Expand the Otsego County Library, construct an addition to the University Center to house science and technology facilities and construction and improvements of parks and recreation facilities.

## **3. Summary list of contemplated short term activities to address needs (1-2 years)**

- < Conduct an Aerospace Diversification Study
- < Rebuild the apron at the Gaylord Regional airport
- < Construct a snow removal equipment building at the airport
- < Construct a new animal control facility
- < Expand the County EMS facility
- < Rebuild County Roads
- < Acquire land in the City of Gaylord to expand County parking

## **4. Description of effect project will have on community**

This project will benefit the entire community. The goal of the project will be to increase the number of jobs available for low and moderate income persons.

## **5. Plan to minimize displacement of persons**

The proposed project will not result in the displacement of any people.

This plan was adopted by the Otsego County Board of Commissioners at a regular meeting on August 23, 2011.

Susan I. DeFeyter, Clerk