

Chapter Eight: Critical Issues Analysis

During the development of this Plan, the Planning Commission discussed various areas that need further discussion to identify a desired plan for their future. It is important to include this discussion in the Plan so future residents and business owners know the rationale behind the established goals.

The City of Grayling, as well as the State of Michigan, is currently challenged by a declining economic market.

The City of Grayling, as well as the State of Michigan, is currently facing a declining economic market. This is problematic when attempting to attract redevelopment activity, which is needed throughout the City. Various residential properties are in need of maintenance or have been left vacant, and some commercial buildings, especially in the central business district, are in need of structural improvements or cosmetic attention.

While some of these issues will be discussed in more detail below, it is important to understand their collective impact on the future growth and development in Grayling. Broader issues regarding an aging population, service-oriented job market and economy are relevant to the City's future, as evidenced by the following findings:

- The population distributions indicate an aging population, with a decrease in children age four or less, and an increase in seniors aged 65 to 74.
- 58.8% of Grayling residents are employed in the service industry, with 32.3% of residents directly employed in service-related jobs.
- A 30% increase in the “young professional” population (ages 25 to 34) between 2000 and 2010 indicates a need to provide additional job opportunities to retain them.
- There is an increase of individuals and families reporting incomes below the poverty level. This indicates a need for additional services, job training and low-cost day care.

City-Wide Issues

While the City of Grayling still maintains issues that are city-wide, more specific areas were identified as key factors contributing to the future of the City. A brief description of each topic or location is included in this

discussion, followed by some suggested concepts or tools that can be used to further the goals of this plan for each specific area.

Identity. The perception of a community is determined in large part by first impressions and the appearance of entryways. Coordinated entry signs and associated landscaping should be maintained. The City can also work with abutting communities to ensure that appropriate land uses and high-quality development are located near or adjacent to the entryways to Grayling.

Economic Development. The City of Grayling could benefit from revitalization and investment in its commercial areas. Below is a list of several State laws enacted to assist communities in redevelopment efforts, which in Grayling could be used to enhance both the DDA and possibly other general commercial areas:

- **Downtown Development Authority Act (PA 197 of 1975, as amended):** The intent of this act is to promote economic growth, to correct and prevent deterioration, to increase property tax valuation, and to enhance the physical environment of the Development District. Grayling established a DDA in 2003 to utilize this and other economic development tools. The DDA could levy millage, not to exceed two mils, as allowed by state law, to support their plans.
- **Brownfield Redevelopment Authority Act (PA 381 of 1996, as amended):** Under the authority of the Brownfield Redevelopment Act, the City is served by the Crawford County Brownfield Redevelopment Authority (BRA). Under the County program, Grayling projects can be considered for Tax Increment Financing (TIF). The City could use this incentive to assist in redevelopment of contaminated, blighted or obsolete sites.
- **Corridor Improvement Authority Act (PA 280 of 2005).** The Corridor Improvement Authority Act allows the City to create a district, similar to Downtown Development Authorities (DDAs), for older commercial corridors along major traffic thoroughfares. This act was established to promote economic development along designated corridors that are not addressed through other authorities like a DDA. The primary "tool" for this authority is the use of tax increment revenues to pay for a variety of improvements within the district. Authorized improvements include constructing or renovating public facilities, such as streets, bridges, buildings, plazas and pedestrian malls, parks and parking facilities. A municipality

may establish one or more corridor improvement authorities to revitalize and reinvigorate commercial corridors.

- **Industrial Property Tax Abatement (PA 198 of 1974, as amended).** Public Act 198 of 1974, as amended, is the primary tool used by local units of government as an incentive for companies to renovate and expand aging manufacturing plants or to build new plants in Michigan. The City Council grants the abatement, which reduces local property taxes by roughly 50% on new plants. In the case of a rehabilitation project, the obsolete state equalized values (SEV) are frozen and the investment on improvements is 100% exempt from property taxes. Abatements can cover both real and personal property and can run from one to twelve years, at the option of the local unit.
- **Local Development Financing Authority Act (P.A. 281 of 1986 as amended):** The Local Development Financing Act (LDFA) uses tax increment financing to fund public infrastructure improvements. The tool is designed to promote economic growth and job creation. Communities across Michigan have utilized this tool to extend sewer and water lines, construct roads, service manufacturing, agriculture processing or high technology operations.
- **Obsolete Property Rehabilitation Act (P.A. 146 of 2000, as amended):** This act established another tool for redevelopment projects in eligible distressed areas. It is designed to complement brownfield redevelopment activities by providing an exemption for ad valorem property taxes to commercial property and commercial housing properties within an established obsolete property rehabilitation district. Only designated Core Communities are eligible to establish these districts, wherein buildings and improvements are eligible for exemption for ad valorem property (personal property is not eligible) taxes from 1 to 12 years. To qualify, the property must be commercial property or commercial housing property that is a "facility" (contaminated), "blighted," or "functionally obsolete." The sunset for granting exemption is December 31, 2026.

A slow economic market coupled with a relatively low regional residential population has prevented large-scale revitalization in the downtown.

DDA District

The City’s central business district (CBD), also called the “Uptown District” by some, has historical significance that should be embraced. To date, Grayling has established a Downtown Development Authority (DDA) which recently completed new streetscape efforts aimed at

increasing business and the vibrancy of downtown. Unfortunately, a slow economic market coupled with a relatively low regional residential population has prevented large-scale revitalization in the downtown. Historically, as once-vibrant downtowns began to decline, contemporary site planning practices produced more suburban developments that were not compatible with more urban environments. This trend is somewhat true in Grayling, where larger retailers and businesses have moved to locations along the I-75 Business Loop. However, the physical framework and local support of the downtown is still in tact. The City wishes to maintain the CBD as a vibrant asset to the community that, in combination with other efforts, will attract new businesses, residents, employers and tourists. It is important that the CBD retain its existing character and urban feeling. Therefore, it is not intended to attract general commercial uses that could compromise the aesthetic value of the existing buildings and which are more appropriate along the business loop or other auto-oriented commercial districts. It should maintain an urban character that is distinct from the City's general commercial districts; one that encourages pedestrian activity over automobile activity. Residential development in proximity to or within the central business district will help generate daily traffic and help improve the vibrancy of business there. The following recommendations are given to accomplish the desired goals of this Plan:

Build Upon Previous Efforts. Coordinate with Crawford County to do an updated Downtown Market Study, a baseline for any downtown redevelopment efforts should follow a Downtown Market Study for the DDA. Any plan recommendations should adhere to the following principles

1. Merchandise mix should meet expectations of local residents first, visitors second.
2. Strive for retail synergies and connectivity, and avoid fragmentation.
3. Traditional merchant space along main street is for conventional retail tenants. Services should be in ancillary locations which complement main street.
4. Develop selected properties to their highest and best use, without short-cuts.
5. Add some multi-family owner or renter-occupied homes in the downtown area.
6. Create a pedestrian-friendly environment, under New Urbanism design principles
7. Operate stores with good business and management practices.

8. Pursue existing businesses and entrepreneurs for relocation to the downtown.

Municipal Parking. The City provides 2 municipal lots located to the North of Michigan Avenue.

Signage. As part of the overall streetscape of the CBD, signage can contribute to a unique character. Signage should draw upon Grayling’s history, as well as the historic character of downtown buildings. To attract visitors to the CBD, way finding signage should coordinate with this theme, and use of banners, hung from light poles along the business loop, can add color and help unify the sense of place.

Agency Coordination. Presently there are several community organizations that serve the business community in Grayling. Grayling Recreational Authority (GRA), Grayling Promotional Association (GPA), Grayling Regional Chamber of Commerce (GRCC), Grayling Visitor’s Bureau (GVB), Crawford County Economic Development Partnership (CCEDP) and the Crawford County Brownfield Redevelopment Authority (CCBRA) all work toward marketing Grayling and the surrounding area to new businesses, residents and tourists. Many of these groups have hired independent staff, and some are experiencing financial difficulty and are at risk of dissolution. To help avoid this, and to improve the regional marketing for Grayling, these agencies should coordinate their efforts. While they may naturally work together on various projects or endeavors, their collective efforts are sure to produce more results than each operating in isolation. A consortium of organizations may be better coordinated through the Grayling DDA or other municipal department that can, through cost sharing and cooperative efforts, provide staffing and support services at a more reasonable cost to each organization.

Key Recommendation:
Seek to coordinate the numerous economic organizations that maintain a goal to improve the Grayling community.

Retention of Anchor Tenants. Anchor tenants are large businesses or traffic generating uses that bring patrons to an area. In Grayling’s CBD, anchors include the Crawford County Building/Jail and U.S. Post Office, both of which bring daily traffic to the CBD that often benefits other shops and destinations downtown. To maintain a vibrant CBD, the City should strengthen its relationship with the County and Federal representatives to ensure these anchors remain. Other ways to improve business downtown include recruiting of businesses that are attractive to the region yet compatible with the CBD’s established downtown character. Another viable option to generate activity downtown is to work toward re-locating the City administrative offices back to the CBD. These operations were

recently moved to a new site off of City Boulevard at the city’s north end, where they are not likely to contribute to the economy and activity in the CBD.

Regulatory Change. The City should strongly consider changes in local zoning ordinances that are more conducive to the existing downtown environment. Conventional zoning regulations often include parking, landscaping and building location standards that address more suburban environments where site improvements relate to a single use rather than a district. In the CBD, development occurs in a much different way that demands unique regulations. Form-Based Codes (FBC) are often used to regulate the building form rather than the land use, which is the typical focus of zoning ordinances. An FBC should be implemented if the City anticipates a high number of redevelopment projects or large expansions to the CBD so new construction will compliment existing buildings. Specific parking regulations that consider municipal parking lots and on-street parking are also recommended.

The vibrancy of many downtown areas relies on their flexibility to market forces and is therefore less relative to land use than it is on the character or “sense of place” established. The City should consider ways to streamline application processes to ensure businesses wishing to improve their façade, repair their building or build an addition are not deterred by overburdening regulations.

Promote Downtown Activities. The City of Grayling is rich in history and culture, much of which is still celebrated today. Several events, many organized by the local agencies and organizations mentioned above, take place annually.

- AuSable River Festival (3rd week in July)
- Harvest Fest (1st or 2nd week in October)
- Christmas Walk (third weekend in November)
- Route 27 Car Tour

Many local businesses rely on these events, along with activity during the general tourist season to sustain their business. Accordingly, their continuation is of the utmost importance to the CBD and the City as a whole. The summer months are a typical time for festivals and activities throughout Northern Michigan, and the Grayling region could benefit from additional festivals and other activities related to the Independence Day holiday. The City currently has Independence Day fireworks and

other small parades, but no other organized festivities. The timing and success of the AuSable River Festival, which currently draws tremendous numbers of people to the area each year, presents an opportunity to expand the height of the tourist season in Grayling. While the annual AuSable River Canoe Marathon is the primary attraction during the festival, racers' families often seek other activities or destinations during that time. Grayling should draw upon current successes to increase tourist activity in the City by either increasing the magnitude of events to showcase the City's downtown, or by extending the sequence of events to include Independence Day celebrations. This will help the City capitalize on tourist traffic, which by way of I-75 travel to other areas like Traverse City, Petoskey and Gaylord.

Economic Development. The City of Grayling is considered a "Core Community" by the State of Michigan. Designated Core Communities are urban and traditional centers of commerce that are in need of additional tools for new housing development, redevelopment of obsolete facilities and development of contaminated properties. The designation is intended to create private development opportunities by offering three economic development tools. Core Communities are eligible to use the resources of the Obsolete Property Rehabilitation Exemption and Neighborhood Enterprise Zones, which are described in further detail below. Core Communities are also eligible to use Brownfield Redevelopment resources for blighted and obsolete properties, not just contaminated sites, and the designation allows developers to apply for additional tax credits not available to non-core communities.

The City of Grayling is currently enrolled in the Michigan Main Street Program at the Master Level and should continually be a supported program. The City of Grayling is also identified by the Michigan State Housing Development Authority (MSHDA) as an Eligible Distressed Area. These include areas which, because of disinvestment and demographic dislocation, represent underutilized infrastructure and exhibit higher than statewide average levels of economic distress. Communities declared Eligible Distressed Areas may receive certain enhancements to their applications for competitive MSHDA programming and certain other benefits through other state agencies.

Hospital Complex

The City of Grayling is fortunate to contain the Munson Healthcare



Grayling Hospital complex, which is the only hospital in Northern Michigan named a 100 top hospital in 2012, located in the northeast portion of the City at the intersection of N. Down River Road and Michigan Avenue. This medical complex serves a seven-county area containing Crawford, Roscommon, Oscoda, Otsego, Kalkaska, Montmorency and Ogemaw Counties. Changes in management have improved and expanded hospital services. Services began in the new state of the art Emergency Department in 2007. Since then, other additions and updates include; a Sleep Lab/Testing area; significant renovations to the Outpatient Departments and Inpatient Units; addition of another Operating Room allowing for a dedicated Operating Room for C-Section. Major equipment upgrades include fixed MRI, fixed 64-slice CT, and digital mammography. Its employed network of physician offices continues to grow and now includes over 30 providers. The hospital employed over 700 people as of July 2013, making this partnership the largest employer, by far, in the City. It should come as no surprise then, that the City wishes to capitalize on the success of the hospital for job creation, but equally so for enhancing the medical services currently provided to Grayling residents.

As noted, the hospital currently draws patrons from a large region, many of which require supplemental testing, laboratory work, or services that are not provided at the medical complex. Local demand for these services has caused redevelopment of several homes that surround the medical complex into related small-scale medical and financial establishments. Collectively called the “Medical Cottage Industry,” these new businesses represent an opportunity for economic growth in the City. Because these uses are anticipated to encompass residential lots located at the periphery of the medical complex, it is important that they retain a moderate scale that will not detract from the residential quality of the surrounding area. While some land combination is expected to accommodate structures larger than the existing homes, large-scale institutional uses should be located in other, more general commercial areas. To accomplish the desired goals for this area of the City, land at the periphery of the medical complex must be of an appropriate size. The typical lot sizes in the residential neighborhood are approximately 60 feet by 120 feet, or 7,200 square feet. This lot size is not adequate to accommodate some of the desired uses. Therefore, to create adequately sized development sites, combination of lots is likely to occur. The City needs to ensure local regulations do not discourage this activity. Accordingly, the City of Grayling wishes to see the following implemented to support this activity while promoting additional medical services for area residents.

Review Land Consolidation Laws. The State of Michigan regulates land consolidation activity in any established subdivision plats. State laws currently do not allow consolidation of platted lots for zoning and development purposes, but they do not prevent local municipalities from adopting laws that regulate the activity. Any new ordinance should relate to the zoning ordinance, which prescribes the appropriate minimum and maximum lot sizes for this area.

Review Local Zoning Ordinance. In order for the Medical Cottage District to succeed, any zoning laws relating to permitted uses, lot sizes, and other site planning issues must be compatible with the needs of the medical environment. When crafting or revising ordinances relating to this area, the City should communicate with the hospital and other medical providers in the area to determine the appropriate mix of uses are permitted and the desired amenities are provided. The uses for this area may include some moderate-scale, low-intensity office uses or financial institutions along with the supportive medical uses. The lot sizes must be adequate to accommodate redevelopment, which includes parking facilities, signage, waste receptacles, landscaping and, most likely, larger building sizes or additions to existing residential homes. Specifically, local zoning ordinance should consider the following:

- Lot sizes are expected to increase, as new businesses assemble several lots into larger building sites. Lot assembly of approximately two lots is appropriate, but in no case should a new business assemble more than one established city block.
- Building sizes should be restricted to a moderate size that allows for conversion of existing residential buildings, but prevents large buildings that are not compatible with the surrounding neighborhood. Appropriate building sizes for this area should range between 3,500 square feet to 5,000 square feet.
- Buildings should be high-quality in design so they complement and enhance the quality of buildings in the general area. Design guidelines for this area should be established that requires basic architecture and materials to mirror those already established in the residential neighborhood.
- Signage should be small in size to coordinate with the residential character. High-quality materials should be used to strengthen the appeal of the area as a center of professional activity.
- Landscaping should be focused in areas that will help buffer these uses from neighboring residences, or that will screen parking lots or waste receptacles. Extensive front yard buffers are not essential in

this area, as the intent is to create a dynamic flow of business between the Hospital and the small business located across Michigan Avenue, and landscaping may reduce visibility from across the street.

- Placement of accessory items such as waste receptacles and mechanical equipment will depend upon the relationship between a proposed business and any adjacent residential uses. In as much as possible, these items should be located away from residential properties, but should never be placed in any front yard. Proper screening of these facilities is needed to ensure any impacts of noise or odor do not negatively affect neighbors.
- The City may wish to facilitate the application and review process for businesses that wish to occupy existing residential homes. In some cases, the City may identify certain applications that could be reviewed by administrative staff, streamlined or somehow made faster. In any case, careful consideration is needed to ensure site amenities like parking and landscaped buffers are provided.

Commercial

Promote Regional Economic Strengths. The strengths of the Grayling economy lay in the medical and tourist industries. The 2004 Downtown Market Study explored the entire Grayling market, and encouraged more community and civic projects aimed at attracting general attention to the natural assets of the community. It states the area is ripe to receive up to 1,000 additional jobs in professional/white-collar positions. Attracting additional residents, especially professionals, will enhance the local economic base for future business. However, additional opportunities should still be pursued now to address the needs when they arise. Attracting large employers or other facilities can take several years and taking a proactive approach can help assure they are secured in time to address rising demands. Opportunities for advanced educational facilities could enhance the economy in Grayling, while also providing needed educational opportunities for area residents. As the county seat, the City of Grayling is an ideal location for an institution of higher learning, and it contains a higher concentration of housing than outlying areas. An educational facility may provide opportunities to partner with local employers toward targeted employee training, new educational programs, etc.

Recruit Large-Scale National Retailers. While sometimes a controversial issue, the need for large-scale retailers, also called “big

boxes” has been expressed in both the community survey and public forum efforts. Citizens have expressed a desire for additional variety and competition in the retail market. Anticipated population increases throughout the region support the need for retailers that address a variety of consumer needs. The City recognizes citizen support for these uses, and seeks to provide for their development, in locations that do not detract from the downtown or the overall character of Grayling. Specifically, larger commercial sites along the I-75 Business Loop, at the Fred Bear Archery site or the golf course, may be considered for these uses, provided transportation, environmental and cultural resources are not compromised. The City should allow for big boxes as special land uses in these areas, at appropriate sizes, and should prescribe specific development standards that must be met for approval.

Explore Wireless Cable Access. As cable franchise agreements near the expiration of their term, City officials should make a priority to negotiate new wireless access to the area. Through new cable and telephone contracts, additional services and technological upgrades may be negotiated. These services will be especially important to attract future technology-based business and industry.

Transportation Improvements. Businesses looking to locate in Grayling will likely assess local transportation systems. The City should continuously work toward implementing the concepts of access management, streetscape and landscaping discussed in the Transportation and Community Facilities Chapter of this plan.

Preservation of Creeks and Drains. The AuSable River and other natural features throughout the City are an asset to the community and should be protected and enhanced through sensitive zoning regulations. Individual site plans and projects must incorporate protective measures including storm water management techniques that minimize pollutants entering into creeks and drains.

Neighborhoods/Residential Needs

The following topics relate to the various needs throughout Grayling’s neighborhoods. As community residents continue to age, additional senior housing will be in demand, and as the economy continues to grow, new homes will be needed to accommodate additional residents. The regional influences of Camp Grayling can also affect housing demand. Camp Grayling is expanding their operations, which may spur employment

growth in other industries that support their operations. In order to address the expected housing demands of the future, and to improve the neighborhoods that currently exist in Grayling, the following is recommended:

Increase Density. The City should review their current ordinance regulations to ensure they permit expansion of residences to allow for above-garage units or mother-in-law apartments which could serve future residents. This concept requires no annexation of land, rather, it allows the existing residential properties in the City to accommodate more households.

Encourage Improvements to Multiple-Family Structures. Several of the older homes and carriage houses adjacent to downtown have been converted into multiple family structures and are in need of maintenance. The City should continue to encourage the proper maintenance of these buildings through code and ordinance enforcement. Establishment of a low interest loan program for rental properties should also be investigated.

New Residential Development. One of the primary concerns in the City is the need for new single-family residential development. The City can expect to see an increase in residential demand based on several outside influences, including expansion of Camp Grayling to year-round operations.

Some areas in the City, including the Fred Bear Archery property or Grayling Country Club, could be redeveloped as new residential. However, in general, there is a lack of available land in the City. The City should consider annexing or entering into a joint development agreement for land in Grayling Township that abuts the City boundary. This will help facilitate new residential development and may encourage the sale of land already in the City. Any new single-family residential development should incorporate the following features:

- **Create Open Space Areas.** New residential developments should provide usable open space, in the form of playgrounds and pocket parks, for the residents to enhance the appearance and livability of the neighborhood.
- **Continue Grid Street Pattern.** New residential developments in this area of the City may incorporate an interconnected grid pattern of streets. This will help maintain the character of the community and provide better access than is found with alternate layouts.

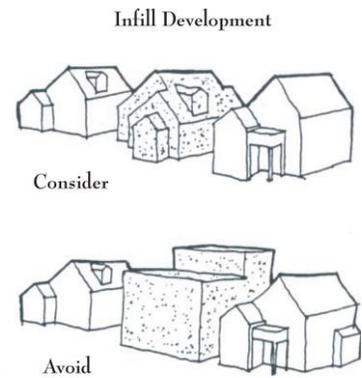
- **Landscape Buffers/Greenbelts.** New developments must also incorporate adequate landscape buffers and greenbelts to enhance the appearance of the project and minimize the impact on abutting land uses.

Key Recommendation:
Capitalize on State and Federal Housing programs to encourage residential revitalization.

Infill Development. Infill development is intended to encourage development within existing developed areas. While infill is typically associated with commercial or downtown areas, it can be used in residential and office areas as well. To accomplish this, design guidelines and zoning standards must be established for new building construction and renovation of existing structures. These standards can address issues such as scale, proportion, window openings, exterior materials, etc. and respect the architecture of surrounding buildings. Infill can reduce the negative impacts to property values by reducing the probability that negative or sharply contrasting impressions of neighboring properties will affect property sales. Infill development can also enhance the vitality of a commercial area by increasing the commercial mass while increasing the likelihood that a visitor will patronize multiple businesses in one trip. In residential areas, the most important benefit of infill regulations is to maintain the neighborhood character so new residences will not contrast greatly with the older homes on the block.

Neighborhood Revitalization. Regardless of the uses involved, blighted areas of the City must be eliminated over time through code enforcement and redevelopment. Blight discourages new, quality investment and makes it difficult to obtain voluntary compliance. Vehicular parking in the right-of-way and in yards contribute to the blighted appearance of some older areas of the City. The following programs can help improve neighborhoods in Grayling:

- **Neighborhood Improvement Authority Act (P.A. 61 of 2007, as amended).** Similar to the Corridor Improvement Authority Act, this law encourages redevelopment efforts aimed at correcting and preventing deterioration in designated neighborhoods and other areas. This tool enables communities to bond for or use tax increment financing to prepare plans for and implement needed repairs, maintenance or redevelopment of dilapidated neighborhoods.



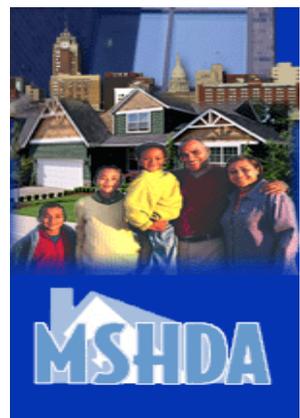
- **Neighborhood Enterprise Zone Act (P.A. 147 of 1992, as**

amended): This program was established to spur the development and rehabilitation of residential housing in communities where it may not otherwise occur by providing a tax incentive for the development and rehabilitation of residential housing. A qualified local unit of government (a.k.a. Core Community) may designate one or more areas as a Neighborhood Enterprise Zone within that local unit of government. The program also encourages owner-occupied housing and new investment in communities.

State Housing Development Authority Act (P.A. 346 of 1966, as amended). This law enabled the State of Michigan to establish the Michigan State Housing Development Authority (MSHDA), a known resource for housing ownership and financing programs. MSHDA offers financial homebuyer assistance, rental development and rehabilitation, homelessness assistance and neighborhood preservation. Aside from general assistance offered by MSHDA, it has provided several sources of funding assistance to further the Department's goals.

Continuum of Housing. Providing a continuum of housing involves consideration of all residents and providing housing options to suit their needs. Analysis of resident age, income and family sizes are required to identify deficiencies in the housing supply. Elements such as housing values, gross rent, size and location can all play a role in providing a range of housing options for residents today, tomorrow and long into the future. Because they are not often documented, the needs of certain segments of the population, such as the homeless or disabled, must be acknowledged in a more general sense.

Key Recommendation:
Ensure that a continuum of housing is accommodated, including:
Independent Living
Assisted Living
Nursing Homes
Continuous Care
Retirement Communities



**Table 8-1:
Population Groups - 2010
City of Grayling**

Age	Population	Percent	Group
Under 5 years	124	6.6%	School Age (27.0%)
5 to 9 years	132	7.0%	
10 to 14 years	123	6.5%	
15 to 19 years	130	6.9%	
20 to 24 years	118	6.3%	Young Families (30.2%)
25 to 34 years	251	13.3%	
35 to 44 years	199	10.6%	
45 to 54 years	254	13.5%	Empty Nesters (22.1%)
55 to 59 years	83	4.4%	
60 to 64 years	80	4.2%	Seniors (20.7%)
65 to 74 years	171	9.0%	
75 to 84 years	133	7.1%	
85 years and over	86	4.6%	

Source: U.S. Census

Table 8-1 shows the population distribution in Grayling as reported by the U.S. Census in 2010. The age groups have been categorized into general groups according to their typical housing needs. The largest segment of the population is the young family’s group. This age group is expected to demand larger home sizes within close proximity to schools and parks. Empty nesters are typically looking to shed their larger homes for smaller homes that are easier to maintain, while seniors can be expected to gradually leave their small independent homes in favor of group settings that offer additional services.

As residents within the young family’s category move into the empty nester group, Grayling can expect increasing demand for ranch-style condominium living. Projecting even further, those residents can also be expected to need increasing health care and assisted living care over the longer term. The City must position itself to ensure its local ordinances permit housing types suitable for all residents. Areas of deficient supply may require public assistance to become a reality; however, the housing market fluctuates based on market demand, and it is expected that smaller homes and senior housing will become a target for developers in the future.

In the next several years, the City should expect to see an increase in senior housing needs as those currently under the age of 55 moves into the senior category and begin considering alternative housing options. Obviously, an aging person who moves into a new age category is not likely to automatically require additional services and nursing care. However, their health is likely to decline over time, and many seniors find themselves transitioning into housing that offers incrementally higher health care and more comprehensive general services.

Providing appropriate senior housing options is increasingly important as the general population ages. Fewer financial resources are available to older residents, and so they need affordable options that are safe, attractive and stimulating. Many seniors live in established neighborhoods, and some find their financial resources strained over time, leaving them to struggle to maintain their homes, or even worse, to heat them or pay their mortgage at all. Others live in multiple-unit complexes, in assisted living or in nursing facilities. The level of care provided can be described using several factors, as summarized in Table 8-2. 1) daily activity (dressing and personal care); 2) community services (laundry and cleaning services); 3) overall health (physical and emotional); 4) health services (medication and nursing care); 5) community activity (social events, golf, outings, etc.); and, 6) environmental (personal independence).

**Table 8-2:
Senior Housing Services**

Type of Housing	Type of Service	Level of Service Provided		
Independent Living	Daily Activity	None	♦	Comprehensive
	Community Services	None	♦	Many
	Overall Health	Poor	♦	Good
	Health Services	None	♦	Skilled Nursing
	Community Activity	None	♦	Many
	Environmental	Limited	♦	Independent
Assisted Living	Daily Activity	None	♦	Comprehensive
	Community Services	None	♦	Many
	Overall Health	Poor	♦	Good
	Health Services	None	♦	Skilled Nursing
	Community Activity	None	♦	Many
	Environmental	Limited	♦	Independent
Nursing Home	Daily Activity	None	♦	Comprehensive
	Community Services	None	♦	Many
	Overall Health	Poor	♦	Good
	Health Services	None	♦	Skilled Nursing
	Community Activity	None	♦	Many
	Environmental	Limited	♦	Independent
Continuous Care Retirement Community	Daily Activity	None	♦	Comprehensive
	Community Services	None	♦	Many
	Overall Health	Poor	♦	Good
	Health Services	None	♦	Skilled Nursing
	Community Activity	None	♦	Many
	Environmental	Limited	♦	Independent

Source: Move, Inc.

The City of Grayling should ensure their local ordinances provide for the retention and development of a full range of senior housing options, including:

- **Independent Living:** Independent Living, often referred to as Retirement Communities, Congregate Living or Senior Apartments, are designed specifically for independent senior adults who want to enjoy a lifestyle filled with recreational, educational and social

activities with other seniors. These communities are designed for seniors who are able to live on their own, but desire the security and conveniences of community living. Some communities, often congregate living or retirement communities, offer organized social and recreational programs as a part of everyday activities, while others like senior apartments provide housing with only a minimal amount of amenities or services.

Some Independent Living Communities offer abundant recreational activities and other provide basic services like laundry, meals, local transportation or planned social activities or outings. Communities can be either "Age Inclusive" or "Age Exclusive." Age Inclusive communities attract retirees, but do not have age-requirements whereas Age Exclusive communities do have senior age-requirements (usually age 55 and older).

Independent Living communities are not licensed by local, state or federal agencies and are often managed by a private company providing the services. Private Funds are most often used, although some senior apartments are subsidized and accept Section 8 vouchers. Medicare and Medicaid do not cover payment since no healthcare is provided.

- **Assisted Living:** Assisted Living provides a combination of residential housing, personalized support services and healthcare. These residential settings maximize independence, but do not provide skilled nursing care. Assisted Living facilities are sometimes referred to as residential care facilities, adult living facilities, adult foster care, etc. Care can be provided in a single residence, or in a group setting. Larger facilities typically offer the same features as independent living communities, with the added service of personal care. They are designed to meet the individual needs of those requiring help with daily activities, such as dressing and cooking, but do not need the skilled medical care provided in a nursing home.

Costs for assisted living depend on the number of services and accommodations that they offer. Most assisted living communities accept private pay only, which can be supplemented by long-term care insurance policies, provided they cover assisted living.

Adult foster care facilities are regulated by the Michigan Adult Foster Care Facility Licensing Act (P.A. 218 of 1979). The law was

passed to ensure proper care is provided in adult care facilities, and identifies the State Adult Foster Care Licensing Advisory Council as the regulating body, not local government, whose authority is superseded by State law.

Although many Assisted Living communities and Nursing Homes cater to individuals with Alzheimer's disease and other related memory disorders or dementia, there is a growing trend towards facilities that provide specialized care and housing tailored to the special needs of individuals with this disease. These facilities offer care that foster individual skills and interests in an environment that helps to diminish confusion and agitation. Specialty services are provided in a secure environment, such as activity programs designed to include reality orientation classes and specially trained professional staff are skilled in handling the behavior associated with memory impairments. Many facilities that specialize in Alzheimer's or related dementia disorders have building design features that assist with the problems associated with this disease: color-coded hallways, visual cues, and secure wandering paths for additional security.

Similar to Assisted Living communities, most provide assistance with dressing, grooming, bathing, and other daily activities. Assistance with medications differs according to state regulations. Meals, laundry and housekeeping are usually provided within private and semi-private rooms in a residential type setting.

- **Skilled Nursing Care (Nursing Home):** Nursing homes, or skilled nursing facilities, are designed for seniors who are in need of 24-hour nursing care. Nursing facilities provide many of the same residential components of other senior care options including room and board, personal care, protection supervision, and may offer other types of therapy. Their onsite medical staff sets them apart from other types of senior housing. Nursing care is provided by registered nurses (RN), licensed practical nurses (LPN), and nurses aides at all hours of the day. Standard services provided include housekeeping and linen service, medically planned meals and snacks, trained medical staff, professional service staff-activity directors, social workers, etc. Additional services may include on-call physicians and services, physical, respiratory, and speech therapists, medications, personal care and laundry service.

Nursing homes are licensed and regulated by State Department of

Public Health and are individually certified by the State for Medicare and Medicaid. They must also meet federal requirements.

Often families purchase long-term care insurance in anticipation of nursing home costs, while others must depend on other forms of financing. Facilities accept a variety of Medicare, Medicaid, private insurance carriers, and private funds.

- **Continuing Care Retirement Communities:** Continuing Care Retirement Communities (CCRC) are residential campuses that provide a continuum of care from private units to assisted living and then skilled nursing care, all in one location. CCRCs are designed to offer active seniors an independent lifestyle from the privacy of their own home, but also include the availability of services in an assisted living environment and on-site intermediate or skilled nursing care if necessary.

Retirement communities offer a variety of residential services including cleaning and laundry service, meals in common dining areas, grounds maintenance, security, and social, recreational, and cultural programs. Health care services often include contracted services; personal care and help with daily activities; nursing and rehabilitative care; respite and hospice care; and Alzheimer's care.

Retirement communities are often compensated according to a contract that prescribes the extent of care, or charge residents when additional care above the basic services is provided. Depending on the level of medical care provided, retirement communities may be regulated similarly to nursing homes or adult foster care facilities. There is no federal agency that oversees them.