Housing Analysis

Holland Charter Township, Michigan

Proposed Addendum to the Holland Charter Township Comprehensive Plan – July 22, 2025

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1. Introduction

A. Purpose

The purpose of this study is to examine the demand for housing units in the Greater Holland Area, with particular focus on Holland Charter Township, in order to inform the Township's housing policies moving forward. This study includes a detailed analysis of housing market data from the US Census, ESRI, and other sources. The conclusions of this study are designed to initiate policy discussions with Township officials and stakeholders, especially related to zoning decisions and other interpretations of the 2020 Comprehensive Plan.

B. Summary of Analyses

This study features several areas of analysis:

- Analysis of the underlying demographic trends that impact the housing market, including population projections
- Analysis of the overall supply and demand for housing, including a breakdown of "For Sale" vs "For Rent" units
- Projection of the population to 2030 and 2040, with accompanying projections of long-term housing trends
- A build-out analysis of the 2020 Comprehensive Plan, to understand how fast the housing build-out envisioned in that plan should occur in order to keep pace with market demand.

C. Scope and Limitations

This report is based on estimates, assumptions, and other information developed from market research and knowledge of the industry. Sources of information and the basis of estimates are stated in the report.

The conclusions of this report rely on standards set by national organizations and data derived from outside market research organizations. Additionally, they are based on the assumptions stated in this report. The conclusions and supporting data in this report are subject to change based on evolving market conditions. This report is intended to quantify the market for new housing development and is not intended to be used as a financial projection.

D. Data Sources

Data for this report comes from the following sources, which are cited where appropriate:

- US Census
  - 2010 Decennial Headcount
  - 2019 American Community Survey
  - 2020 Decennial Headcount
  - 2023 American Community Survey
- ESRI Business Analyst
- Michigan High School Athletic Association (School Enrollment)
- National Association of Realtors
- Redfin

E. Cohort-Component Population Projection

In order to project the population in the future, McKenna used a Cohort-Component Population Projection. Cohort-Component Population Projections are developed using the following methodology.

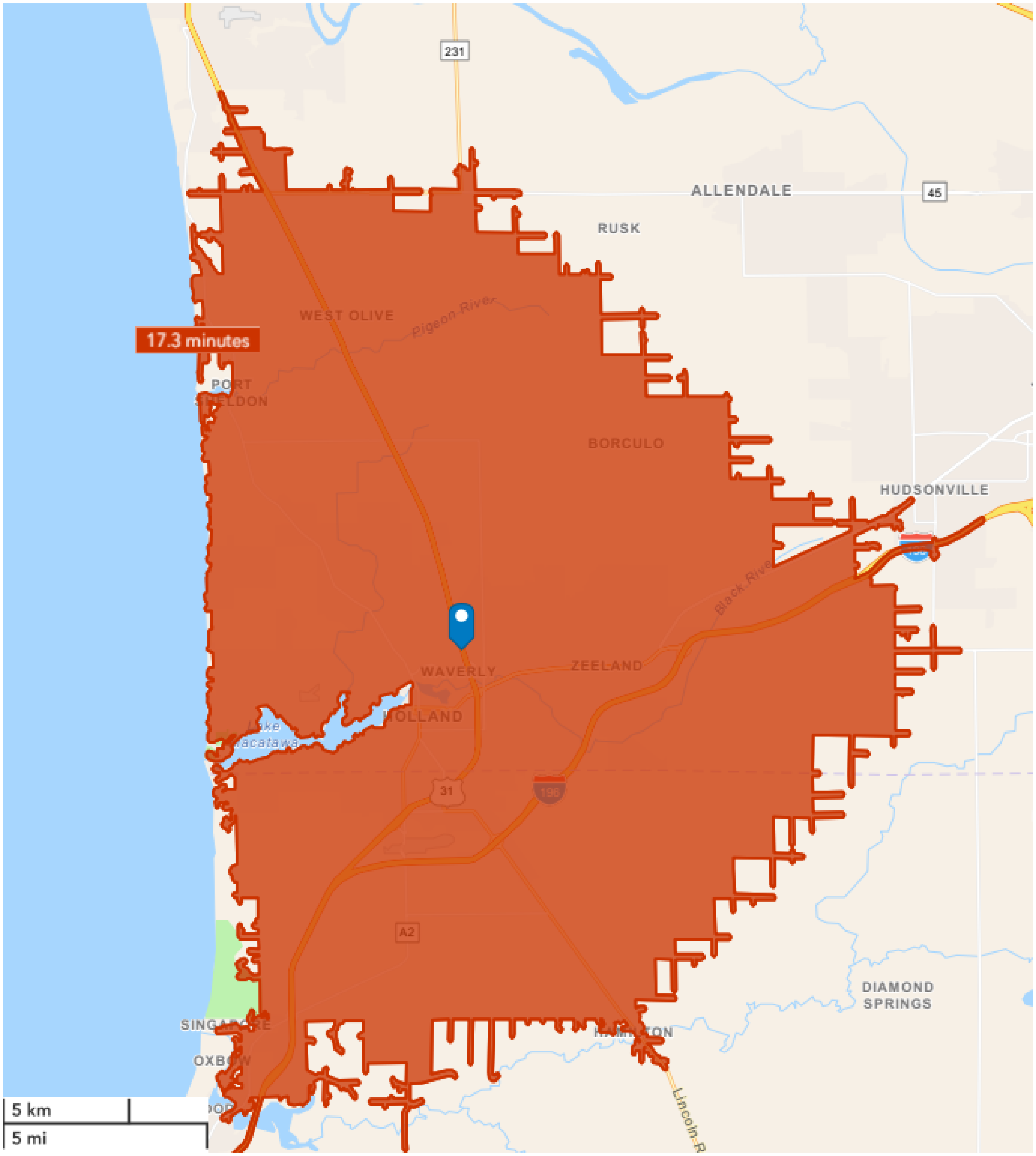
The population is divided into ten-year age cohorts, using US Census data. At each ten-year interval, individual age cohorts are moved up the ladder. For instance, the group that was 30-40 years old in 2010 became the 40-50-year olds in 2020, minus those who die during that time frame based on the mortality rate for their age group. For the 81+ age cohort, the number not projected to die during the ten-year period in question was carried over to the next decade. In order to calculate the number of people aged 0-10, the population of women of childbearing age was calculated and a 10-year birthrate per thousand (from the Michigan Department of Community Health) applied to give the number of births.

F. Trade Area

Markets do not stop at municipal borders. When households seek housing in the Holland Charter Township area, they do not look solely within Holland Charter Township, or any other specific community. Thus, the geographic extent of the housing market is more realistically the area where someone can live and comfortably commute into Holland Charter Township. To estimate this area, McKenna used the average commute time in the Township (17.3 minutes) and mapped the area where a commuter could reach the intersection of US-31 and James Street in that amount of time.

The resulting Trade Area is shown on the map below. The Trade Are incorporates the entire Greater Holland region, reaching as far north as Grand Haven, as far east as Hudsonville, and as far south as Saugatuck.

Note: When the Trade Area was determined in ESRI Business Analyst in 2025, the 17.3 minute drive time covered a slightly smaller than area than when the same area was analyzed in 2021, perhaps because of increases in traffic congestion. This has resulted in a smaller population within the Trade Area than in the 2021 version of this report.


231
ALLENDALE
45
RUSK
WEST OLIVE
Pigeon River
17.3 minutes
BORCULO
HUDSONVILLE
Black River
WAVERLY
ZEELAND
HOLLAND
31
196
A2
DIAMOND
SPRINGS
SINGAPORE
OXBOW
5 km
5 mi

G. 2025 Ottawa County Housing Study

In 2025, Housing Next completed an updated Housing Study for the entirety of Ottawa County. The Study's conclusions, as they pertain to Holland Charter Township, were:

- **Over 5,700 housing units were built in Ottawa County between 2021 and 2025.** A noted later in this report, 790 (13.8%) of those were built in Holland Charter Township. The Township contains 12.7% of the County's housing units, so its share of new housing is roughly proportionate.

- **Ottawa County faces a shortage of 16,464 housing units.** This analysis indicates that Holland Charter Township is slightly ahead of its current housing demand (there are 15,161 housing units compared to an estimated demand of 14,955), but if current in-migration trends continue, that "cushion" will disappear. Undersupply of housing in other communities in the County could contribute to in-migration to Holland Charter Township.

- **The unmet housing demand in Ottawa County is approximately 74% for homeownership and 26% for rentals.** Holland Charter Township's demand for rental housing is slightly lower, at approximately 23%.

- **There is a bulge in the middle of the affordability scale.** Most units constructed in the past five years have been priced to be affordable to households who are just above or just below the County's median income. This is also true for the Township. The lack of "luxury" housing has the effect higher income households living in homes that middle income households could afford – but those homes are not available. Meanwhile, at the bottom of the income scale, there is very limited housing available at an attainable price.

- **The County Housing Study recommends reducing lot sizes and widths.** The Study states that this will allow the creation of more single family homes, which will help fill the ownership gap and incentivize developers to build new neighborhoods. However, the Build Out Analysis for the Township in Chapter 9 indicates that Holland Charter Township has over 1,100 acres of land planned for single family homes at a density of 5 dwelling units per acre. That would allow the construction of over 4,400 new homes (even when accounting for land set aside for infrastructure and open space), which is over 30% the current demand for owner-occupied units in the County. That indicates that Holland Charter Township can stay the course with its planned density for the land planned for housing on the Future Land Use Map.

2.
Key Takeaways

Because this study was conducted in order to inform policy decisions by the Township Board and Planning Commission, the conclusions based on the data are presented as "key takeaways" designed to demonstrate the most impactful results of the analysis. With zoning, planning, and other housing policies, the Township and stakeholders should consider the following issues, opportunities, and characteristics of the housing market, in order to develop goals and actions. In doing so, the Planning Commission and Township Board will be able to specifically address the challenges facing Holland Charter Township's neighborhoods, while also leveraging the opportunities presented by the housing market.

A. Housing Demand is Growing – Especially for Homeownership

The population growth experienced by Ottawa County and Holland Charter Township in recent decades is projected to continue – and even increase in speed - based on McKenna's cohort-component population projection (See Sections 3.C and 6.B). The region is anticipated to continue to attract in-migration, but population growth will also come from new children being born to the large cohort of people of childbearing age. Although birth rates are projected to continue to be lower than they were in the last half of the 20th century, the Township has a high proportion of residents in their 20s and 30s – meaning more children are expected in the coming years.

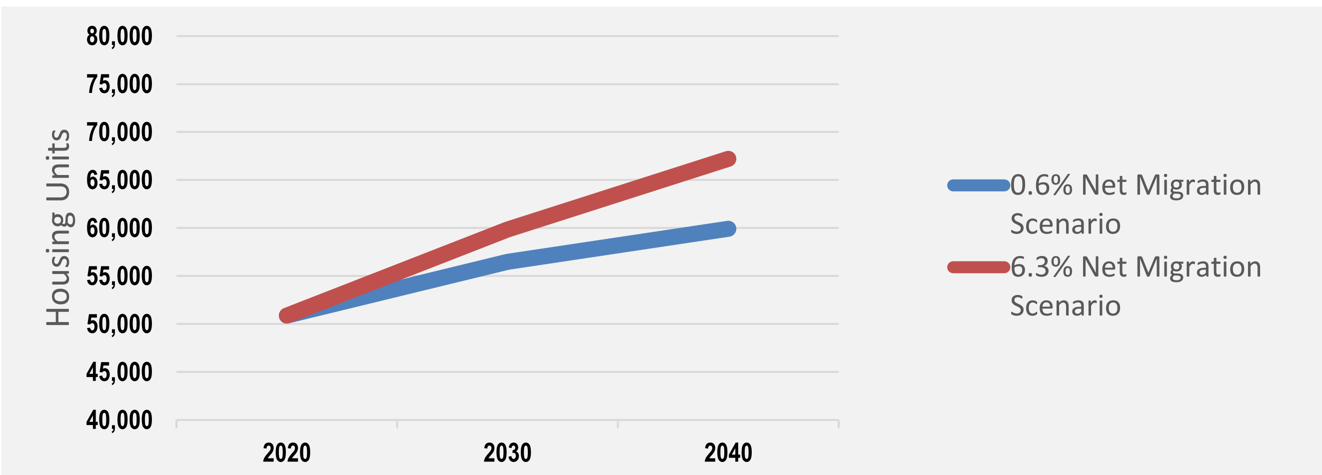
That age dynamic will also contribute to demand for homeownership growing faster than demand for rental housing. As the large Millennial generation (currently approximately 25-40 years old) ages into prime homeownership years, they will seek homes for sale to live in long-term. Rental demand will also increase along with population increase, but, due to the lower birth rate in recent decades, younger generations are smaller than the Millennial generation, and the proportion of young adults in prime rental age will decrease over the next year.

B. In-Migration has Increased since 2020

Based on the calculations in this analysis, the Trade Area has attracted new residents at a much faster rate since 2020 than in the years before that. The net migration rate was just +0.6% from 2010 to 2020, reflecting the tough economic times of the Great Recession early in that decade. But from 2020 to 2023, the net migration rate was +6.3%, reflecting the sudden popularity of communities like Ottawa County following the Covid-19 pandemic. The County offers high quality of life and beautiful natural features, and attracted new residents who could work remotely (or commute infrequently) for companies in Grand Rapids, Kalamazoo, or as far away as Chicago.

It is not clear which trend – if either – will hold true for the years 2025-2040. Therefore, this analysis was conducted using both migration rates, to give a range of potential outcomes for housing demand.

Figure 1: Projected Housing Demand, Trade Area, 2020-2040



Source: McKenna Projection

C. The Pace of Housing Growth in the Township Could Start to Lag Behind Demand

Holland Charter Township has experienced rapid growth in housing supply in recent years. During the period from 2019 to 2024, the Township has averaged 245 new housing units per year. That rate of housing growth has not been seen since before the Great Recession.

The rapid housing growth has put pressure on infrastructure, public services, and agricultural preservation. But it is only slightly faster than the projected growth in demand for housing. According to the analysis in this report, population growth will result in a **demand for between 3,100 and 5,400 new housing units before 2040**. If the current growth rate continues, 3,920 new housing units will be built – higher than demand under the lower migration scenario, but insufficient under the higher scenario.

Housing construction between 2020 and 2024 has kept pace with demand. As of this analysis, there are 15,161 housing units in the Township, compared to an estimated demand for 14,995 housing units. But accelerating growth could eat up that cushion.

D. The Comprehensive Plan Envisions Sufficient Housing for the Next 20+ Years

Based on the analysis in Section 7, the 2020 Holland Charter Township "Unified Vision" Comprehensive Plan has designated 1,461 acres for new housing on the Future Land Use Map. Given the envisioned maximum densities on those planned parcels, the Plan envisions **a "capacity" of just over 24,000 housing units** in the Township. Projected total housing demand in 2030 is 17,000-18,000 housing units (nearly 2,000-3,000 more than currently exist in the Township), and projected housing demand in 2040 is over 20,000 housing units (5,000 more than currently exist in the Township). Therefore, there is sufficient planned land, and planned density, to accommodate projected demand.

3.
General Demographic Characteristics

A. Population Trend

The Table below shows the total population in the Holland Charter Township, and the overall Trade Area, for the 2010 and 2020 Census headcounts. Overall, the Holland Charter Township and the Trade Area experienced population growth, though the Township did not grow as quickly as other communities within the Trade Area.

Table 1. Trade Area Population Trend

	2010	2020	2023	Population Change 2010-2023 (%)
Holland Charter Township	35,636	38,276	39,140	+9.8%
Rest of Trade Area	88,671	95,592	99,118	+11.7%
Total Trade Area	124,307	133,768	138,258	+11.2%

Source: US Census (Decennial Headcount for 2010 and 2020, American Community Survey for 2023)

The overall population increase indicates a growing demand for housing, though population growth does not always translate to housing growth on a “1 to 1” basis. The specific characteristics of the people moving into the Holland region – their age, family size, income, and other factors – determine exactly how much housing, and what type of housing, is needed.

B. Age Breakdown

The age breakdown of an area indicates varying needs of a community, such as schools and school enrollment, parks, housing options, community services, public transit, entertainment options, and more. The Table below describes the age group breakdown of the Township in 2023, rest of the Trade Area in 2024, and the total Trade Area.

As shown below, the age group with the highest percentage of the total population in the Township is 10-19 years old, followed by 25–34-year-olds and 35–44-year-olds. Those three age ranges represent two different kinds of households. The 25–34-year-olds are young adults in their first or second independent housing units. They are more likely to be renters and are looking for attainably-priced housing. The second two age groups frequently reside in the same household 35-44-year-old parents with teenaged children. These households are much more established financially, and more likely to be homeowners.

Table 2: Age

	0-9	10-19	20-24	25-34	35-44	45-54	55-64	65-74	75-84	85+
Holland Charter Township	11.1%	16.0%	7.0%	14.3%	14.0%	12.1%	12.2%	7.9%	4.3%	1.1%
Total Trade Area	12.3%	13.6%	7.1%	12.8%	12.5%	11.3%	12.2%	10.1%	5.9%	2.3%

Source: US Census American Community Survey 2023, ESRI Business Analyst 2024

C. Population Projection

In order to project the population in the future, McKenna used a Cohort-Component Population Projection. Cohort-Component Population Projections are developed using the following methodology:

Cohort-Component: The population is divided into ten-year age cohorts, using US Census data. At each ten-year interval, individual age cohorts are moved up the ladder. For instance, the group that was 30-40 years old in 2010 became the 40-50-year-olds in 2020, minus those who die during that time frame based on the mortality rate for their age group. For the 81+ age cohort, the number not projected to die during the ten-year period in question was carried over to the next decade. In order to calculate the number of people aged 0-10, the population of women of childbearing age was calculated and a 10-year birthrate per thousand (from the Michigan Department of Community Health) applied to give the number of births.

Net Migration Calculation: To account for anticipated in-migration, the population projection also includes a net migration factor. The net migration factor was calculated by running a Cohort-Component Analysis from 2010 to 2020 and comparing the results to the actual 2020 population data. The Cohort-Component Analysis predicted a Trade Area population of 132,965 people, compared to an actual population of 133,768. Therefore, the analysis estimates a net gain of 803 new people in the trade area, with the rest of the population increase coming from births outnumbering deaths. 2,102 represents a **+0.6% net migration rate**. This rate was added to the population projection in order to include in-migration as a source of new population gain.

The results of the population projection are shown below:

Table 3: Trade Area Population Projection – 0.6% In-Migration Rate

	2030 (Projected)	2040 (Projected)
Holland Charter Township	42,727	45,871
Rest of Trade Area	102,216	107,129
Total Trade Area	139,732	149,580

Source: US Census, McKenna Calculation

From 2020 to 2023, the Trade Area gained 4,490 residents, an increase of 1,122 residents per year. That puts the Trade Area on a linear pace for a population of 156,218 residents in 2040, well above the Cohort-Component Analysis projection. **This suggests a higher migration rate should be applied.**

The Trade Area's current growth rate suggests an in-migration rate of **+6.3%.** The rapid increase in growth compared to the 2010-2020 period may suggest better economic conditions in 2021-23 (at least compared to the 2010-12 Great Recession and the 2020 Covid Recession), as well as changing preferences in the wake of Covid pandemic which resulted in migration out of large cities to places with beautiful natural features and a slower "pace of life" such as Ottawa County. **Because it is not clear whether that growth rate will continue, this analysis includes both the 0.6% scenario and the 6.3% scenario.**

Table 4: Trade Area Population Projection – 6.3% In-Migration Rate

	2030 (Projected)	2040 (Projected)
Holland Charter Township	44,702	50,249
Rest of Trade Area	106,999	117,422
Total Trade Area	146,247	163,944

Source: US Census, McKenna Calculation

D. Households Trend

As defined by the US Census, a household refers to all the people who occupy a single housing unit, regardless of their relationship to one another. In the Trade Area, the average household size has decreased from 2.69 people in 2010 to 2.62 people in 2024. Many communities in Michigan have been experiencing declining household sizes over the course of the last 10 years due to a declining birth rate and a larger portion "empty nesters." But the decline in the Holland region has been less dramatic, due to young families attracted to the region for its high quality of life.

Table 5: Number of Households – 0.6% In-Migration Rate

	2010	2020	2030 (Projected)	2040 (Projected)
Holland Charter Township	12,188	13,723	17,119	18,170
Rest of Trade Area	32,408	35,383	39,363	41,754
Total Trade Area	44,596	49,106	56,481	59,924

Source: US Census, McKenna Calculation

Table 6: Number of Households – 6.3% In-Migration Rate

	2010	2020	2030 (Projected)	2040 (Projected)
Holland Charter Township	12,188	13,723	18,130	20,376
Rest of Trade Area	32,408	35,383	41,705	48,836
Total Trade Area	44,596	49,106	59,835	67,212

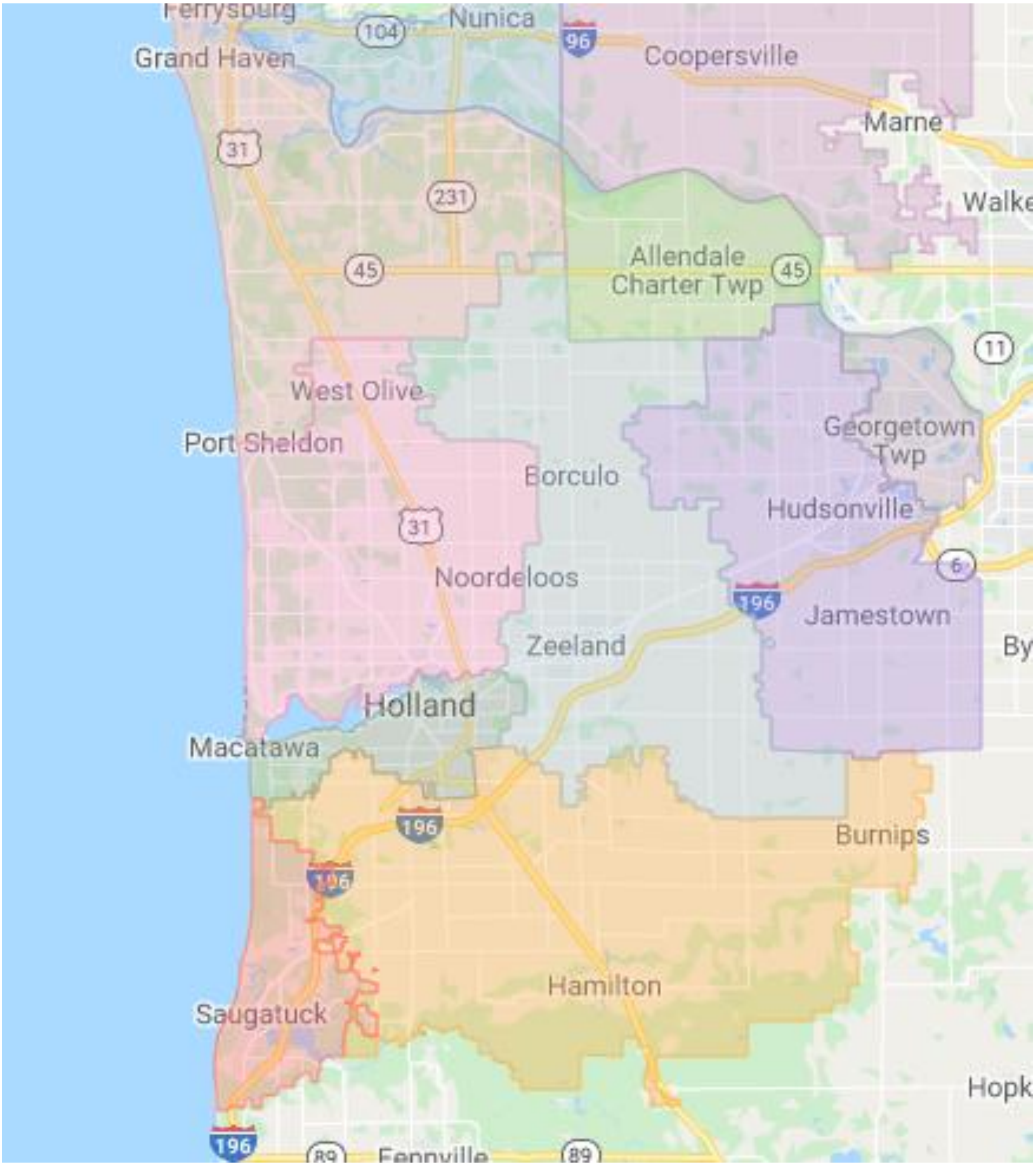
Source: US Census, McKenna Calculation

E. School Districts

Another significant element to consider when analyzing general demographic data is examining local school enrollment trends. School enrollment data helps show trends in population changes (spikes and declines), education level attainment and dropout rates, age gaps, migration, reasons why people may want to move to or from census tracts, and more. School enrollment data can also give indications of the desirability of specific locations within the Trade Area, as school quality is a significant factor that is considered when people are selecting homes to rent or purchase.

The Trade Area includes the following school districts. Those that draw from Holland Charter Township are in **bold.**

- **Holland Public Schools**
- **West Ottawa Public Schools**
- **Zeeland Public Schools**
- Hamilton Public Schools
- Grand Haven Public Schools
- Saugatuck Public Schools



Ottawa Area ISD Facilities
Allendale Public Schools
Coopersville Area Public Schools
Grand Haven Area Public Schools
Hamilton Community Schools
Holland Public Schools
Hudsonville Public Schools
Jenison Public Schools
Saugatuck Public Schools
Spring Lake Public Schools
West Ottawa Public Schools
Zeeland Public Schools

Table 7: High School Enrollment, 2011-2024

School District	2011	2021	2024
Holland	1,100	1,010	931
West Ottawa	2,260	2,124	2,211
Zeeland	1,811	1,971	1,963
East High School	*1,070*	*934*	*977*
West High School	*741*	*1,037*	*986*
Hamilton	804	772	764
Grand Haven	1,836	1,944	1,867
Saugatuck	250	263	252
Private/Charter High Schools	1,201	947	995
Holland Christian	*815*	*643*	*647*
Black River	*308*	*273*	*306*
Calvary	*78*	*31*	*42*

Source: Michigan High School Athletic Association

Notably, despite the increasing population, high school enrollment has declined in several of the trade area's districts. This is part of a larger trend of decreasing birth rates, and national projections show the decrease worsening through the 2020s before stabilizing in the early 2030s. The Great Recession of 2008-2011 caused a "baby bust" that is currently working its way through school districts and will soon reach high schools. Following that decline, however, are the children of the large Millennial generation. Though Millennials have a lower birth rate than previous generations, their sheer numbers will cause the number of children to recover. This is demonstrated in the results of the cohort-component analysis earlier in this report. According to the Detroit News, the number of K-12 students in Michigan has dropped from 1.5 million almost a decade ago to under 1.4 million today, a total loss of 131,482 students, 9%.

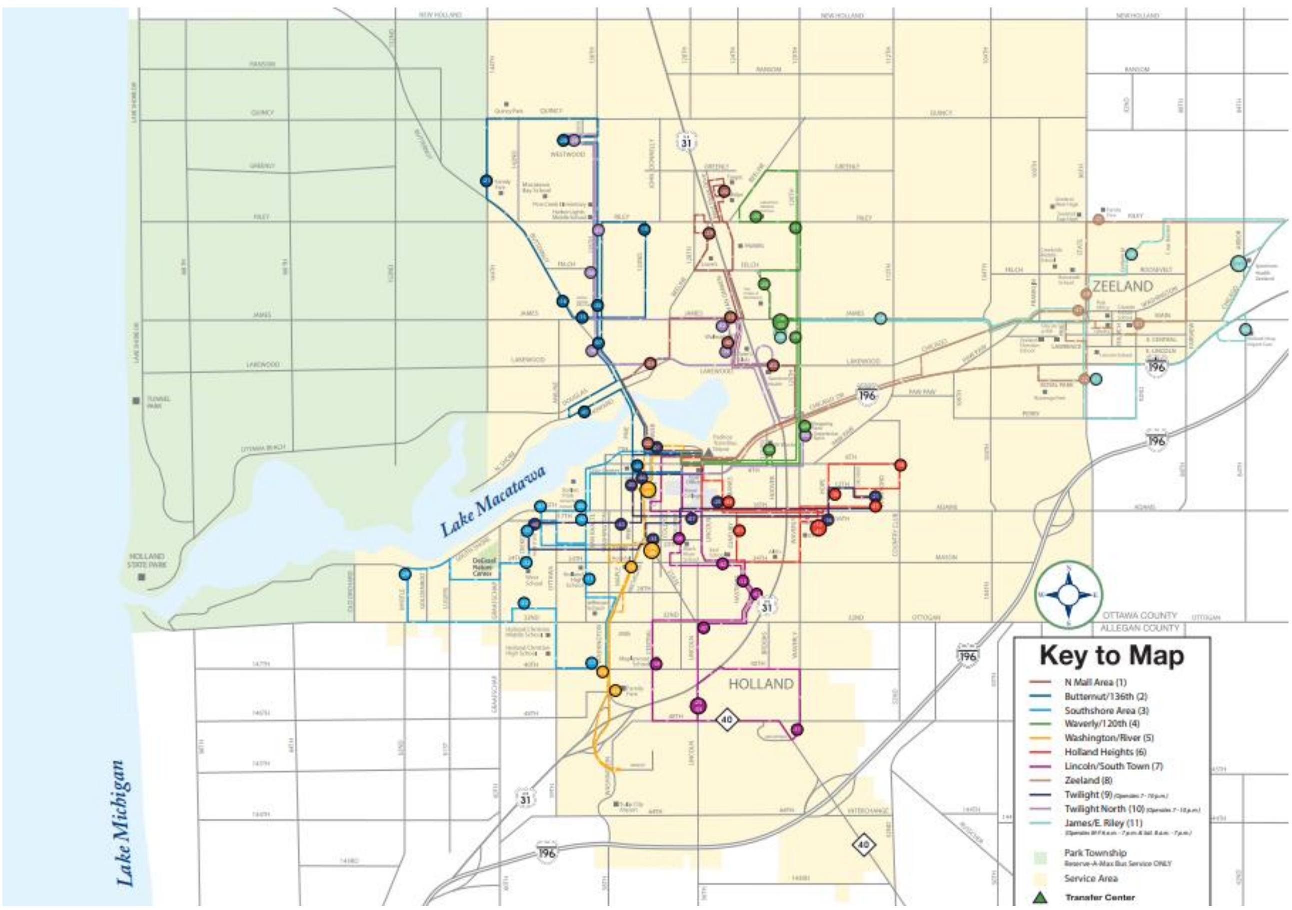
Another possible reason for the decline in traditional school enrollment is an increase in homeschooling and virtual schooling in the wake of the Covid-19 pandemic. With many schools closed to in-person learning during the 2020-21 school year, a number of parents opted for non-traditional educational opportunities, which has carried over into the following school years. According to the Detroit News, public schools have lost more than 70,600 students state-wide since the Coronavirus whereas enrollment in nonpublic schools grew last school year by 11%.

F. Public Transit

The availability of public transit is a driver of housing choice, especially for those who, for financial, physical, or cultural reasons, prefer not to drive.

In the Trade Area, the primary public transit organization is known as the Macatawa Area Express, or MAX. MAX has 11 bus routes in the Trade Area, originating in Downtown Holland and providing service to surrounding communities, including Holland Charter Township. The majority of the routes provide transportation to grocery stores, retail centers and shopping malls, County buildings, restaurants, and some recreational/entertainment establishments. More importantly for this study, they also provide service to a wide range of housing option.

Notably, MAX fixed route service is available in the Cities of Holland Zeeland, and Holland Charter Township. “Reserve-a-Max” service (dial-a-ride) is available in Park Township. The Grand Haven area has Harbor Transit Service, but there is no public transit service between Grand Haven and Holland. There is also no commuter service to Grand Rapids, though a “bus rapid transit” route is under discussion. All of this means that Holland Charter Township is uniquely positioned to be attractive to transit riders compared to other communities in the Trade Area, especially the outlying/rural communities.



G. Income

Understanding and analyzing economic trends is an imperative component to the Housing Study. Past, current, and future economic trends can shed light onto the housing climate in that how many individuals may be purchasing homes, number and demand for rental units, number and demand for affordable housing developments, how many people commute to the Trade Area for work, median area incomes, and more.

The impact of the Covid-19 pandemic and its aftermath are not fully reflected in the data available at the time this report was compiled. Qualitative descriptions of potential impacts are included where appropriate but are based on anecdotal evidence for the most part.

The Tables below describe the median household income (in 2025 dollars) and the household income by census tract in the Trade Area. As Table 10 below notes, when inflation is taken into account, household incomes have not changed significantly since 2010. The 2023 median income in the State of Michigan was $75,885 (in 2025 dollars), per the US Census, so the Township and Trade Area have slightly higher median incomes than the median community or region in Michigan.

Table 8: Median Household Income (2025 Dollars)

	2010	2019	2023
Holland Charter Township	$77,564	$78,050	$85,739
Total Trade Area	$80,486	$81,414	$87,488

Source: US Census, ESRI

H. Jobs and Commute Time

The Tables below describe job commute times, employment sectors by industry, and commuting destinations (inbound and outbound) in the Township, rest of the Trade Area, and the total Trade Area. This information specifically indicates how long residents drive to and from work, most common areas of employment and living, and what jobs people are working in the Trade Area.

The average commute time in the Holland Charter Township is just over 17 minutes, which is below the State average of 24.4 minutes. Short commute times are a contributor to high quality of life and make communities desirable, especially in the wake of the Covid-19 pandemic, when many workers are seeking better work-life balance.

The Tables below note the top ten commuting destinations in the Township, both inbound and outbound. This data provides information on where residents commonly work and where workers commonly live. While Holland Charter Township is the most common work location for Township residents, nearly 80% of Holland Charter Township residents commute outside of the Township for work – and over 83% of workers in the Township live outside the Township limits.

Table 9. Top Ten Commuting Destinations for Holland Charter Township Residents

	Commuting Destination from Holland Twp	Number	Percentage
1	City of Holland	2,461	9.5%
2	City of Grand Rapids	978	3.8%
3	City of Wyoming	596	2.3%
4	City of Zeeland	484	1.9%
5	Beechwood CDP	352	1.4%
6	City of Muskegon	344	1.3%
7	Allendale CDP	310	1.2%
8	City of Norton Shores	235	0.9%
9	City of Grand Haven	207	0.8%
10	Jenison CDP	204	0.8%
	Other	19,626	76.1%

Source: US Census

Table 10. Top Ten Home Communities for People Who Work in Holland Charter Township

1	Holland Charter Township	4,326	16.6%
2	City of Holland (Ottawa County Portion)	2,111	8.1%
3	Park Township	1,892	7.3%
4	City of Grand Rapids	836	3.2%
5	Zeeland Charter Township	749	2.9%
6	Georgetown Charter Township	703	2.7%
7	City of Holland (Allegan County Portion)	567	2.2%
8	City of Wyoming	563	2.2%
9	Olive Township	505	1.9%
10	Grand Haven Charter Township	470	1.8%
	Other	13,318	51.1%

Source: US Census

4.
Existing Housing Supply Analysis

A. Housing Supply

Holland Charter Township contains approximately 27% of the Trade Area's housing stock. It is a fast-growing housing market, adding 1,731 new housing units since 2010 (a 19% increase), with 764 of those being built between 2022 and 2024. 26 units were completed in the first half of 2025, with an additional 239 slated for completion by the end of 2025 for an annual total of 265. The pace of housing growth in the Trade Area has been even faster – a nearly 18% increase since 2010.

The Township has a higher proportion of rental units than the Trade Area at large – but at the same time has a higher median rent. This indicates that the Township has a number of high-quality apartment complexes that are sought after by renters in the region.

The median home value in the Township is lower than that of the region. That does not necessarily indicate that the Township's for-sale housing stock is lower quality, however. Other communities in the trade area feature value-adding locational factors, such as Lake Michigan, Lake Macatawa, and Downtown Holland, that are not present (or are less present) in Holland Charter Township.

The housing market has shifted since the last time this analysis was done in 2021. The proportion of owner-occupied units in the Township has increased from 67% to just under 72%, and the median home value has increased (in 2023 dollars) from approximately $206,00 to approximately $245,000. Meanwhile, the median rent has also increased (in 2023 dollars) from $1,088 to $1,152.

Table 11. Characteristics of Housing Supply

	Number of Housing Units, 2010	Number of Housing Units, 2020	Number of Housing Units, 2023	Owner-Occupied* (2023)	Renter-Occupied* (2023)	Median Rent (2023)	Median Home Value (2023)
Holland Charter Township	13,447	14,397	15,161 (15,729 in 2025)	71.7%	28.3%	$1,152	$245,500
Trade Area	46,791	52,574	55,042	73.5%	26.5%	$942	$323,864

Source: US Census, ESRI, Township Building Permit Data
**Also includes for-sale and for-rent units.*

Over half of the Township's housing stock was built between 1990 and 2009, during a booming period for housing growth regionally and nationally. Development of the Holland region was focused south of Lake Macatawa until World War II, at which time the north side (including Holland Charter Township) began to grow.

Table 12. Year of Construction for Housing Units

	Before 1939	1940-59	1960-79	1980-99	2000-09	2010-19	After 2020
Holland Charter Township	2.8%	7.1%	17.4%	37.9%	21.7%	4.6%	8.5%
Trade Area	10.7%	12.4%	18.8%	32.5%	13.2%	8.0%	4.4%

Source: US Census, ESRI 2018-22 ACS Estimates

B. Recent and Ongoing Housing Development

The table below shows the housing units constructed in the Township from 2019 to 2025 (including units under construction as of the adoption of this addendum). 1,735 units have been built over that seven-year period, an average of approximately 248 housing units per year.

If that pace continues, Holland Charter Township will **add another 1,240 units by 2030**. That would bring the total number of housing units in the Township up to 16,969 and would mean just under 17% of the Township's total housing stock would be built in the 2020s. That would be comparable to other high-growth periods in the Township's history, such as the 1990s.

The table below does not include new manufactured housing units replacing older units on the same plot.

Table 13. Recent Housing Construction

	Single Family	Townhouse/ Duplex	Small Multi-Family	Large Multi-Family	Total
2019	100	57	0	24	181
2020	89	57	0	72	218
2021	97	42	0	168	307
2022	102	8	0	186	296
2023	85	47	32	0	164
2024	83	133	40	48	304
2025	55	32	0	178	265
Completed Units January 1 – May 1	*22*	*4*	*0*	*0*	*26*
Anticipated Completed Units May 1 – December 31	*33*	*28*	*0*	*178*	*239*
Total	**607**	**376**	**72**	**676**	**1,735**

Source: Holland Charter Township

C. Housing Type

A majority of the housing in Holland Charter Township is single family homes, but over 40% is another type of housing unit – noticeably higher than the 32% of the Trade Area housing supply. The biggest differences between the Township and Trade Area are in attached single-family units and buildings with 3 to 9 units – which is indicative of the housing designs used frequently in the Township. Both townhouses and small apartment buildings (both frequently arranged in self-contained complexes) are popular among developers in Holland Charter Township.

The table below consolidates Census categories into more descriptive categories, to allow for at-a-glance understanding of the housing supply. The following describes which Census categories are included in each category in the table:

- **Single Family** = 1 Unit, Detached
- **Townhouse/Duplex =** 1 Unit, Attached and 2 Units
- **Small Multi-Family =** 3 or 4 Units and 5 to 9 Units
- **Large Multi-Family =** 10+ Units
- **Manufactured Housing =** Mobile Home

Table 14. Units in Structure, 2019-2024, Holland Charter Township

	Single Family	Townhouse/ Duplex	Small Multi-Family	Large Multi-Family	Manufactured Housing
2019	57.8%	13.1%	14.4%	6.7%	8.0%
2023	58.6%	14.7%	14.1%	9.6%	7.6%

Source: US Census, ESRI

Table 15. Units in Structure, 2019-2023, Trade Area

	Single Family	Townhouse/ Duplex	Small Multi-Family	Large Multi-Family	Manufactured Housing
2019	68.0%	10.6%	8.1%	6.2%	7.1%
2023	68.3%	10.1%	8.4	6.3%	6.8%

Source: US Census

5.
Present Day Supply-Demand Analysis

A. Introduction / Summary

The purpose of this market study is to determine the types of housing that are in demand for the Holland Charter Township and the surrounding County in order to inform the ongoing Master Plan process. The demand and supply for housing within Ottawa County is analyzed, and the differences between demand and supply are analyzed to establish conclusions about the type, tenure, and price of housing that will be needed in Holland Charter Township in the coming decades. These conclusions will then be used to determine the best course of action in each of the targeted areas.

Demand

Demand is calculated by determining the number of households in the study area that are pre-disposed to own or rent, then calculating the affordable price of housing for households based on income. The first step is to take the population in the study area broken down into age cohorts[1] (available from the US Census), and then determine the number of households headed by a member of each age cohort using national headship rates.[2] Once the number of households in each age group is determined, they are further broken down into "owners" and "renters", based once again on national patterns of housing tenure by age. This breakdown provides the total number of rental and homestead properties demanded in the study area.

1 Age Cohorts: The number of people living in a geographic area that fall within a given age range. Data Source: US Census Bureau

2 Headship Rates: The percentage of people in a given age cohort that are considered the heads of their households. Data Source: US Census Bureau

Supply

Supply is calculated by determining the number of housing units rented/for rent and owned/for sale in each of the price categories determined by the demand analysis. The analysis uses the overall number of units in the study area and their tenure[3], as found in the US Census.

Supply-Demand "Gap"

Having determined the supply and demand in the study area, the two are compared in order to show whether there is a market "gap"[4]. First, the overall numbers of units supplied and demanded are analyzed, and then the number in each price point is compared (for both ownership and rental). The gap analysis points to the areas of the market that are saturated and the areas with latent demand.

B. What Influences Housing Demand?

A number of demographic and preference factors influence housing demand. Population growth is a key factor in driving demand, but the number of households being formed is a more direct determinant of housing demand.

Four key factors that influence the overall level of demand for housing are:

- **Longevity:** As life expectancy increases, people remain in their homes longer. This reduces the supply of housing units that are available to new households. In 1960, the average life expectancy was 69.8 years; today it is 78.5 years.
- **Single-Person Households:** The number of single-person households increased from 10% of all households in 1950 to 28% of all households today. This trend is linked to longevity, as the majority of single person households are older women who have outlived their partner. However, later marriage age and increased rates of divorce also accounts for some of this increase. Single person households are less likely to own their housing units than multi-person households.
- **Hidden Demand:** High unemployment rates and a shortage of available housing or unaffordable housing (either as a result of a high housing value to income ratio or a high cost of borrowing) can result in people continuing to live with parents or relatives, moving back in with parents or relatives, or sharing houses with others. The impact of Covid-19 and the resulting spike in housing costs, is unknown, and is not reflected in Census estimates that use data from 2019 or earlier.
- **Migration:** Higher net rates of inward migration result in greater demand for housing. On the other hand, outward migration reduces demand for housing.

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[3] Housing Tenure: Tenure is a description of whether housing is owned or rented. Data Source: US Census Bureau

[4] Market "Gap": The difference between demand and supply for a given product in a given market area. A gap could indicate excess demand or excess supply.

C. What Influences Tenure Choice?

Projecting the overall volume of demand is only part of the story. To properly consider how future demand might be met requires analysis of how overall demand might translate into demand for owner-occupied and renter-occupied housing. A different range of factors influence tenure choice:

- **Affordability:** This refers to how affordable owner-occupation is, and it is a factor that has particularly significant implications for first-time buyers. There is strong evidence to suggest that a high price-to-income ratio creates barriers to home ownership, and that an economic slowdown reduces demand for new housing.

- **Mortgage Market:** Closely linked to housing affordability is the cost of borrowing and access to financing for owner occupation through the mortgage market. Without access to obtainable mortgages, owner-occupancy is not possible. When housing prices are growing strongly, lenders are more willing to lend – including offering higher loan-to-value ratios and reduced payment requirements. During the housing bubble of the 2000s, these practices tilted to excess, and ultimately resulted in the economic crash of 2008 as households with untenable mortgages began defaulting in high numbers. Since then, interest rates have remained low by historical standards, but may be increasing soon, in order combat inflation in the wake of the Covid-19 pandemic.

- **Confidence:** When confidence is high and there is an expectation of rising incomes and housing equity growth, demand can remain high even when housing is unaffordable, and the cost of borrowing is high. Under these conditions, unaffordable housing prices can result in reduced savings rates rather than reduced demand for owner occupation as households choose to funnel money into homeownership rather than saving. The relationship also works in reverse, and during times of economic uncertainty households are less likely to commit to homeownership.

D. What Influences Housing Type Choice?

Beyond tenure preference, there are also preference considerations in how people choose to live – for instance, large lot, small lot, attached, or multi-family housing. Several factors influence housing choice.

- **Age:** People have different preferences for housing throughout their lives. Young, single people tend to prefer smaller units in high densities, families prefer larger lots, and retirees congregate in areas where their needs can be met.

- **Household Size:** Household size makes a big difference in housing type choice. Larger households, especially families, choose large units, often on large lots. Single people tend to prefer smaller units. Household size has been steadily dropping nationally over the past few decades, but housing type supply has not followed this trend, leading to a demand for more, smaller units.

- **Neighborhood Preferences:** People have preferences for certain amenities and characteristics in their neighborhoods. Some prefer to be near to retail, while others prefer more natural space. These preferences play out in housing type preference, as people pick housing types that fit their preferred neighborhood identity.

E. Current Study Area Housing Demand

Headship and Homeownership Rates

The headship rate is the number of households in each age group divided by the population in that age group. By definition, a household resides in a dwelling unit under its control. Using the data in Table 13 we can calculate the propensity of the population in each age cohort to 1) form a household based on the headship rate, and 2) own or rent a dwelling unit. Notably, roommates or a romantic couple living together are considered "co-heads" of a household, and only one person is counted as the "head" for the purposes of the headship rate.

Headship rate data is provided by the National Association of Home Builders. National data is used for headship because it is not available for smaller geographies. The assumption, for the purposes of this analysis, is that Ottawa County's headship rates are roughly similar to the nation at large.

For the homeownership rate, the State of Michigan's rate is used to create a "baseline" of homeownership demand for the Township and Trade Area. Using the national rate would incorporate regions where homeownership rates are lower, and over-state demand for rental housing. Using a more local or countywide rate would be circular logic, merely repeating what is already going on in the housing market, and not allowing for the analysis to show inefficiencies. Therefore, the statewide rate is used.

Table 16: Homeownership and Headship Rates, 2023

	Population (Township)*	Population (Trade Area)*	Headship Rate (United States)	Homeownership Rate (Michigan)
20-29	5,661 (15%)	15,072 (12%)	39.2%	44.1%
30-39	5,137 (13%)	16,228 (12%)	54.3%	68.6%
40-49	4,672 (12%)	15,794 (12%)	56.7%	75.4%
50-59	4,864 (13%)	16,618 (13%)	58.5%	79.9%
60-69	3,828 (10%)	15,124 (12%)	63.6%	83.3%
70-79	2,342 (6%)	9,771 (7%)	64.4%	83.7%
80+	1,015 (3%)	6,247 (5%)	54.1%	72.2%

Source: U.S. Census, National Association of Home Builders
**See Table 2*

The tables below show the number of households headed by each age group, and then break down those households into owners and renters. The table below shows how the demand estimate is calculated.

Table 17: Demand Calculation Explanation

Population	Households	Homeowners	Renters
US Census American Community Survey 2019	Population x Headship Rate in Table 13	Households x Homeownership Rate in Table 13	Households - Homeowners

The calculation results in a total housing demand for the trade area of 40,350 ownership units and 14,980 rental units.

Table 18: Estimated Homeowner/Renter Demand by Age Group, Holland Charter Township, 2023

Age Group	Population	Households	Homeowners	Renters
20-29	5,661	2,219	979	1,240
30-39	5,137	2,789	1,914	875
40-49	4,672	2,649	1,997	652
50-59	4,864	2,845	2,276	570
60-69	3,828	2,435	2,029	406
70-79	2,342	1,508	1,263	245
80+	1,015	549	397	153
Total:		**14,995**	**10,855**	**4,140**

Source: US Census Bureau, National Association of Home Builders, McKenna Calculations

Table 19: Estimated Homeowner/Renter Demand by Age Group, Trade Area, 2023

Age Group	Population	Households	Homeowners	Renters
20-29	15,702	6,155	2,717	3,439
30-39	16,228	8,812	6,047	2,765
40-49	15,794	8,955	6,752	2,203
50-59	16,618	9,722	7,774	1,947
60-69	15,124	9,619	8,016	1,603
70-79	7,429	4,784	4,006	778
80+	5,232	2,831	2,044	786
Total:		**50,877**	**37,357**	**13,521**

Source: US Census Bureau, National Association of Home Builders, McKenna Calculations

Note: The total number of households does not exactly match the Census estimate for total households due to the possibility that individuals have declined to form households due to a lack of housing options. The Census reported 14,937 households in Holland Charter Township in the 2023 American Community Survey, while the demand analysis shows 14,995 potential households based on the headship rates.

F. Existing Supply-Demand Gap

Overall, there are 15,161 housing units in Holland Charter Township (according to the Census American Community Survey and Township Building Permit data), but the headship model projects 14,995 households. The American Community Survey recorded a 3.3%, which indicates there are some housing units available – but that availability may be reduced quickly through growth.

The Trade Area shows a much larger imbalance – there are 55,042 housing units and only 50,887 households projected by the demand model. ESRI Business Analyst shows a 6.3% vacancy rate, which would mean 3,479 housing units, meaning 676 households have been formed that were not statistically projected. That could mean young adults are forming their own households at higher rates in Ottawa County than nationally, or could mean more seniors are “aging in place” than projected, either due to desire to stay in their homes, or due to lack of senior housing options.

Rental vs Homeownership

Despite the top-line equity between supply and demand, there are imbalances in the current housing market. But those imbalances differ between the Township and the Trade Area.

In the Township, there is an undersupply of "For Sale" housing (which in this context is all housing being occupied by or marketed to homeowners), while in the Trade Area, there is an undersupply of rental housing (all housing being occupied by or marketed to renters). In all categories, the numbers are close to parity, meaning that generally the housing market is supplying the correct housing for the demand.

However, these numbers also indicate that the Township's planning and zoning policies should anticipate greater demand for owner-occupied housing products, compared to rental. Obviously, the tenure of housing cannot be regulated through zoning, but planning for the types of housing that are generally owner-occupied (single family homes, townhouses, etc) would be supported by the data.

Table 20: Housing Supply-Demand Gap – Ownership (2023)

Year	Demand for Owner-Occupied Units	"For Sale" Units	Gap
Holland Charter Township	10,855	10,870	15 undersupply
Trade Area	37,357	40,456	1,874 oversupply
Source:	Tables 18 and 19	Table 11 (Proportion x Total Units)	Supply - Demand

Source: US Census Bureau, McKenna Calculations

Table 21: Housing Supply-Demand Gap – Rental (2023)

Year	Demand for Rental Units	"For Rent" Units	Gap
Holland Charter Township	4,140	4,291	151 oversupply
Trade Area	13,521	14,586	1,065 oversupply
Source	Tables 15 and 16	Table 11 (Proportion x Total Units)	Supply - Demand

Source: US Census Bureau, McKenna Calculations

Household Size and Number of Bedrooms

Another key factor that many households use when looking for housing is the number of bedrooms. Households seek housing units that have at least one bedroom for every two people in the household. In some communities, the over-building of large single family homes with 3-5 bedrooms and the under-building of smaller units has led to an oversupply of bedrooms, leading to inflated housing costs.

The average household size in the Trade Area is 2.62 people, which means the average household is likely looking for between 1 and 3 bedrooms, depending on their circumstances. The tables below show the number of households of various sizes, and the number of bedrooms in housing units throughout the Township.

Table 22. Household Sizes vs Number of Bedrooms (Holland Charter Township, 2023)

Households Size	Bedrooms in Unit	Number of Households	Number of Units
1 Person	Studio or 1	3,379	1,181
2 People	2	4,800	4,326
3 People	3	2,751	5,182
4 or More People	4 or More	4,007	4,288

Source: US Census, ESRI 2023

In total, there are 91,077 bedrooms in the Township, for a population of 39,140, which means the number of bedrooms is much more than the number of residents. Thus, there are some market niches that my need re-balancing. There are 8,179 single person or two person households, and 5,507 studio, one, or two bedroom units. While some single or two person households may be interested in larger units, there is likely a market for new units with one or two bedrooms.

Further, on the other end of the spectrum, the number of households of 4+ people exceeds the number of units with 4 or more bedrooms. While many of these households are families where the parents share a bedroom, there is still a likely market for new units with 4 or more bedrooms.

6.
Demand Projection: +0.6% In-Migration Rate

A. Purpose of Time Horizon

The purpose of projecting housing demand in 10- and 20-year increments is to understand the impact of the housing market on Township policy over the long term. The 2020 Comprehensive Plan is a forward-looking document with a 20-year time horizon – and therefore, this analysis uses the same time horizon. In Section 8, this report includes a build-out analysis of the 2020 Comprehensive Plan, which is compared to this Demand Projection in order to determine whether the housing capacity described in the plan matches the projected market.

Please note that this projection is limited to the parameters in the model and does not take into account unforeseen events or trends that could alter housing demand in the future.

B. Migration Rate

This section explores the demand for new housing based on +0.6% In-Migration Rate experienced in the Trade Area from 2010 to 2020. The next section explores the demand for new housing based on the +6.3% In-Migration Rate experienced from 2020 to 2023.

C. Projected Study Area Housing Demand - Township

Using the cohort-component analysis population projection described in Section 4.C and the headship and homeownership rates described in Section 5.E, the number of housing units demanded in the Township has been projected out to 2030 and 2040.

Table 23: Estimated Homeowner/Renter Demand by Age Group, 2030 (Holland Charter Township, +0.6% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	5,621	2,203	973	1,231
30-39	5,633	3,059	2,099	960
40-49	5,082	2,882	2,173	709
50-59	4,573	2,675	2,139	536
60-69	4,585	2,916	2,430	486
70-79	3,330	2,145	1,796	349
80+	2,290	1,239	895	344
Total:		**17,119**	**12,504**	**4,614**

Source: US Census Bureau, McKenna Calculations, Note that some rows may not total due to rounding of the headship and homeownership percentages.

Table 24: Estimated Homeowner/Renter Demand by Age Group, 2040 (Holland Charter Township, +0.6% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	5,154	2,020	892	1,129
30-39	5,594	3,037	2,084	953
40-49	5,573	3,160	2,383	777
50-59	4,974	2,910	2,327	583
60-69	4,310	2,741	2,285	457
70-79	3,989	2,569	2,151	418
80+	3,202	1,732	1,251	481
Total:		**18,170**	**13,372**	**4,798**

Source: US Census Bureau, McKenna Calculations, Note that some rows may not total due to rounding of the headship and homeownership percentages.

The projection anticipates growth in the number of households in the Township between 2020 and 2030, with accompanying growth in demand for housing units. Much of the increased demand will be for owner-occupied units as Millennials (born approximately 1982-1995) and “Generation Z” (born approximately 1996-2008) age into higher headship and homeownership age ranges.

However, between 2030 and 2040, **the model projects the housing demand growth will slow.** The reasons are demographic – the Baby Boomer generation (born approximately 1945-1964) will age into lower headship and homeownership (in addition to the estimated number of deaths), while smaller generations such as Generation X (approximately 1965-1981) will age in to prime headship and homeownership years.

Additionally, Generation Alpha (born after 2008) will be aging into headship and homeownership. This generation is small compared to previous generations, especially for the years 2008-2012 (the Great Recession). The relatively small number of births in those years will contribute to a drop of over 1,000 people from the 20-29 age group between 2019 and 2040, reducing demand for new housing units.

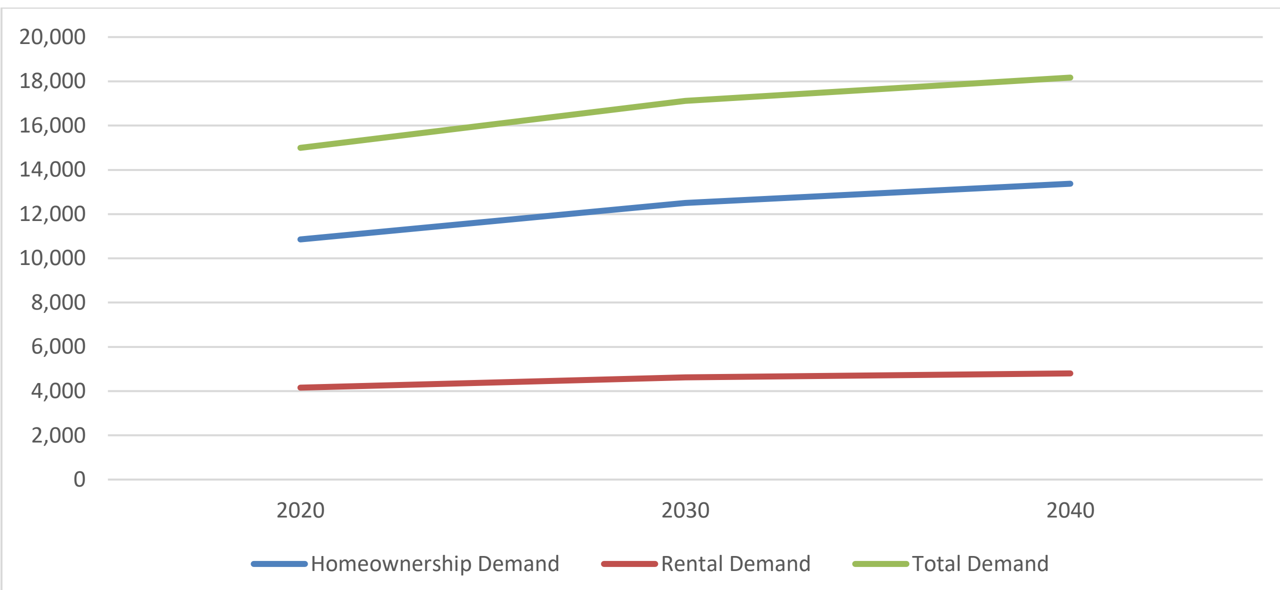
Despite those demographic trends, housing demand will continue to grow through the 2030s – it is just projected to be slower than the growth of the 2020s. Importantly, however, much of that growth will come from demand by older householders, meaning that demand for owner-occupied housing will drive much of the growth. **In fact, rental demand is projected to grow much more slowly that owner-occupied demand – only a 15% growth rate between 2020 and 2040, compared to 23% growth in demand for owner-occupied housing during those same years.**

Table 25: Change in Housing Demand, 2023-2040, Holland Charter Township (+0.6% Migration Rate)

Year	Homeowners	Change from Previous 10 Years	Renters	Change from Previous 10 Years	Total Housing Units Demanded	Change from Previous 10 Years
2023	10,855	–	4,155	–	14,995	–
2030	12,504	+1,649	4,614	+459	17,119	+2,124
2040	13,372	+868	4,798	+184	18,170	+1,051

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

Figure 2: Projected Housing Demand, Holland Charter Township, 2020-2040, +0.6% Migration Rate



D. Projected Study Area Housing Demand – Trade Area

As above, using the cohort-component analysis population projection described in Section 4.C and the headship and homeownership rates described in Section 5.E, the number of housing units demanded in the Township has been projected out to 2030 and 2040.

Table 26: Estimated Homeowner/Renter Demand by Age Group, 2030 (Trade Area, +0.6% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	19,272	7,555	3,334	4,220
30-39	15,625	8,485	5,822	2,663
40-49	16,054	9,103	6,864	2,239
50-59	15,458	9,043	7,232	1,811
60-69	15,666	9,963	8,303	1,660
70-79	13,157	8,473	7,095	1,378
80+	7,135	3,860	2,788	1,072
Total:		**56,481**	**41,438**	**15,043**

Source: US Census Bureau, McKenna Calculations, Note that some rows may not total due to rounding of the headship and homeownership percentages.

Table 27: Estimated Homeowner/Renter Demand by Age Group, 2040 (Trade Area, +0.6% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	16,834	6,599	2,912	3,686
30-39	19,178	10,414	7,146	3,268
40-49	15,458	8,765	6,609	2,156
50-59	15,712	9,192	7,351	1,841
60-69	14,572	9,268	7,724	1,544
70-79	13,628	8,777	7,350	1,427
80+	12,774	6,911	4,991	1,920
Total:		**59,924**	**44,082**	**15,842**

Source: US Census Bureau, McKenna Calculations, Note that some rows may not total due to rounding of the headship and homeownership percentages.

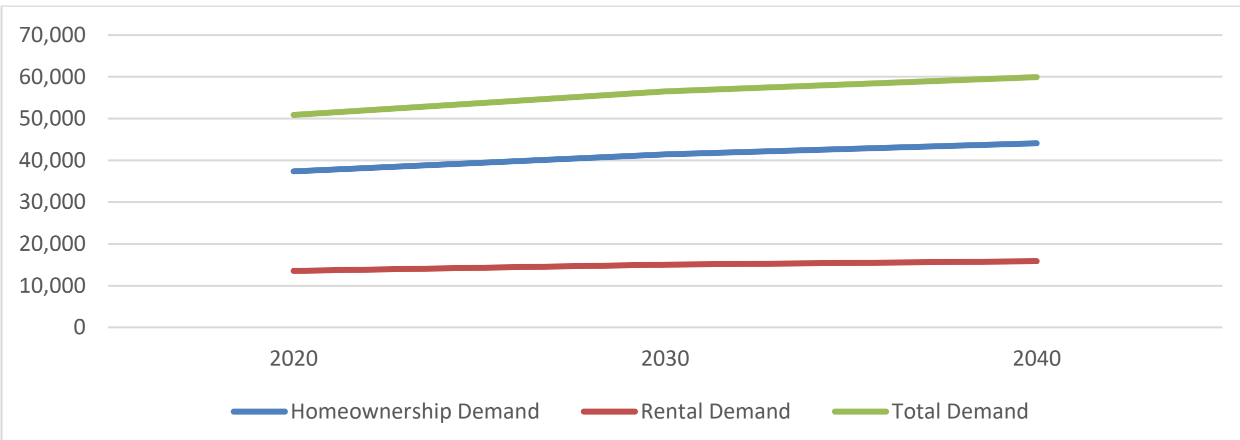
As in the Township, the projection anticipates growth in the number of households in the Trade Area between 2020 and 2030, with accompanying growth in demand for housing units. Again, the aging up of the Millennial generation will increase homeownership rates and spur demand for new for-sale housing. **Rental housing will also experience growth but will lose ground to for-sale housing as a proportion of the total housing market.**

Table 28: Change in Housing Demand, 2023-2040, Trade Area (+0.6% Migration Rate)

Year	Homeowners	Change from Previous 10 Years	Renters	Change from Previous 10 Years	Total Housing Units Demanded	Change from Previous 10 Years
2023	37,357	–	13,521	–	50,877	–
2030	41,438	+4,081	15,043	+1,552	56,481	+6,403
2040	44,082	+2,664	15,842	+799	59,924	+3,443

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

Figure 3: Projected Housing Demand, Trade Area, 2020-2040 (+0.6% Migration Rate)



7.
Demand Projection:
+6.3% In-Migration Rate

A. Migration Rate

This section explores the demand for new housing based on +6.3% In-Migration Rate experienced in the Trade Area from 2020 to 2023. The previous section explores the demand for new housing based on the +6.3% In-Migration Rate experienced from 2020 to 2023.

B. Projected Study Area Housing Demand - Township

Using the cohort-component analysis population projection described in Section 4.C and the headship and homeownership rates described in Section 5.E, the number of housing units demanded in the Township has been projected out to 2030 and 2040.

Table 29: Estimated Homeowner/Renter Demand by Age Group, 2030 (Holland Charter Township, +6.3% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	5,941	2,329	1,028	1,301
30-39	5,956	3,234	2,219	1,015
40-49	5,375	3,048	2,298	750
50-59	4,839	2,831	2,264	567
60-69	4,863	3,093	2,577	515
70-79	3,548	2,285	1,914	372
80+	2,424	1,311	947	364
Total:		**18,130**	**13,247**	**4,883**

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

Table 30: Estimated Homeowner/Renter Demand by Age Group, 2040 (Holland Charter Township, +6.3% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	5,758	2,257	996	1,261
30-39	6,250	3,394	2,329	1,065
40-49	6,232	3,533	2,664	869
50-59	5,567	3,257	2,604	652
60-69	4,837	3,077	2,564	513
70-79	4,507	2,903	2,431	472
80+	3,615	1,956	1,412	543
Total:		**20,376**	**15,001**	**5,375**

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

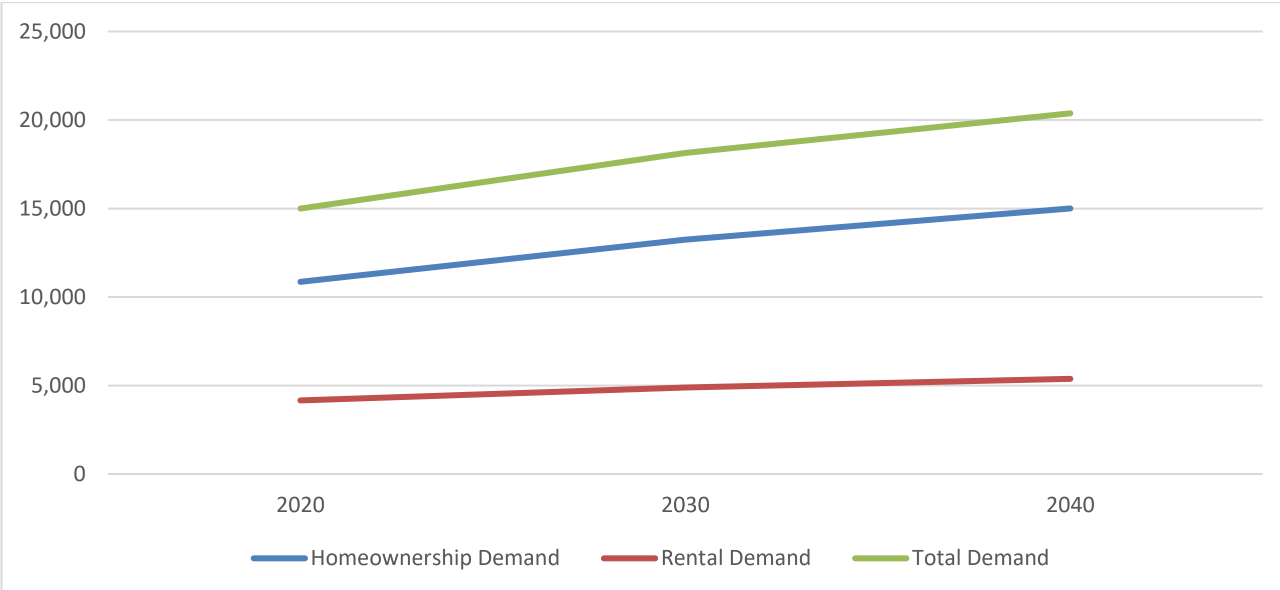
The increased migration rate increases demand for all types of housing, throughout the entire time horizon. However, it does not change the shifts seen in the lower migration rate scenario – an increase in the proportion of demand seeking homeownership, and a slowing of demand growth during the 2030s.

Table 31: Change in Housing Demand, 2020-2040, Holland Charter Township, +6.3% Migration Rate

Year	Homeowners	Change from Previous 10 Years	Renters	Change from Previous 10 Years	Total Housing Units Demanded	Change from Previous 10 Years
2023	10,855	–	4,155	–	14,995	–
2030	13,247	+2,419	4,883	+728	18,130	+3,133
2040	15,001	+1,754	5,375	+492	20,376	+2,246

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

Figure 4: Projected Housing Demand, Holland Charter Township, 2020-2040



C. Projected Study Area Housing Demand – Trade Area

As above, using the cohort-component analysis population projection described in Section 4.C and the headship and homeownership rates described in Section 5.E, the number of housing units demanded in the Township has been projected out to 2030 and 2040.

Table 32: Estimated Homeowner/Renter Demand by Age Group, 2030 (Trade Area, +6.3% Migration Rate)

Age Group	Population	Households	Homeowners	Renters
20-29	20,368	7,984	3,524	4,460
30-39	16,520	8,971	6,156	2,815
40-49	16,979	9,627	7,259	2,368
50-59	16,358	9,569	7,653	1,917
60-69	16,613	10,566	8,805	1,761
70-79	14,019	9,028	7,560	1,468
80+	7,558	4,089	2,953	1,136
Total:		**59,835**	**43,910**	**15,924**

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

Table 33: Estimated Homeowner/Renter Demand by Age Group, 2040 (Trade Area)

Age Group	Population	Households	Homeowners	Renters
20-29	18,807	7,372	3,254	4,118
30-39	21,429	11,636	7,985	3,652
40-49	17,285	9,801	7,390	2,411
50-59	17,586	10,288	8,227	2,060
60-69	16,353	10,400	8,668	1,733
70-79	15,399	9,917	8,305	1,612
80+	14,413	7,797	5,631	2,166
Total:		**67,212**	**49,459**	**17,753**

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

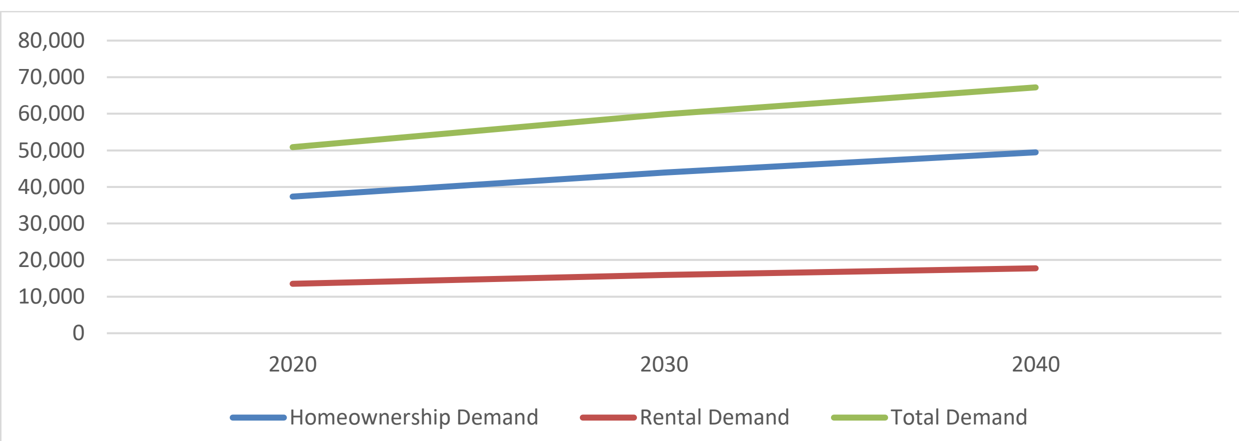
As in the Township, the higher in-migration rate results in increased demand overall, but with the same trends – a higher proportion of homeownership demand, and a slowing of demand in the 2030s, though the demand slowdown is reduced in the Trade Area compared to the Township, and is mitigated by continuing high in-migration in this scenario.

Table 34: Change in Housing Demand, 2023-2040, Trade Area, +6.3% Migration Rate

Year	Homeowners	Change from Previous 10 Years	Renters	Change from Previous 10 Years	Total Housing Units Demanded	Change from Previous 10 Years
2023	37,357	–	13,521	–	50,877	–
2030	43,910	+6,553	15,924	+2,403	59,835	+8,958
2040	49,459	+5,549	17,753	+1,829	67,212	+7,377

Source: US Census Bureau, McKenna Calculations. Note that some rows may not total due to rounding of the headship and homeownership percentages.

Figure 5: Projected Housing Demand, Trade Area, 2020-2040, +6.3% Migration Rate



8. Affordability Analysis

In addition to supply and demand, another important aspect of the housing market is affordability. If dwelling units are provide din the market, but are not affordable to those seeking housing, then there is still a supply-demand miss-match. Conversely, it is possible for the market to price housing too low, incentivizing high-income households to occupy housing that could otherwise be afford by households with lower income, and potentially attracting institutional landlords that convert owner-occupied housing to rentals.

The table below shows income ranges in the Township, and the number of housing units that are considered “affordable” to each price range. Affordability, in this case, means that the monthly rent or principle/interest mortgage payment is less than 30% of the monthly gross income for the household. Obviously, households in higher income categories can afford homes in lower cost categories.

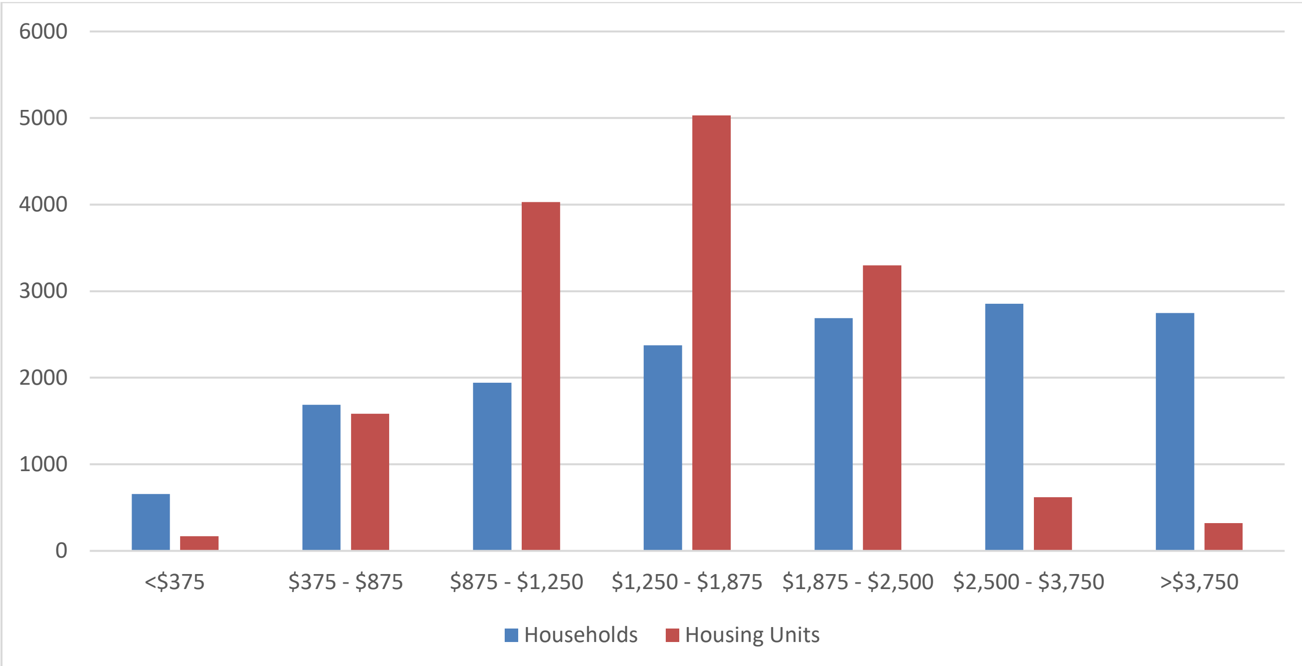
The number of units in each category is approximated and rounded because Census categories for housing costs do not match the affordability ranges for the Township’s population. However, it is still a useful tool for comparing the number of housing units to the number of households.

Table 35: Affordability Analysis, Holland Charter Township, 2023

Household Income Range	Maximum Affordable Monthly Housing Cost	Number of Households	Ownership Housing Units	Rental Housing Units
<$14,999	<$375	657	88	81
$15,000 - $34,999	$375 - $875	1,688	445	1,138
$35,000 - $49,999	$875 - $1,250	1,942	2,110	1,919
$50,000 - $74,999	$1,250 - $1,875	2,375	4,046	984
$80,389 (Median Income)	**$2,009**	-	-	
$75,000 - $99,999	$1,875 - $2,500	2,689	3,262	37
$100,000 - $149,999	$2,500 - $3,750	2,853	620	0
>$150,000	>$3,750	2,748	299	23

Source: US Census Bureau, Township Building Permit Data

Figure 6: Affordability Analysis, Holland Charter Township, 2023



Source: US Census Bureau

The table demonstrates that housing costs cluster towards the middle of the market, but the income spectrum does not. This trend means that, while households near the median (and those above the median) are rarely burdened by their housing costs, there are two market inefficiencies that are causing lower-income households to be cost-burdened.

- There are very few units affordable to the 657 households with under $15,000 in income. However, this market segment is difficult to serve with affordable housing without public sector subsidies, some of which require Township approval or even investment (such as PILOTs). Addressing those issues requires a larger discussion of fiscal priorities and cannot be solved with zoning or land use policies.

- High income households filter down to lower housing cost levels. There are only approximately 942 housing units in the Township that cost more then $2,500 per month – but over 5,600 households that could pay that much without being cost-burdened. Those households, as well as the households the other two income categories above the median, are living in housing that households with lower income could afford. That is not a bad thing in and off itself – in fact, housing that is affordable for educated professionals and others with higher incomes in a drawing point for the Township and the region.

  But the filtering effect means that, even though the chart shows sufficient housing for people with incomes between $35,000 and $100,000, the reality for those households is that finding housing in their "price range" can be difficult. That is particularly true for homeownership opportunities for households with incomes under $50,000.

9.
2020 Comprehensive Plan Build-Out Analysis

A. Purpose

In order to determine whether the Township has planned for an appropriate amount of housing, and inform policy decisions related to planning and zoning, this report includes a build-out analysis of the Holland Charter Township 2020 "Unified Vision" Comprehensive Plan. The total additional housing that could be built under the plan will be compared to the projected demand from Section 6. This will help Township leadership determine if the plan will absorb the projected demand, if it will fall short of absorbing the demand, or if the Township will have excess capacity to absorb demand from elsewhere in the Trade Area.

B. Methodology

The build-out analysis was conducted using the following steps:

1. Identifying undeveloped and underdeveloped parcels that are planned for housing on the Future Land Use Map. "Underdeveloped" parcels were defined on those that have a current active non-agricultural use but are well below the maximum permitted housing density permitted, and thus may be attractive for redevelopment. The parcels identified for the analysis are shown on the map on the following page.
2. Determining the number of acres available on undeveloped or underdeveloped parcels within each Future Land Use category.
3. Calculating the maximum number of housing units that could be built within each Future Land Use category, based on the maximum density. 20% of the total acreage was removed from each category to account for infrastructure, open space, drainage, and other non-housing site features.

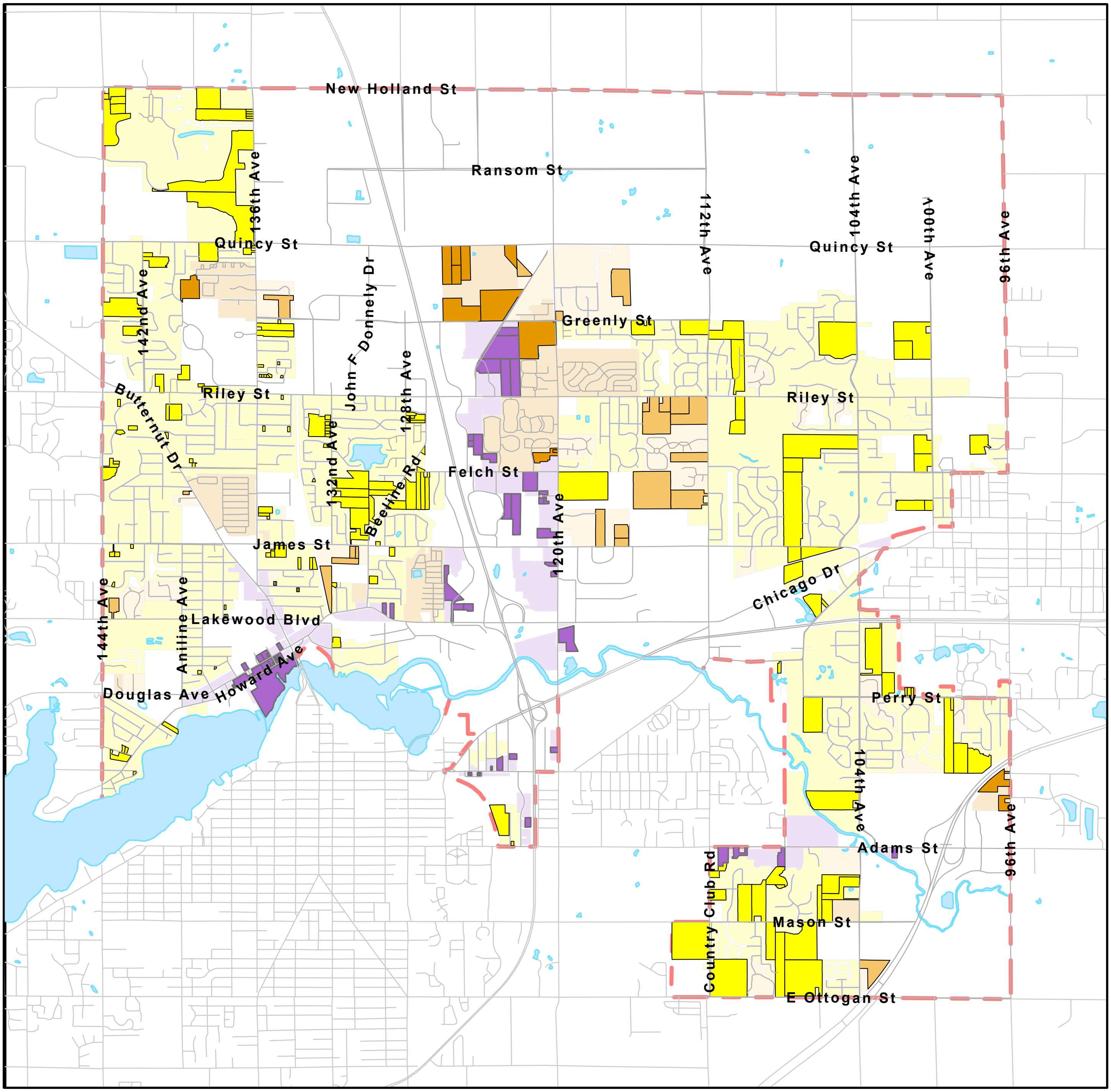
C. Future Land Use Categories

The Future Land Use Categories used in this analysis were as follows. The density numbers indicate the *maximum* appropriate density indicated by the plan.

- **Low-Density Residential** (5 Units Per Acre)
- **Medium Density Residential** (10 Units Per Acre)
- **High Density Residential** (15 Units Per Acre)
- **Mixed-Use** (15 Units Per Acre)

The Mixed Use category does not have an explicit density limit in the plan. For the purposes of this analysis, it was given the same density as High Density Residential.

While the Agricultural Preservation category allows for single family homes, the purpose of that category is to promote rural character. While new homes will likely be built in that area, they will be built one at a time by individual property owners, and their share of new housing growth in the Township will be small.



MAP 1

Vacant and Underdeveloped Parcels

Holland Charter Township, Ottawa County, Michigan

May 2, 2025 DRAFT

0 0.5 1 1.5
Miles

Basemap Source: Michigan Center for Geographic Information, Version 17a. Data Source: Holland Charter Township 2020. McKenna 2025.

LEGEND

Vacant/Underdeveloped Parcels (1,652 acres)

- Low-Density Residential (1,102 acres)
- Medium-Density Residential (210 acres)
- High-Density Residential (150 acres)
- Mixed-Use (190 acres)

Developed Parcels (6,094 acres)

- Low-Density Residential (4,306 acres)
- Medium-Density Residential (630 acres)
- High-Density Residential (670 acres)
- Mixed-Use (487 acres)

Total Parcels (7,746 acres)

- Low-Density Residential (5,408 acres)
- Medium-Density Residential (840 acres)
- High-Density Residential (820 acres)
- Mixed-Use (677 acres)

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D. Future Land Use Category Analysis

Table 36: Comprehensive Plan Build-Out Analysis

FLU Category	Available Acreage	80% of Available Acreage	Units Per Acre	Total Units
Low-Density Residential	1,102	882	5	4,410
Medium-Density Residential	210	168	10	1,680
High-Density Residential	150	120	15	1,800
Mixed Use	190	152	15	2,280
Total:	1,461	1,169	–	10,170

Source: 2020 Holland Charter Township Comprehensive Plan, McKenna Calculation

The buildout analysis concludes that the Comprehensive Plan would allow for 10,170 new housing units. Given that there are **15,729 housing units in the Township by the end of 2025**, the Comprehensive Plan calls for housing to increase by approximately 40%.

E. Comparison to Demand Projection

Table 37: Projected Housing Capacity Used, +0.6% Migration Rate Scenario

Year	Total Housing Units Demanded	Housing Capacity (Per 2020 Comprehensive Plan)	Percentage of Capacity Used
2024	14,995	25,899	57.8%
2030	17,119	25,899	66.1%
2040	18,170	25,899	70.1%

Source: US Census, 2020 Holland Charter Township Comprehensive Plan, McKenna Calculation

Table 38: Projected Housing Capacity Used, +6.3% Migration Rate Scenario

Year	Total Housing Units Demanded	Housing Capacity (Per 2020 Comprehensive Plan)	Percentage of Capacity Used
2024	14,995	25,899	57.8%
2030	18,130	25,899	70.0%
2040	20,376	25,899	78.6%

Source: US Census, 2020 Holland Charter Township Comprehensive Plan, McKenna Calculation

As housing demand continues to rise over the next 20 years, it will consume a higher and higher percentage of the Township's housing capacity, as stated in the 2020 Comprehensive Plan. However, even by 2040 at the highest in-migration scenario, the Township will only be at 78.6% of its planned capacity.

During the period from 2019-25, the Township housing supply grew by 248 units per year. If that level of construction continues, the Township would reach 16,969 housing units by 2030 and 19,449 housing units by 2040 – 75.1% of the capacity in the Comprehensive Plan.

According to the analysis in this report, population growth will result in a **demand for between 3,100 and 5,400 new housing units before 2040**. If the current construction rate continues, 3,720 new housing units will be built – higher than demand under the lower migration scenario, but insufficient under the higher scenario.

10. Recommended Policies

A. Stick to the Comprehensive Plan

The Comprehensive Plan envisions sufficient land and density for housing to accommodate over 20 years worth of projected demand. Therefore, using the Future Land Use Map and other recommendations of the Plan to carefully guide development will allow for manageable, but sufficient, housing growth. Specifically, the following provisions of the Comprehensive Plan should guide the Planning Commission, Township Board, and Township Staff regarding housing policy.

- Maintain the Agricultural Preservation area using the AG Agricultural Preservation Zoning District.
- Follow the density recommendations of the Future Land Use Map, and only approve rezonings that are consistent with the Zoning Plan.
- Utilize the Mixed Use areas to allow for creativity in development design, create opportunities for infill housing, and develop walkable centers.
- Use the Residential Densities and Typologies Chart (Page 36 of the Comprehensive Plan) to allow a variety of housing types within the envisioned density ranges.
- Utilize Planned Unit Developments only in the rare circumstances described on Page 39 of the Comprehensive Plan – and do not allow Planned Unit Developments within the Agricultural Preservation area.

B. Ensure Transportation and Infrastructure Networks Keep Pace with Growth

Population growth is projected over the next 20 years and beyond. The Township should work with regional, County, and State partners, as well as businesses and developers, to ensure that the following systems keep pace with the increased population and number of housing units:

- Water

- Sewer
- Stormwater
- Roads
- Transit
- Broadband
- Wireless Communications
- Public Safety
- Health Care
- Schools

Additionally, the Planning Commission should enforce the Neighborhood Design Guidelines on Pages 48-49 of the Comprehensive Plan, to reduce the impact of each individual development on regional infrastructure systems. Every proposed development should be evaluated against the recommendations on street connectivity, bike paths, sidewalks, permeability, amenities, construction materials, and design. Zoning amendments to support and enforce that Comprehensive Plan language should be considered.

C. Promote a Wide Variety of Housing Types

One of the strengths of the Township's housing market is the wide variety of housing types available, which means that households of diverse sizes, incomes, and preferences can all find a desirable place to live in the community. However, recent housing growth has been skewed towards townhouse-style attached units and large multi-family buildings. While those are important market segments, the low levels of single family construction, and the complete lack of small multi-family buildings proposed since 2019 indicate an imbalance.

While the Township cannot totally control the types of housing proposed by developers, the Planning Commission should use the Residential Densities and Typologies chart in the Comprehensive Plan, as well as the variety of housing types available in the R-2, R-2A, and R-3 Zoning Districts, to encourage (or require) developers to build a broad mix of units – even within individual developments.

D. Continually Monitor the Market and Review the Comprehensive Plan and Zoning Ordinance

The calculations and projections in the plan are a snapshot of the market, and estimates of the future, based on the available data. Conditions will change, and new data availability may reveal trends not uncovered by this report. Consequently, the Township should regularly conduct market analyses such as this one.

The Township should also review the Comprehensive Plan at least every five years (as required by the Michigan Planning Enabling Act), though more frequent reviews may be warranted due to the rapid pace of growth and change. However, revisions and updates to the Comprehensive Plan should be very carefully considered and should only take place when Township leaders decide an update is necessary – not at the request of individual landowners or developers. Updates to the Comprehensive Plan should take place after a thorough public process, including stakeholder input and data analysis.

The Zoning Ordinance should also be constantly monitored for needed updates, beginning with the recommended amendments on Pages 36-39 of the Comprehensive Plan. Other amendments may be necessary as conditions change – but, as with the Comprehensive Plan, updates should be pursued in order to advance Township goals, not as a way to accommodate development plans that are not consistent with zoning regulations or the Comprehensive Plan.

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McKenna is the largest firm in the Midwest dedicated to quality of place by providing community planning, urban design, landscape architecture, economic development, and related services to communities and select private clients. Our professionals provide efficient service with a firm commitment to the public good, recognizing their responsibility for technical and creative leadership. Each client of the firm has access to a team of planning and design professionals who are at the forefront of planning, zoning, economic development, and design practice.

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