
JOINT MEETING 2026





OVERALL CITY UPDATE AND WHAT THE FUTURE MAY LOOK LIKE

- **Transitional year for administration**
- **Events**
- **Projects**
- **Housing**
- **Development and Tax Base**



PERSONNEL

- **2025 saw about a 50% changeover in Administration's personnel**
 - **Clerk, Treasurer, their Deputies, and Water/Payroll now have new generation in place**
- **We have a new Community and Business Development Manager**
 - **Event management**
 - **Business Assistance (Match on Main, etc.)**



EVENTS

The City is home to a lot of events, both City-run and held by others. The City provides support for many larger events of others and simply provides a venue for some. Danielle, our C&BDM, is now running point on them and working with organizers. She also has been working closely with Visit Keweenaw on event planning.

- **May – Spring on a Wing and the return of Locavore**
- **June – Farmers Market, Bridgefest, start of Good Times’ Summer Slam (12 weeks!), cruise ship stops**
- **July – Sea Grant Fish Fry on the Pier**
- **August – Century 21 music, Afternoon on the Town, MTU move-in, Digital Bloom Festival and Thimbleberry Festival (with VK)**
- **September – Rotary Brewfest, Festival of Nations**
- **October – Plaidurday, Treat Street, Potato Festival (Carnegie)**

CURRENT AND UPCOMING PROJECTS



INFRASTRUCTURE IMPROVEMENTS AND MAINTENANCE - NOW

- **Water and Sewer Main Project in central Houghton**

Funded by MEDC, EGLE, and City matching funds. \$3.5M project to replace water and sewer between Franklin Street and Dodge Street from Houghton Avenue up to South Avenue. Some of the remaining older pipes in town. Bids due next week.

- **Michigan Talent Partnership Grant - \$3.855M**

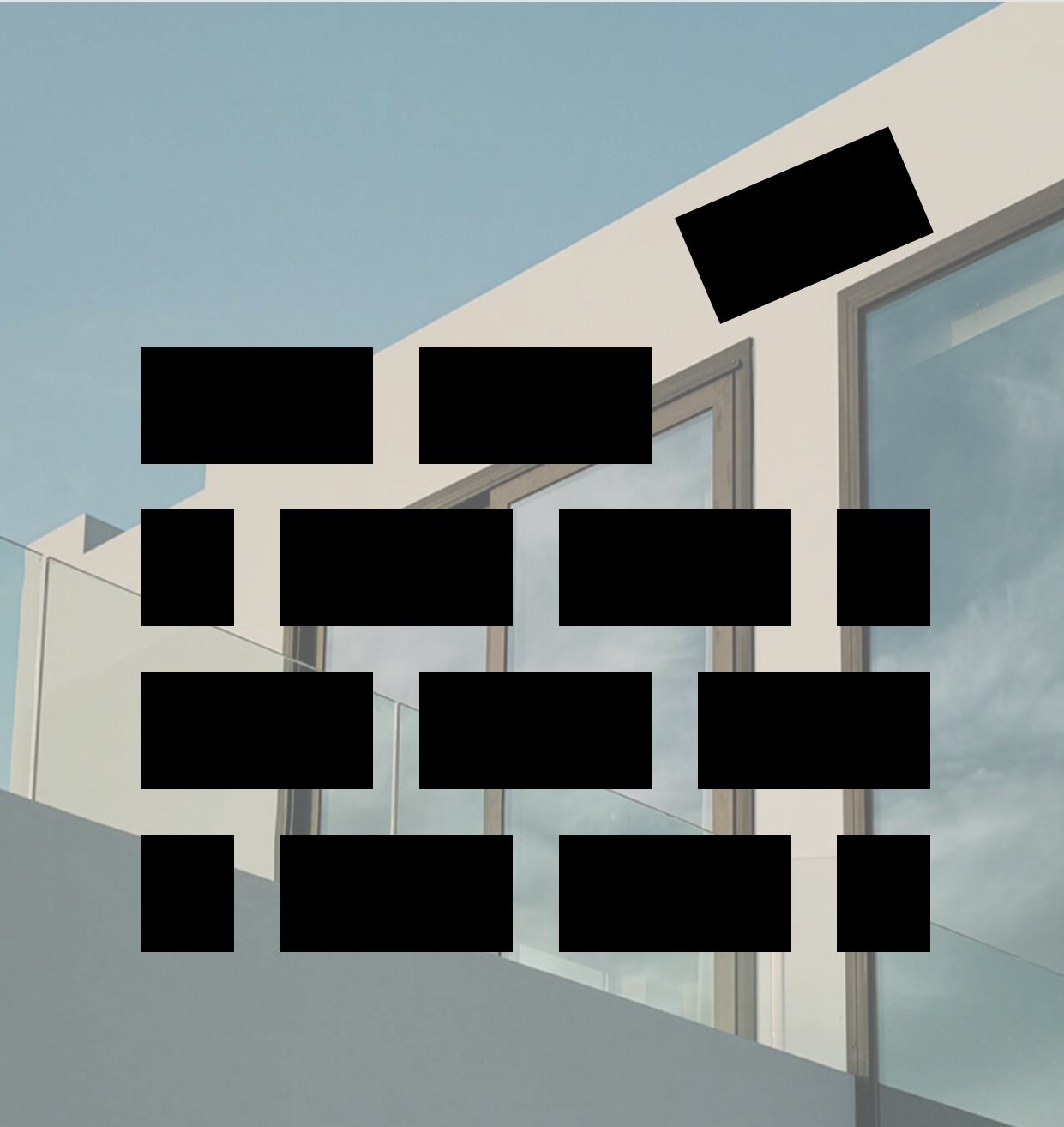
We have funding for (3) projects:

- Technical assistance for Trail Connector from MTU to Waterfront
 - Shelden Avenue Pocket Park on 500 Block
 - HB+CI at 326 Shelden
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- **Complete TMF Grant work on water service identification**
 - **Waterfront asset repairs – East Houghton Park/Bridgeview docks etc.**
 - **Annual paving**



FUTURE PROJECT PLANNING

- **HB+CI programming rollout and management**
- **Subway Garage still must be addressed**
- **MacInnes Drive needs to be rebuilt**
- **Chutes and Ladders heavy maintenance**
- **Dee Stadium glass needs to be replaced**
- **Paving**
- **MDOT's Lift Bridge project 2026 thru 2028 (maybe 2029). \$30M+. Phased to minimize traffic disruptions, but City will have a lot of traffic control measures happening around the bridge.**



PRIVATE PROJECT DEVELOPMENT

- 109 Shelden – Restaurant, retail, and nine new apartments finish this summer
- 401 Memorial Drive – four unit apartment building – this summer
- Gateway Project – UP State Bank open late summer, 32 unit residential project to start this year
- Lots of activity and interest in Downtowner Motel property
- About six private houses under construction as of today
- Interest continues in East Lakeshore Drive
- Proposed commercial project on Evergreen

HOUSING



HOUGHTON'S HOUSING MARKET IS DYNAMIC

Market is still strong

Values continue to increase

Sales over \$1M is now not uncommon for new home

About 6 actively for sale in town now

Stock is affected by student rentals

New construction is expensive

About 6 new homes under construction

The “affordable home” base price keeps increasing

Housing Authority still looking at projects

RENTAL MARKET IS IN FLUX NOW

Approximately 20% of the single family housing stock is a student rental

New East Hall added about 20% to MTU's on-campus housing stock

2024 Elements building opened

2024 Finlandia closure created additional supply

Many owners report rental properties at lower occupancy than ever before

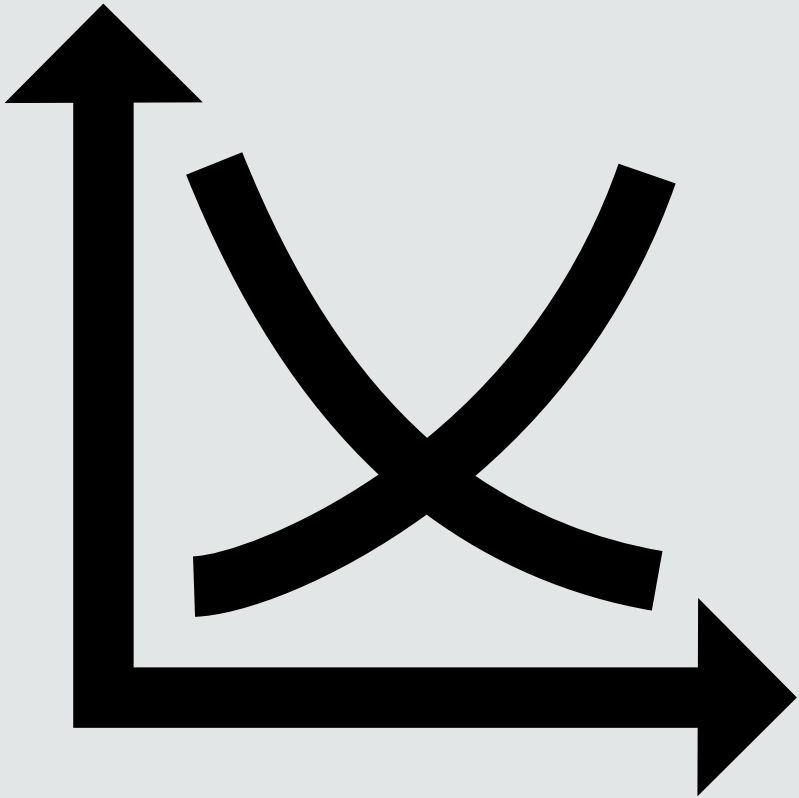
Most "student rentals" are purpose-built or modified for the student market

Owners are reducing lease rates to compensate

Actual number of students physically here is unclear

This will take some time to work itself out – proximity will mean properties in Houghton will fill up as market settles

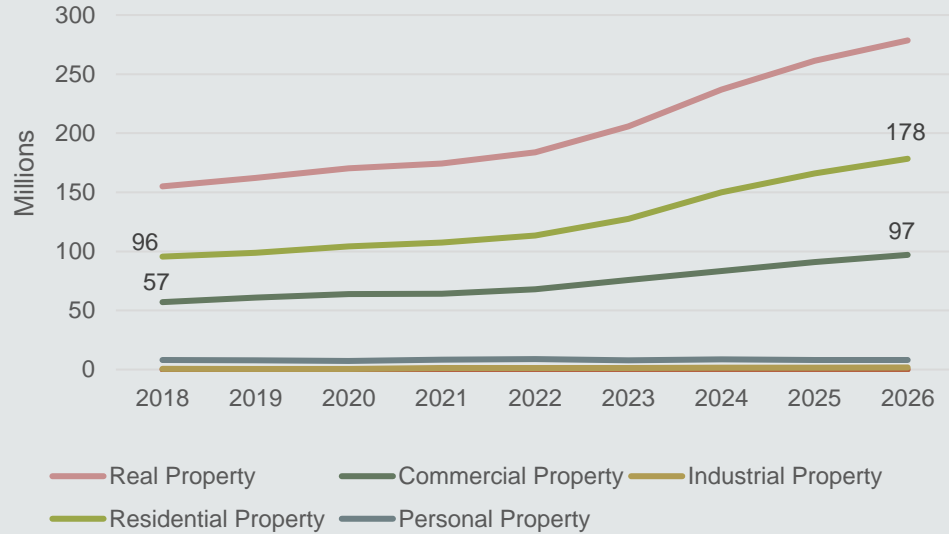
Eventually will mean some stock will be open and rented by larger market as prices drop



THE CITY'S TAX BASE

HOUGHTON ASSESSED VALUES

Overall Assessed Real Value has increased 74%



RECENT TRENDS IN PROPERTY VALUES AND ASSESSMENTS

Property values in Houghton continue to grow

Average Residential Property taxable value still growing, but limited by law

Average Commercial Property taxable value (TIFA) is \$378,000

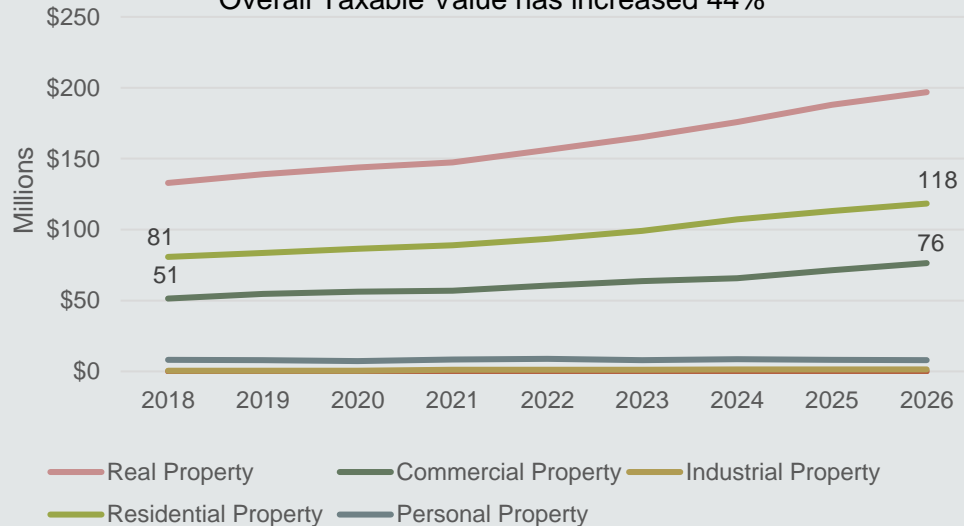
New construction continues

Sales lead to uncapping of taxable values

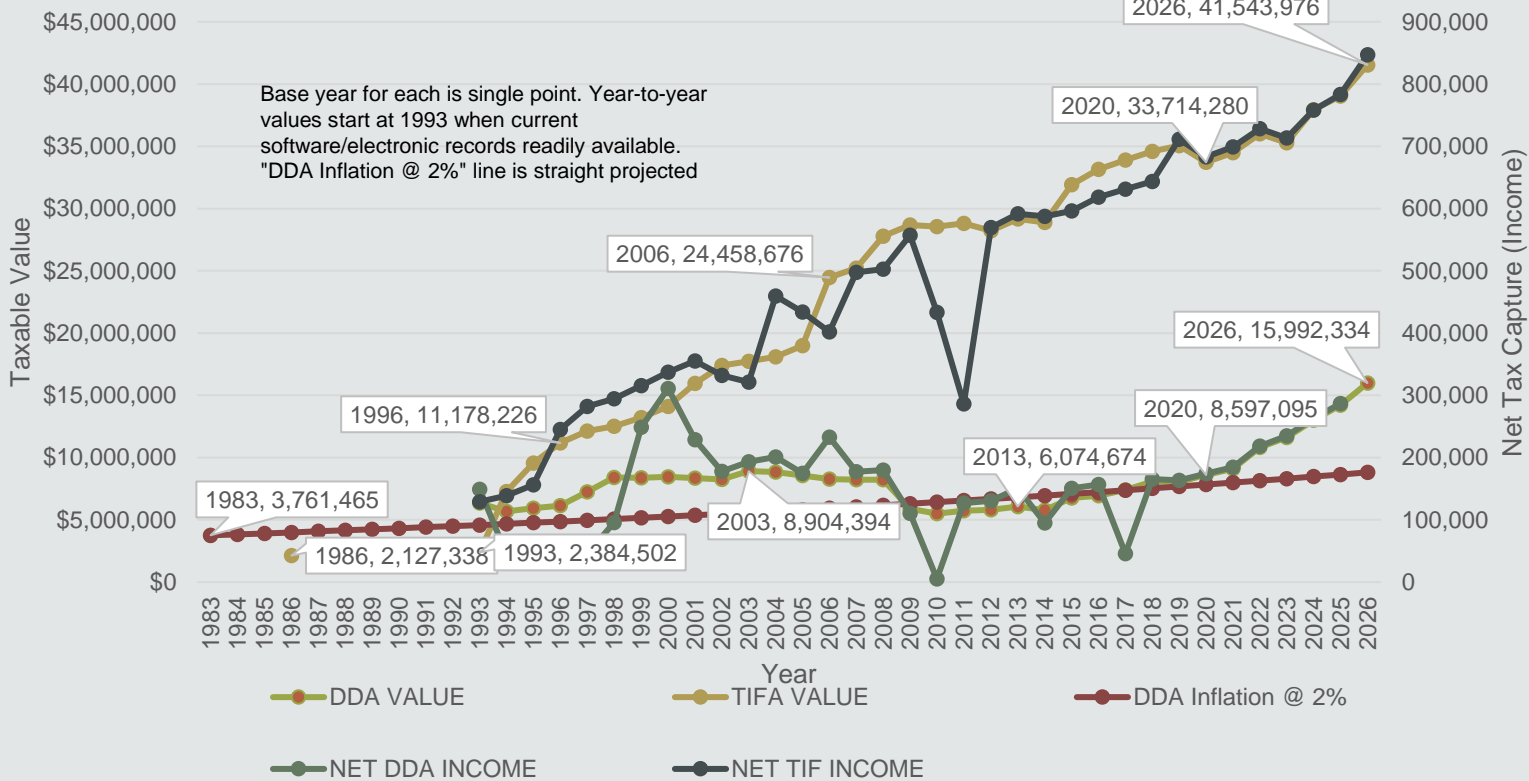
Good Assessor is key (perfect audit last year)

HOUGHTON TAXABLE VALUES

Overall Taxable Value has increased 44%



Houghton DDA and TIF Values/Capture



TIFA & DDA

DDA value increased post-covid

TIFA value continues to increase

Both geographic areas require taxes collected to be spent within these areas – and on projects/services that are part of their published plans

DOWNTOWN AND COMMERCIAL

DOWNTOWN

Natural ebb and flow in occupancy

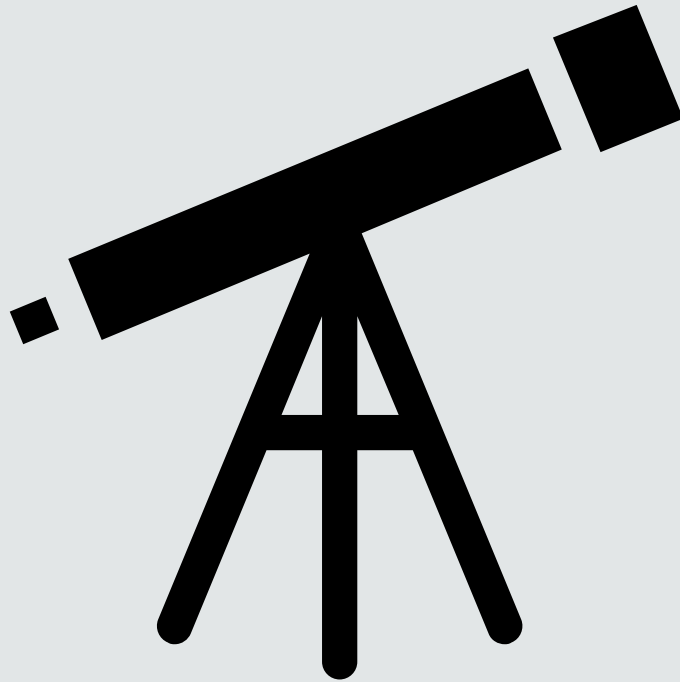
Most unoccupied spaces have a story behind them

- Legal issues
- Bootstrap owners
- Absentee/Satisfied owners
- Something is on the way, it just takes time

Bright spots

- Rhythm
- Prickly Pine
- Keweenaw Title
- Lakeshore Drive faces more active





THE FUTURE

C&BDM working on bringing programming to help downtown businesses achieve more

Match on Main MEDC grant program

HB+CI once up and running will help germinate new small business for downtown

May be time to revisit SWOT on Downtown Houghton – branding comments did yield a few things

No, Meijer does not plan on a Houghton store in the foreseeable future

LAST SLIDE...

WE ARE IN A GOOD PLACE

- **Our tax base is growing**
- **Our finances are strong**
- **Investment is happening – both private and public**

THERE ARE STILL GOING TO BE CHALLENGES

- **State revenue sharing will decrease**
- **Road funding will be more, but tied to marijuana sales**
- **Speed at which new housing can get to market**
- **Infrastructure is aging**

