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Tiny Homes as a Method to Increase Equitable Housing: Tiny Homes Detroit and Kalamazoo

Katie Kozlowski

Western Michigan University, katiekiz98@gmail.com

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Tiny Homes as a Method to Increase Equitable Housing: Tiny Homes Detroit and Kalamazoo

Katie M. Kozlowski

Western Michigan University

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Abstract

This thesis assesses the relative merits of housing programs such as Tiny Homes Detroit for other places where equitable and affordable housing is in short supply such as Kalamazoo, MI. For context, prior to information on Tiny Homes, and Tiny Homes in Detroit, information about the forces that shaped the contemporary housing crisis in both Detroit and Kalamazoo are provided. Topics in these preliminary sections include information on Redlining, Subprime Mortgages, Equitable Development, and Gentrification. For a variety of factors summarized in the thesis, Tiny Home Communities are a possible solution that, on a micro scale, can provide the most vulnerable residents in smaller cities such as Kalamazoo with the opportunity of expanded affordable housing options in the city.

Tiny Homes: A Method of Equitable Housing Development in Detroit and a Blueprint for Kalamazoo

What is a Tiny Home: In recent years, Tiny Homes have gained popularity for their aesthetic value, environmentally conscious nature, and relative affordability. The Tiny Homes craze spawned a multitude of newspaper articles, books, and even television shows about how to “live tiny”. As the trend continued, Tiny Homes (ranging anywhere in size from 100 to 400 square feet) began popping up all over the United States, and the world. These homes, and their dwellers, whether they be solitary tiny house units or entire tiny communities, became part of what has been called “the Tiny House Movement”. The Tiny House Movement encapsulates the tendency to forego material goods and comforts for a life that is more sustainable and even socially conscious. The social justice aspect of the movement is also chiefly concerned with environmental sustainability and affordability. Kalamazoo is no stranger to this movement, in 2016 the city gained its first tiny home, a 230 sq. ft. home owned and occupied by Ben Brown (Valeii, 2016). Brown built his home with both sustainability and affordability in mind, stating that he “[valued] the way that this home will enable him to live out his values and core convictions,”. Brown’s upbringing on a sustainable farm and decades-long struggle to procure affordable housing inspired him to go tiny. He believes the home has done exactly what he hoped it would do, providing him with shelter, and financial security he did not previously have access to. Brown’s story speaks to the way that Tiny Homes can be used to provide shelter/opportunities and alleviate financial stress for residents.

Redlining and Government Policy: To fully understand the contemporary housing situation in both Detroit and Kalamazoo, it is first necessary to understand the ways in which endemic housing discrimination manifested itself in the region over the past century. This would be impossible without first addressing the Redlining Programs initiated by the federal government, but implemented at state and regional levels, that plagued the entire nation during the mid-1900s. Redlining is the discriminatory process of denying loans in certain neighborhoods based on the racial makeup of the neighborhoods. Both the Federal Housing Administration(FHA) and the Home Owners Loan Corporation (HOLC) played major roles in the creation of the segregated communities so common at the present time. The United States government, through HOLC-developed property assessment maps and discriminatory lending practices, and played a vital role in the creation of segregated communities from 1934 to 1968 and beyond.

The Federal Housing Administration not only allowed discriminatory practices to continue, but contributed significantly to these racist policies. The Federal Housing Administration was formed in 1934 by the National Housing Act with the goal of helping the American housing market, and Americans, recover from Depression-era losses caused by high levels of unemployment, and a resultant spike in home foreclosures. The FHA was intended to improve housing standards and offer affordable mortgages to Americans. By insuring mortgages, the FHA effectively helped stabilize the housing market in the United States. When qualified lenders gave out loans, the FHA stabilized the market by covering the unpaid balances when borrowers went into default. This meant that lending services were less likely to go bankrupt, and thus allowed for more funding to enter the market, as lenders were not overly cautious about their practices (1968–Present: Housing Discrimination). The FHA created the mortgage system

we know today, with its 10 and 15-year low interest mortgages constituting the first of their kind, and allowing Americans easier access to home ownership (1968–Present: Housing Discrimination). FHA interventions did accomplish this goal, though the population that most benefitted from the FHA were white Americans. Black Americans were all but excluded from receiving the benefits of the Federal Housing Administration. Only 2% of FHA loans awarded during this era were awarded to Black Americans, though Black Americans constituted 10% of the United States population (Gross, 2017). Mortgages were only approved for homes that met FHA standards for physical quality and location. The FHA utilized HOLC “Residential Security” maps to determine if homes in certain neighborhoods would be insured.

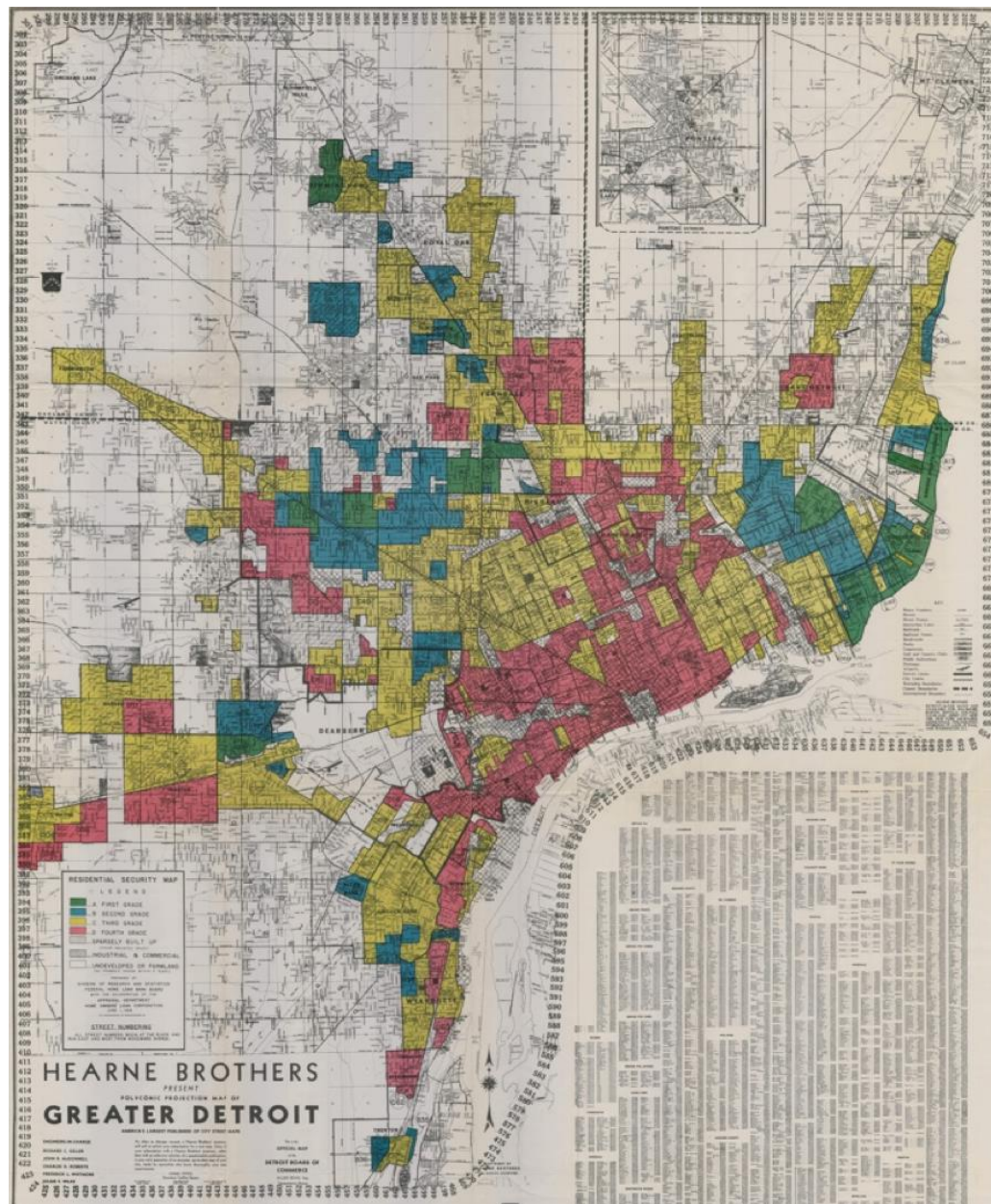


Figure 1. Redlining map of Detroit circa 1939

Source: Wilkinson, M. (2017, August 8). MAP: Segregation in Detroit, then and now. Retrieved from <https://www.bridgemi.com/michigan-government/detroit-then-and-now>

These maps (Figure 1) are perhaps the most distinctive features of New Deal Era housing discrimination, as they provide a visual of just how pervasive and effective the FHA policies were in segregating America. These maps were created for 250 American cities between 1935

and 1940 including for Detroit and Kalamazoo as part of the New Deal plan. The New Deal aimed to provide “relief, recovery, and reform” to the United States in the post-Depression era (“National Housing Act (1934)”). As the New Deal aimed to combat unemployment, the HOLC hired Americans to create their Residential Security maps. These maps were created to help FHA certified mortgage lenders determine loan eligibility for certain metropolitan areas. Loan eligibility or creditworthiness of properties were determined largely by the race of people already living in the area, though socioeconomic status, condition of the home, proximity to hazards (like waste treatment facilities) and amenities (such as parks), transportation access, and employment of residents were also considered (Mitchell & Franco, 2018). These maps were color-coded in green, blue, yellow, and red, with green areas being the highest rated and red areas being lowest rated. Green areas were deemed “Best”, blue areas were “Still Desirable”, yellow areas were “Definitely Declining”, and red areas were “Hazardous” (Jan, 2018).

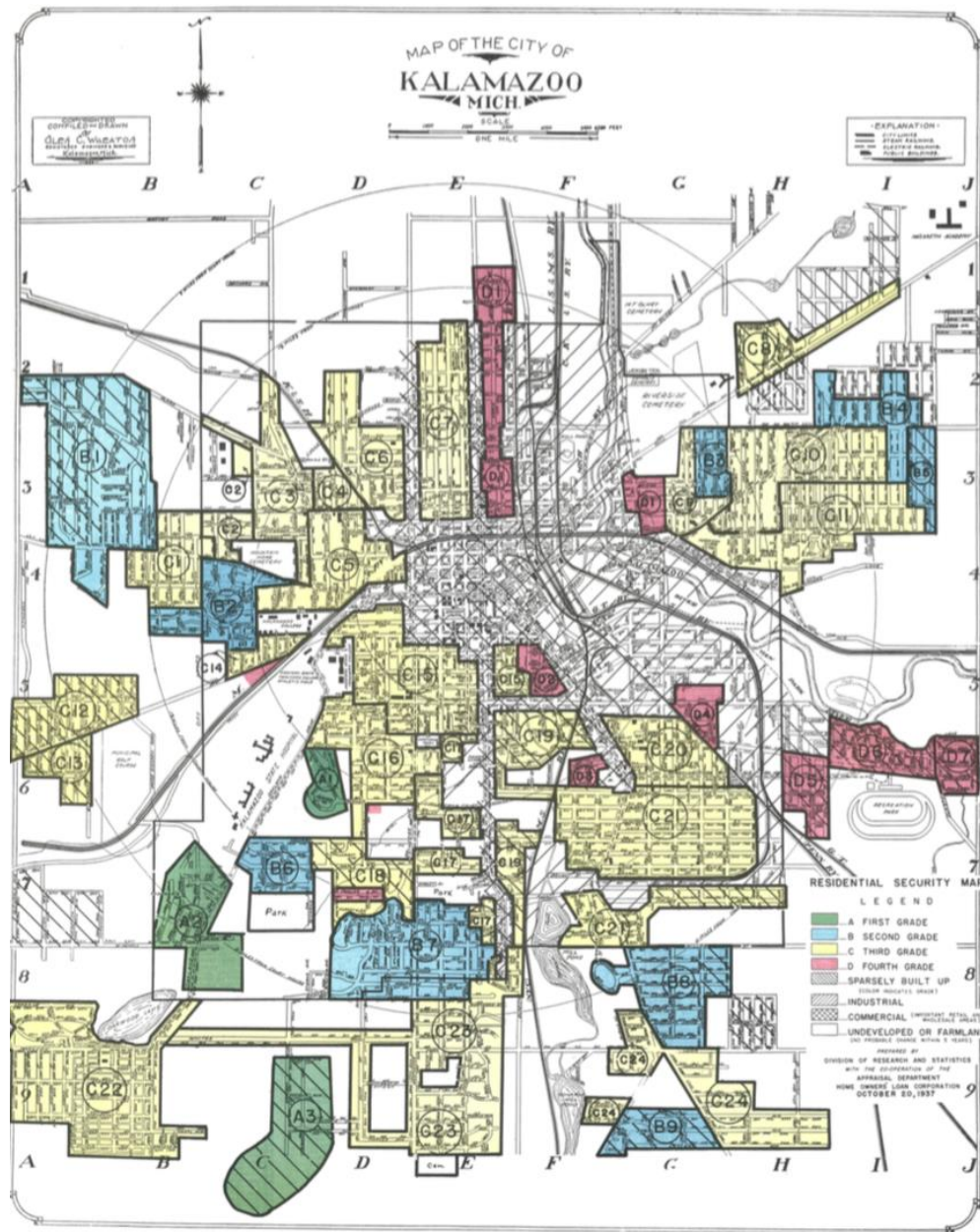


Figure 2. Redlining Map of Kalamazoo circa 1937

Source: Wilkinson, M. (2017, August 8). MAP: Segregation in Kalamazoo, then and now. Retrieved from <https://www.bridgemi.com/michigan-government/kalamazoo-then-and-now>

Lenders denied loans and other financial services from being used on properties in red areas. This was done on the basis that areas in red were too “risky” for their loans to be insured, hence, loans were not given out in these areas. This is the process that came to be known as

“Redlining”, as properties within the areas lined in red were unlikely to receive investment, or realistically, private bank home loans, regardless of borrower’s individual creditworthiness or history (1968–Present: Housing Discrimination). One particularly striking example of redlining occurred in Detroit, where the FHA refused to approve and help finance a development next to Eight Mile Road because of its proximity to a “Hazardous” Black neighborhood. In order for the FHA to approve of the construction, the developer first had to build a six-foot-tall wall to physically separate the two communities and receive funding. The FHA refused to insure loans in this development without a physical barrier between the white and Black neighborhoods (Baker & Schwartz, 2017). Redlining allowed white borrowers moving out to the suburbs with access to affordable long-term loans, but left Black Americans without the ability to own their homes with the same level of ease and affordability thus irreparably damaging their access to credit (via subsequent loans where homes could be used as collateral) for generations.

The FHA’s unsubstantiated belief that Black residents moving into white neighborhoods would decrease property values became the basis for a myriad of discriminatory practices (Gross, 2017). Due to preexisting discriminatory practices and institutional racism, the arrival of Black residents would not decrease home values, in fact, they would have the opposite effect, *increasing* home values. In order for Black residents to purchase homes in predominantly white neighborhoods, they were forced to pay far higher, above market, prices than their white counterparts. This would in turn increase property values for the entire neighborhood. This FHA justification for Redlining was solely based on racism, though this was not the only discriminatory policy in the FHA repertoire during this time. The 1936 FHA Underwriting Manual included specific racial provisions detailing why and how homes could be rated based on race of the occupants and neighborhoods ("Federal Housing Administration, Underwriting

Manual 1938"). This manual implored underwriters to consider the presence of "incompatible racial and social groups" when evaluating properties. It also declared that homes would be less stable and desirable if schools in the area had students that were of low socioeconomic status or students that were people of color. This manual also restricted occupancy of homes to people of the races the homes were "intended for" ("Federal Housing Administration, Underwriting Manual"). This manual effectively institutionalized racism, and worked in tandem with HOLC Residential Security maps, to shut Black Americans out from access to loans (1968–Present: Housing Discrimination).

To this day, the areas segregated by redlining remain relatively unchanged in the United states. Nationwide, approximately 86% of communities that were rated "Best" by HOLC Residential Security maps remain predominantly white, while only 14.18% of these "Best" rated neighborhoods are predominantly populated by people of color today (Curren, Liu, Marsh, & Wilkins, 2016). Conversely, 63.84% of neighborhoods that received "Hazardous" ratings from the HOLC are predominantly populated by people of color, while 35.16% of these "Hazardous" neighborhoods are predominantly white today, possibly due to gentrification efforts that often focus on the most affordable areas for renovation. Even now, 80 years after these Residential Security maps were created, their impact is visible. Compare the modern-day map of Detroit's non-white population in Figure 3 and you'll see that the same communities that were rated "Hazardous" 80 years ago are home to the city's non-white population today. Redlining was made illegal in 1968 by the Fair Housing Act, which prohibited housing discrimination on the basis of race, sex, national origin, disability, and familial status (1968–Present: Housing Discrimination).

Discrimination post 1968: Redlining left an indelible mark on American communities, but housing discrimination did not stop with the banning of Redlining. In fact, housing discrimination simply switched from overt to covert, and lenders, housing agencies, and realtors simply found new and different ways to both keep Black Americans from buying/renting homes and ensure that communities remained segregated (1968–Present: Housing Discrimination).

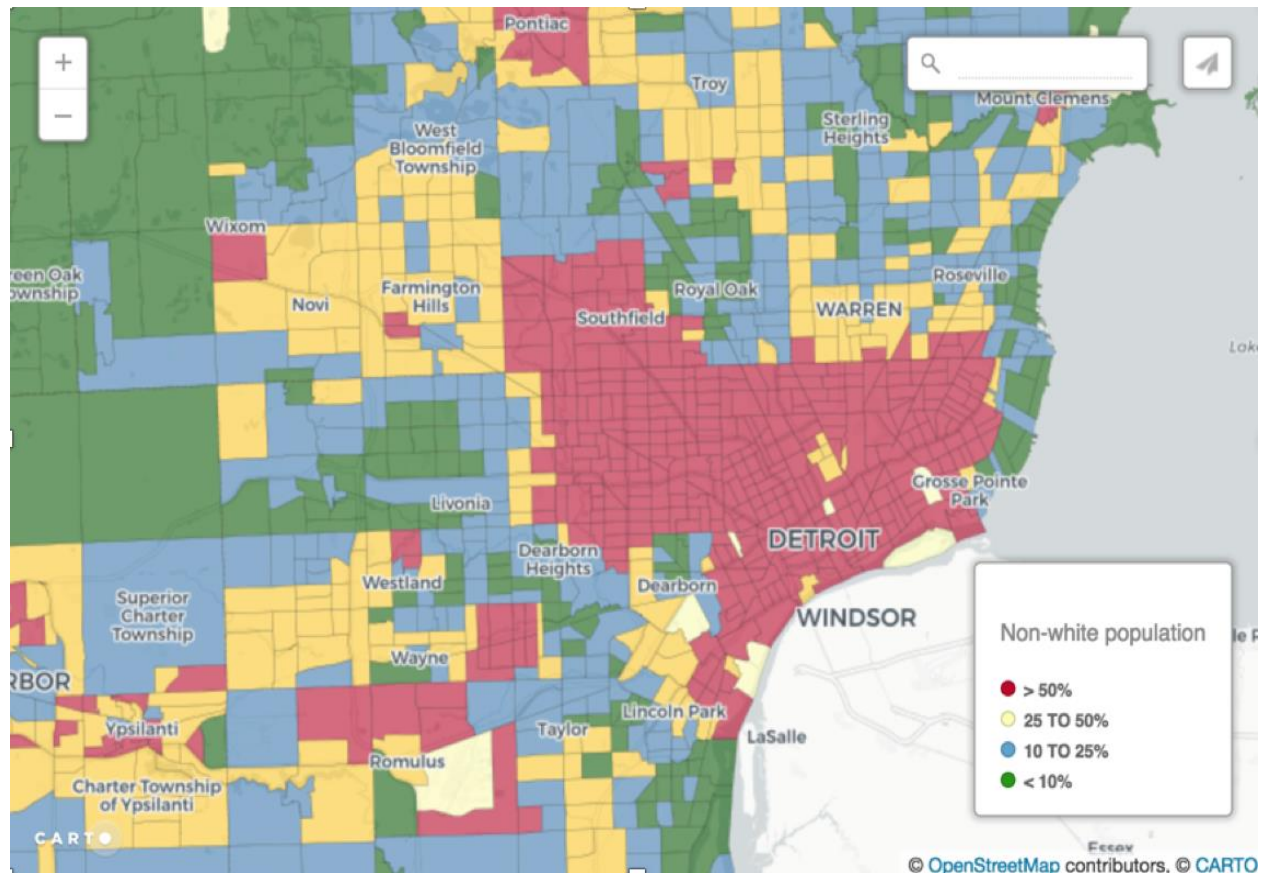


Figure 3. Non-white population of Metro Detroit

Source: Wilkinson, M. (2017, August 8). MAP: Segregation in Detroit, then and now. Retrieved from <https://www.bridgemi.com/michigan-government/detroit-then-and-now>

Housing discrimination post-1968 took the form of predatory lending (such as subprime loans), “steering” to certain communities or housing types, and more restrictions on lending. In a study completed by the Fair Housing Center of Greater Boston, approximately 50% of Black and Latino borrowers experienced some form of discrimination during their search for housing

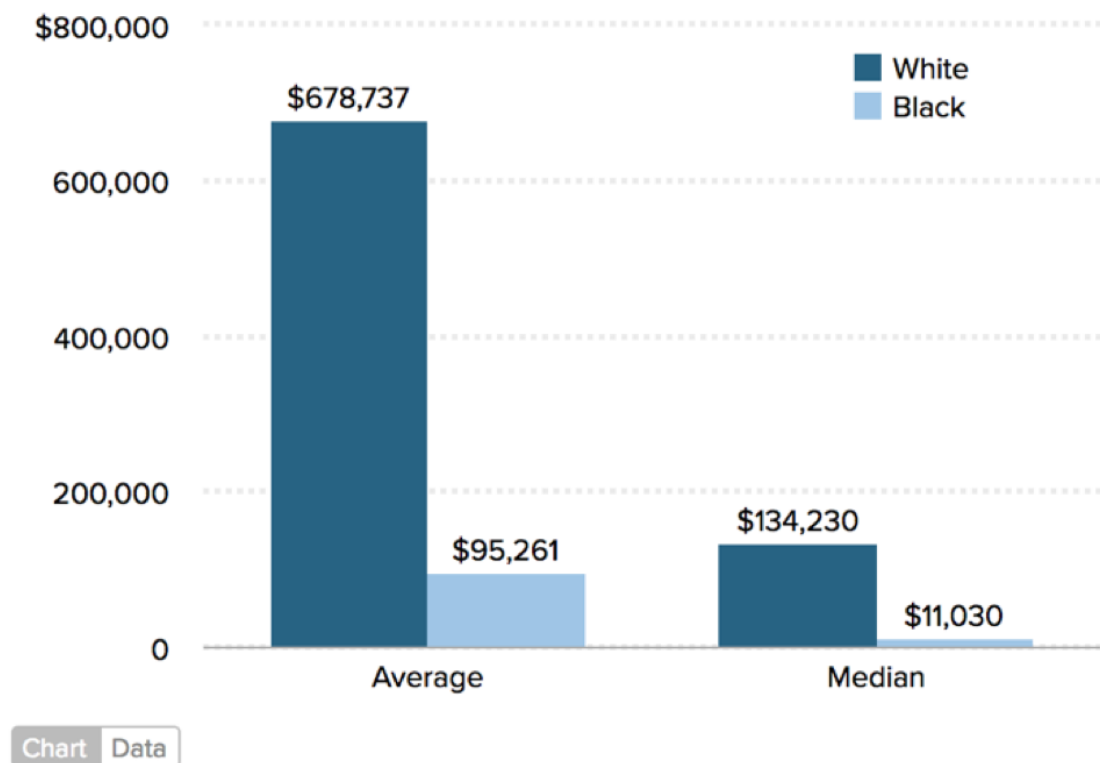
discounts (1968–Present: Housing Discrimination). The overarching theme in modern housing discrimination is that people of color often have many more barriers to home ownership, while their white counterparts are provided with assistance and aided with the presumption that they will be better, less risky, borrowers. People of color face more scrutiny about their qualifications, must provide 24-48 hours' notice to view homes, are shown fewer homes and listings, and are often steered to certain communities that are already predominantly minority populated. If Black and Latino applicants manage to receive home loans, there is a greater chance that these loans will be predatory in nature, with higher loan rates and fewer discounts (1968–Present: Housing Discrimination).

A study of 61 metropolitan areas by the Federal Reserve and Department of Justice published in 2018 found that when socioeconomic aspects such as income, loan amount relative to income, neighborhood socioeconomic status, and loan amount were controlled for, people of color were 2.7 times more likely to be denied conventional mortgages than their white counterparts. (Glantz & Martinez, 2018). When people of color receive mortgages, they are often predatory. From the 1990s onward, Black Americans were awarded far more loans than ever before. On the surface, this statistic seems like a ray of hope that somehow, someday, America was moving past the discriminatory practices that had plagued housing for almost a century. Unfortunately, this proved not to be the case. Of the loans given to Black borrowers in the 1990s, half or more were subprime (Dymski, Hernandez, & Mohanty, 2013). This meant that the loans consisted of high interest rates, harsher penalties, shorter payment periods (and thus, higher premiums), and higher down payments (Dymski et al., 2013).

In his paper, *Racial Discrimination in Housing: A Moving Target*, Douglas Massey asserts that as soon as old forms of discrimination are defeated, new forms arise to take their

place. In this paper, Massey cites a 2000 study in which there was evidence of racial steering, not just to minority communities but also to problematic forms of housing, such as manufactured housing (think mobile homes). He also asserts that without prolonged, and concentrated efforts, it would be impossible to truly move past discriminatory housing policy.

Median and average wealth, by race



Source: Survey of Consumer Finance Combined Extract Data, 2013.

Economic Policy Institute

Figure 4. Median and Average Wealth of Black and White Americans circa 2013

Source: Jones, J. (2017, February 13). The racial wealth gap: How African-Americans have been shortchanged out of the materials to build wealth. Retrieved from <https://www.epi.org/blog/the-racial-wealth-gap-how-african-americans-have-been-shortchanged-out-of-the-materials-to-build-wealth/>

Along with new forms of housing discrimination, the economic aspect of home ownership must be considered. Home ownership is the primary way that Americans build wealth, and decades

of exclusionary policies have taken a toll on the wealth-building potential of Black Americans. Recent data from the U.S. Census shows a stark gap between the median household wealth of minority families and white families. The median household wealth for white Americans in 2013 is \$132,000, whereas Latino families average only \$12,000 and Black families have even less at \$9,000 (Glantz & Martinez, 2018). During peak Redlining years, white families were receiving low interest, long-term home loans, supported by the FHA. While white homeowners were able to earn equity appreciation from the 1940s to at least the 1960s, while Black Americans were not privy to this kind of wealth accumulation, and have been unable to catch up to white wealth to this day (Gross, 2017). Home ownership, thus, is vital to household financial wellbeing in America. Housing equity provides about 2/3 of all wealth to Americans, and acts as a buffer of security in leaner times, such as periods of unemployment or the beginning of new business ventures (Jones, 2017). Due to equity appreciation that white Americans have had access to greater and more affordable lines of credit from the 1940s to the present. In short, due to redlining, they have been able to accumulate far more wealth than their Black counterparts. Figure 3 provides both average and median household wealth by race. In both categories, white wealth far exceeds Black wealth. In presenting the graph, Janelle Jones, asserts that discriminatory housing policies have exacerbated and reinforced the racial wealth gap for decades. (Jones, 2017). In his 2017 book, *The Color of Law*, Richard Rothstein argues that the racial wealth gap resulting from decades-long institutional racism would be impossible to fix without some form of concerted action and effort. Herein lies the argument for Equitable Development.

Equitable Development and Gentrification: Equitable Development is the form of development in which the needs of underserved groups are considered and prioritized through policy and planning initiatives (Curren et al., 2016). These initiatives aim to reduce inequality between groups and create healthy communities with sustainable growth. The focus on underserved populations is what sets Equitable Development apart from other forms of development, as its priority is to have development that not only prevents, but reduces inequality. A recent report published by the Government Alliance on Race and Equity (GARE) outlines a framework for Equitable Development that can be tailored to certain communities depending on their needs. This framework calls for developers to take steps to increase accessibility, advance economic opportunity, prevent future displacement, preserve and expand affordable housing, understand and respond to local context, promote meaningful community engagement, and strive for environmental justice (Curren et al., 2016). Together these aspects could potentially work to address the ever-increasing inequality in the United States. Equitable Development aims to increase the capacity of people of color to strengthen their communities. In doing so, it is in contrast to Gentrification, a form of development that does not prioritize the needs of underserved communities and in fact often works against the needs and concerns of these

communities.

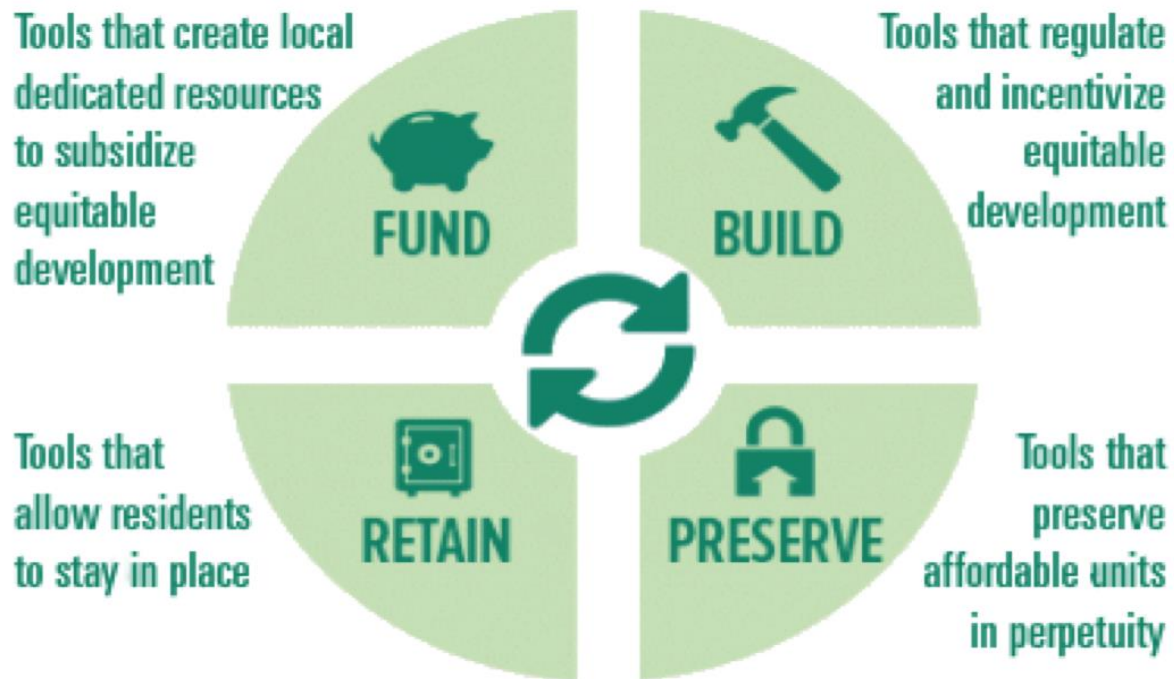


Figure 5. A Visual Model of Equitable Development as it Relates to Housing.

Source: Habitat for Humanity. (n.d.). A road map to more affordable housing. Retrieved from <https://www.habitat.org/stories/road-map-more-affordable-housing>

Gentrification is defined as the process of development in which areas of low real estate value are transformed into high value areas, oftentimes at the expense of existing residents (Rothstein, 2017). Gentrification is a contested subject because though it to some degree forces out existing populations, it can also lead to improved physical/economic infrastructure, new development, and higher tax revenues for cash-strapped cities. The downside to this is that these new developments often push out cherished institutions and historic populations and though new resources may be available in certain areas, they are often out of the price range of the existing community (Curren et al., 2016). An NCRC analysis of HOLC-mapped cities assessed the effects

(through correlational mapping) of Gentrification from 1990-2010, and found that Detroit was the least gentrified city during this period (Mitchell & Franco, 2018).

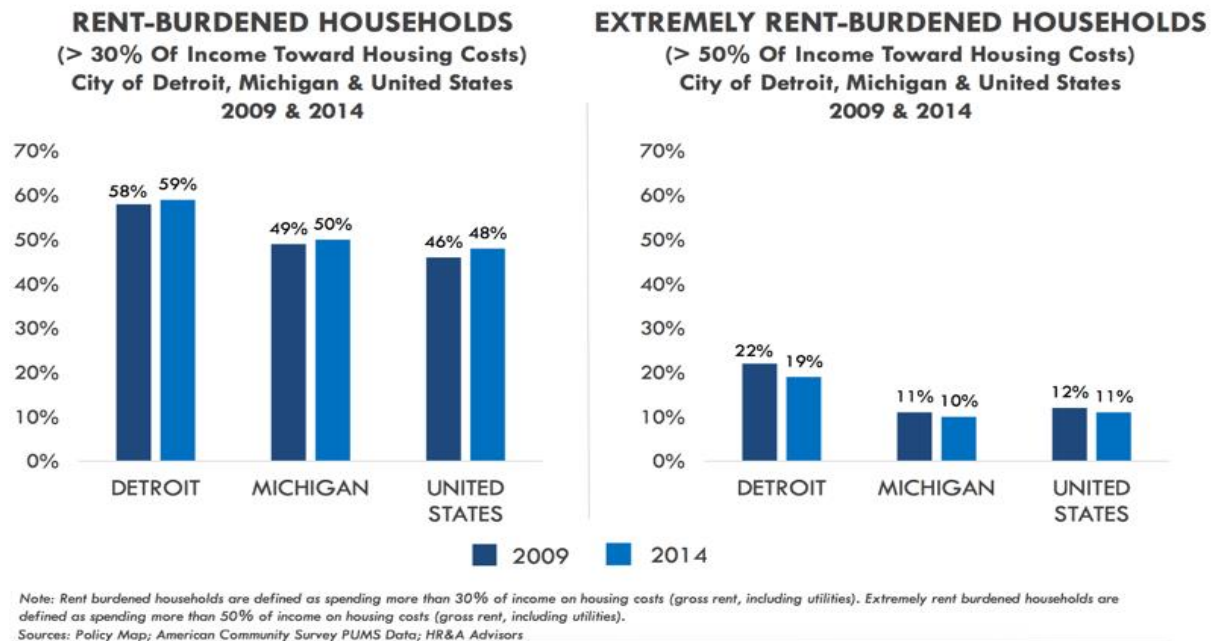


Figure 6. Rent-burdened and Extremely Rent-burdened households in Detroit, Michigan, and the U.S. as of 2015.

Source: Detroit Inclusionary Housing Plan and Market Study. (2016, November). Retrieved from [https://detroitmi.gov/Portals/0/docs/HousingAndRev/HRandA Detroit Inclusionary Housing Study.pdf](https://detroitmi.gov/Portals/0/docs/HousingAndRev/HRandA%20Detroit%20Inclusionary%20Housing%20Study.pdf)

In a PBS Newshour interview in August 2017, Reverend Faith Fowler, director of Cass Community Social Services stated that she was “not so concerned yet” with Gentrification as the last construction project to happen in the neighborhood was a garage built in 1974 (“Detroit’s tiny houses”). Additionally, within a mile radius of the Tiny Homes Community, there are over 300 vacant lots (Runyan, 2016). The community is starved for new development and economic growth, something it hasn’t seen since before White Flight in the 1970s.

This lack of investment in the community is precisely what prompted Cass Community Social Services to create Tiny Homes Detroit, an Equitable Development initiative designed to

offer the community's poorest residents affordable housing, financial stability, and upward socioeconomic mobility. It's no secret that the city of Detroit has had its share of financial struggles, even filing for bankruptcy in 2013. More devastating than its financial situation is the rampant inequality that grips the city. In Detroit, a city with 713,777 people, 37.9% of Detroiters live in poverty, with a median household income of \$27,838. (U.S. Census, 2018). As far as housing is concerned, only 45% of properties are owner occupied, and 60% of the city is rent-burdened, meaning more than 30% of the average resident's monthly income goes to housing costs (Detroit Inclusionary Housing Plan, 2016). Though many Detroiters struggle with high rents relative to low wages, Detroit's poorest citizens face the worst burden, with 22% of Detroiters spending 50% or more of their monthly income on rent (Detroit Inclusionary Housing Plan, 2016). It is precisely this at-risk population that Tiny Homes Detroit aims to help.

Tiny Homes Detroit: Tiny Homes Detroit is a development of 25 homes, ranging from 250-400 sq. feet in size, located on Detroit's Northwest side (Figure 7). Cass Community Social Services purchased an abandoned and vacant plot of land from the city for \$15,000 and has since started development on the project. Residents pay approximately \$1.00 per square foot of home area in rent every month, plus a heating bill, but after 7 years they will be given the option to

own the home (Runyan, 2016).



Figure 7. The land purchased by CCCSS, subdivided into tiny home plots.

Source: Aguilera, S. (2019, March 18). 'Tiny Homes' leaves a huge impact. Retrieved from <https://www.metrotimes.com/news-hits/archives/2016/05/25/tiny-homes-leaves-a-huge-impact>

The residents of these tiny homes are chosen from a large pool of applicants, all of whom must qualify as low-income, but still have some source of income. Current residents have a variety of experience, some have experienced homelessness, some are college students who have aged out of foster care, some are retirees, and one resident has been previously incarcerated. Resident selection is done using a numerical scoring system, factors considered include residential history, financial readiness, and personal references (Woolhouse, 2018). Not considered were applicants with recent convictions for violent offenses or drug dealing, and applicants with any history of sexual offenses were rejected (Fowler, 2018).



Figure 8. An example of tiny homes in the Tiny Homes Detroit development, note the landscaping, different architectural styles, and general aesthetic value of each home.

Source: Feighan, M. (2017, May 26). Public gets first, only peek at Detroit tiny homes. Retrieved from <https://www.detroitnews.com/story/news/local/detroit-city/2017/05/25/tiny-homes-tour/102157990/>

Each home has all the amenities of a typical sized home, in a more compact space. They all come furnished and with state of the art appliances, and all homes are located on their own 30x100ft. lots. This was done intentionally in the hope that the residents would be able to live out the American Dream, with enough space to even own a pet. (Fowler, 2017). The Tiny Homes Development aims not only to offer a helping hand regarding economic opportunity, but also to give residents a sense of pride and normalcy. Every tiny home has a different architectural design and style, something uncommon in contemporary affordable housing developments. This aspect

of the Tiny Homes Detroit development was also intentional, in a 2017 interview for PBS Newshour, CCSS director Faith Fowler expressed her personal vision for the Tiny Homes development, wherein they provide economic opportunity and the pride of the American Dream to the residents. She expressed disdain with the current situation of affordable housing in America, stating "...so often when you're considering affordable housing, it's ugly," ("Detroit's tiny houses"). The emphasis on the aesthetic value of these homes along with increasing home equity is distinctive, and truly qualifies this development as "equitable". The homes are physical manifestations of pride and opportunity created with underserved populations involved in the process. These are homes, places where people can gather and live, not simply methods of capital accumulation, although it is important to note that these houses do fulfill this role as well. Tiny Homes Detroit (henceforth referred to as "THD") embodies the concept of Equitable Development both in mission and in practice. This development adheres to the principles presented by GARE, including steps to increase accessibility, advance economic opportunity, prevent future displacement, preserve and expand affordable housing, understand and respond to local context, promote meaningful community engagement, and strive for environmental justice. This paper aims to outline the ways in which the Tiny Homes Detroit project adheres to these principles, starting with advancing economic opportunity. As stated previously, home ownership is the primary way Americans build wealth, and housing equity represents two-thirds of American wealth (Jones, 2017). For the potential residents of Tiny Homes Detroit, home ownership would not otherwise be an option, as THD is designed specifically for those experiencing extreme poverty with no other viable housing options. Residents making as little as \$8,500 a year can apply for ownership of these homes, and after seven years of timely payments, monthly financial literacy classes, and volunteer work with THD, they can own the homes.

Reverend Faith Fowler, director of CCSS, refers to the development as a “ladder” that the nonprofit provides to the residents, stating that all CCSS provides is the ladder, and that the residents must do the “climbing” for themselves. In this metaphor, the tiny homes serve as the “ladder”, on which the residents may climb their way out of extreme poverty. The “climbing” in this metaphor includes paying the \$1 per square foot rent, volunteering 8 hours a month with the neighborhood watch, and attending classes that can also be seen as part of the “ladder” as they provide residents with the knowledge and tools needed to be financially successful and stable even beyond the seven years of renting. THD is among the few need-based tiny home developments in the nation, but is unique in its own right as the only “rent to own” tiny homes development in the country. This rent to own model also contributes to the goal of advancing economic opportunity because after 7 years of support, the residents have the option to own the homes, providing them with property that will only increase in value in the years to come. These homes, when owned, can serve as the loan collateral that residents can depend on during leaner financial times. (Rothstein, 2017)

Tiny Homes Detroit addresses the principle of preventing further displacement by requiring residents to attend financial literacy classes during the rental stage under the rent to own model. These classes educate the residents about important topics such as home maintenance, budgeting, credit, investments, retirement, and general financial awareness. After seven years of these classes, the residents can feel confident that even if they choose to leave the community, they have the knowledge necessary to be financially stable throughout their lives. (Fowler, 2017) The project aims to preserve and expand affordable options by creating an affordable community unlike any other contemporary affordable housing development. As the photographs presented earlier indicate, this community is aesthetically appealing and integrated

into the surrounding landscape. One of the things THD hoped to do differently than other tiny home developments was to combine the development with its immediate context.



Figure 9. Tiny Homes Detroit within its geographic context.

Source: Feighan, M. (2016, September 9). Detroit tiny house project is 'game changer'. Retrieved from <https://www.detroitnews.com/story/news/local/detroit-city/2016/09/08/detroit-tiny-homes-project/90005674/>

Tiny Homes Detroit is located in the city of Detroit, not on the outskirts with other urban sprawl (Woolhouse, 2018). Additionally, THD is incorporated into its surrounding community, rather than being an exclusive village. The aim of this development was to experiment with a new, micro-scale method of providing affordable housing to underserved communities. If the

development excluded the surrounding community and ignored the context within which it exists, it wouldn't be equitable development, as place and space are inextricably linked with equitable development.

In Figure 9, note the large tan building adjacent to the Tiny Homes Detroit symbol and Woodrow Wilson St., these are the Arthur Antisdel Apartments, also operated by Cass Community Social Services to assist people transitioning out of homelessness. Across from the apartments in the green building is Cass Green Industries, where employees work recycling car tires into useful objects such as rubber mats and flip flops. The Arthur Antisdel Apartments are examples of Smart Growth strategies made possible by CCSS as the nonprofit utilized an existing structure to provide transitional housing for formerly homeless persons (Fowler, 2017). Skeptics of Tiny Homes Detroit have asked “why not redevelop existing structures rather than developing new?”, but this question demonstrates a lack of knowledge of Cass Community Social Services’ preexisting work in the community, as the agency has already redeveloped structures for new purposes on nearby properties. THD is simply a new “experimental” type of development in which no preexisting structures would be appropriate.

Tiny Homes Detroit also promotes meaningful community involvement by utilizing donations and volunteer hours from the community and local businesses. Notably, Ford Motor Company has donated over 400,000 dollars to the development, along with countless volunteer hours from their workers (Fowler, 2017). Additionally, residents of the tiny homes themselves are required to volunteer with a neighborhood watch, promoting a sense of community and facilitating residential interaction and community building. As far as environmental justice is concerned, the tiny homes are all hooked up to a local solar power grid, and all tiny homes, due to their small size, have smaller carbon footprints than traditional sized homes (Carlin, 2014).

Tiny Homes Kalamazoo: The same factors that make Detroit an ideal candidate for the development of a Tiny Home Community are also present in Kalamazoo, Michigan. Both Kalamazoo and Detroit are cities with a very high poverty rate, a large rent-burdened population, a large population experiencing homelessness, aged housing stock, and a history of redlining and other discriminatory housing practices. These are all factors which indicate that there is an unmet need in the community for affordable housing. According to the City of Kalamazoo Assessment of Fair Housing of 2014, there are more families in need of affordable housing than there are units available the city. This indicates the need for new-construction housing as well as increased stock and availability of affordable housing. In Kalamazoo, a large number of residents are what is referred to as “rent-burdened”, spending 30% or more of their monthly income on rent. Of the 11,930 households experiencing financial challenges, 8,820 are renters.

In Kalamazoo, there are only 37 units available for every 100 Extremely Low Income(ELI) renters. This is significantly lower than the national average of 46 units per 100 ELI renters. The disparity in available affordable housing is further evidenced by the months-long waiting list for said housing in Kalamazoo ("Not Enough Support", 2019). Additionally, the hourly wage necessary to afford average rent in Kalamazoo (\$897 a month) without being “rent-burdened” (spending 30% or more of income on housing) is \$17.25 an hour, or 35,874 annually. The average hourly wage of renter in Kalamazoo in 2019 was an estimated \$14.94, and the minimum wage was only \$9.45 an hour. Clearly, there is not only a gap between number of units needed and units available, but also in affordability of said housing units. Given the shortage of affordable housing in Kalamazoo, tiny homes serve as a viable solution. Tiny Homes cost less to build and maintain than standard single family homes or comparable affordable housing projects. Adding a tiny home development to Kalamazoo would increase the overall housing stock and

help remedy the affordable housing crisis facing the city. One group, HOPE Thru Navigation, has taken note of these conditions, and fundraising efforts are underway for Kalamazoo's first tiny home community. This development, called Tiny Houses for H.O.P.E. and inspired by Tiny Homes Detroit, hopes to offer permanent supportive housing for particularly vulnerable residents. This may include minimum wage workers, those with old evictions, people experiencing chronic homelessness, and those with criminal records. For these populations, the search for housing is exacerbated by circumstances both in and out of their control.

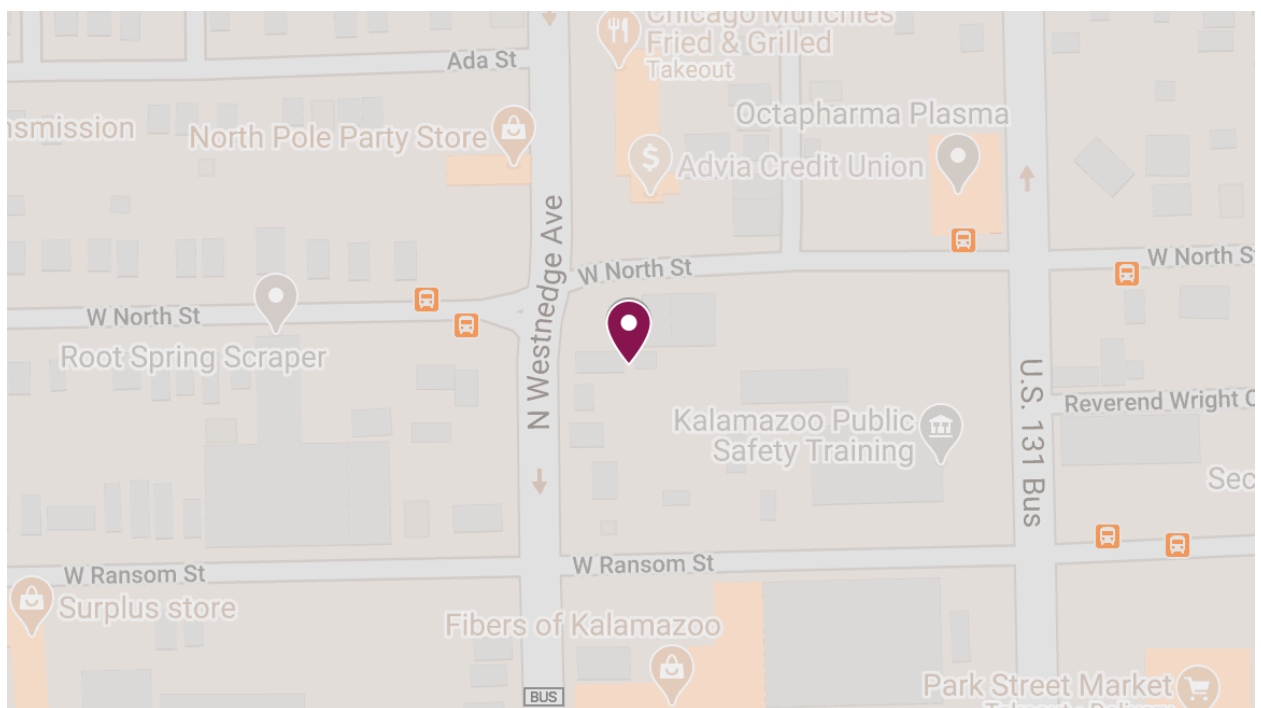


Figure 10. The site for the Tiny Houses for H.O.P.E. Development, indicated by the maroon pin

Source: [https://www.google.com/maps/@42.2974297,-](https://www.google.com/maps/@42.2974297,-85.5894766,17z/data=!4m2!6m1!1s1tcWuF6ZSA907_eLh2N-TQoXMA9TXChN1)

[85.5894766,17z/data=!4m2!6m1!1s1tcWuF6ZSA907_eLh2N-TQoXMA9TXChN1](https://www.google.com/maps/@42.2974297,-85.5894766,17z/data=!4m2!6m1!1s1tcWuF6ZSA907_eLh2N-TQoXMA9TXChN1)

It is also evident that housing issues disproportionately impact people of color. The effects of historic discriminatory housing policy, such as redlining, cannot be understated. In

Kalamazoo, three census tracts meet the official Housing and Urban Development (HUD) definition of racially or ethnically concentrated areas of poverty. The HUD defines an area as a racially or ethnically concentrated area of poverty if there is a non-white population of 50 percent or more and a poverty rate that exceeds 40 percent. These tracts, located in the Northside and Eastside neighborhoods, are the same areas that were redlined back in 1937. The Eastside neighborhood has a poverty rate of 47.5%, and 76.3% of residents are of minority status. In the Northside neighborhood, the poverty rate is 45.4% and 92% of residents are of minority status (City of Kalamazoo, 2014). It is precisely in these areas that affordable housing is to be built if the intention is to counteract the persistent structural inequality brought on by Redlining and other factors. HOPE Thru Navigation recognizes that these neighborhoods house Kalamazoo's most vulnerable residents, and as such, construction is planned for the development on the Southeast corner of North St. and Westnedge, within the Northside neighborhood. The community will consist of six 400 sq. ft. tiny homes centered around a communal gathering

space.



Figure 11. Conceptual Site Plan for Tiny Houses of H.O.P.E.

Source: Hilgart, J. (2019, January). Northside Tiny Houses of Hope plan unveiled. Retrieved from <https://kalamazoonewsmonitor.com/community/260-northside-tiny-houses-of-hope-plan-unveiled>

Rent for these homes will be \$400 a month, or \$1 per square foot. At this price, housing is affordable to those making \$14,500 annually, and all residents will be required to be employed in order to cover these expenses. Following the model established by Tiny Homes Detroit, three of the six homes will be rent-to-own, in which the monthly rent collected from residents will be used toward permanent ownership of the home. There is support for a project like this from other community leaders, such as Julie Rogers, chairperson of the Kalamazoo County Commission, who stated Supportive housing models are “ultimately a little bit of money in the short term that

saves oodles and oodles,” According to the U.S. Interagency Council on Homelessness (USICH), supportive housing not only resolves homelessness and increases housing stability, but also improves health and lowers public costs by reducing the use of publicly-funded crisis services, including shelters, hospitals, psychiatric centers, jails, and prison. ("Not Enough Support", 2019)

In conclusion, Tiny Homes Communities are a method of Equitable Development which prioritize the needs of residents, at-risk citizens who would otherwise not have opportunity to own homes and develop financial skills and assets necessary to survive. This paper argues that Tiny Homes Detroit is an example of Equitable Development which meets the immediate needs of existing residents rather than development projects based on gentrification which often relocate residents and add to equity issues. The projects can work due to both the status of the community and the ways in which Tiny Home communities contribute to their surroundings. This paper also asserts that the Tiny Houses of H.O.P.E development, modeled after THD, would benefit the city of Kalamazoo, as historical and contemporary housing challenges are quite similar in Detroit and Kalamazoo despite differences in size and population. Affordable or subsidized housing in the United States is often unattractive and always in short supply. Tiny Homes Communities aim to, on a micro scale, set an example of what affordable housing can be. Supporters of these projects do not suggest they are the singular cure for the affordable housing crisis facing virtually every urban area in the country, but these projects demonstrably help real people in real communities. Tiny Homes, and Tiny Homes communities, do not come without their own unique challenges. Zoning issues and lot size requirements vary by municipality, and many states still have highly restrictive minimum square footage rules. Community organizers and Tiny House residents alike are pushing for changes to these regulations, which would decrease barriers to Tiny Home community success (Lundahl, 2014). For future research, a longitudinal study of the residents of Tiny Homes Detroit (and the future residents of Tiny Houses of H.O.P.E.) and their housing status could help researchers to gain insight about what makes a Tiny Homes project effective and successful. This research will determine if the hypothesis that Tiny Homes can be used as a method to increase Equitable Housing is true, as

one of the pillars of Equitable Development is that it is permanent and sustainable. In-person interviews with residents of Tiny Home communities are another possible research method that would aid researchers in understanding both the successes and the deficiencies of Tiny Homes projects like that in Detroit and Kalamazoo. This qualitative approach would provide firsthand testimonials, which could then be used to improve the communities so that they continually meet the changing needs of residents and the community as a whole. Tiny Home communities can be developed based on the needs of the community, which makes them an excellent tool for equitable development. The homes provide not only a means to develop equity and credit, but also pride, to the residents. These uniquely beautiful tiny homes represent the American Dream, the ability to own your own home.

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