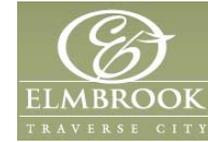


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The development that almost wasn't continues to rake in accolades

By Gayle Neu

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Start-Up of the Month

- Start-up of the Month: Divine Designs

TRAVERSE CITY – Cedar Valley Ridge, a nature-hugged residential community in Grand Traverse County's Long Lake Township, continues to nab attention and admiration as one of the most



A home within the Cedar Valley Ridge development.

underdeveloped developments in the area.

Owner Dan Paulson could have carved 56 lots out of the pristine 177 acres, but there will never be more than 35. The lots are sited on just over 25 percent of the land; the rest is permanently protected as a private nature preserve and owned in common by the residents.

"I don't know of any other developments like Cedar Valley Ridge in the entire country," says Stephen Adcock, chairman of the Traverse City-based Michigan Green Consortium board. "Most developers would try to design as many home sites as they could into a given track of land. Dan has taken an entirely different approach."

In fact, it's the first development in Michigan – and only the third in the United States – to earn a "Four Stars Green Subdivision" certification from the National Association of Home Builders Research Center.

For a project to be certified, the developer must get several things right, including: education of the development team; protection of wildlife and plant life during construction and for the life of the development; use of natural materials and indigenous species, and implementation of innovative practices in design, construction, and zoning.

"We worked to build a sense of community, where the love of land and nature and sustainability is embodied," says Paulson, who was building earth shelter homes in the '80s before it was in vogue. "Otherwise, as soon as I leave, everything will end up being a subdivision."

Land before time

While Paulson has lived in Traverse City for 40 years, he's worked out of town for most of that time. In the '90s, when he left as dean of the now-defunct Jordan College Institute in Grand Rapids, he decided to look around for space in the Traverse City area to possibly develop as a retreat facility. He found it in Long Lake Township, between East Traverse Highway (M-72) and Cedar Run Road.

"I heard about this piece of property and that the owner was interested in selling some of it. I walked on the property and just absolutely fell in love. I could hardly contain myself! I knocked on his door and said, 'I would like to

buy your property.”

Paulson plunked down \$5,000 as his “commitment,” then left town for work. The deal and friendship solidified over three years, Paulson says, and when the owner was ready to sell, he bought all of the land and rented the home back to the couple. After the owner died and his wife moved into Traverse City, Paulson went full bore, building trails and holding seminars on personal growth and yoga classes. But he soon came to realize his “Fantasy Island” idea wasn’t going to work long term.

“To try to have a functional personal growth retreat was not a sustainable proposition. You need to draw from all over the United States.”

Wanting to protect it from development, but knowing he “wasn’t rich enough to be a public benefactor,” he made an offer to transfer the development rights to a local land conservancy for a fraction of their value. However, state budget cuts forced the cancellation of the arrangement. He either needed to sell the land or develop it. He turned to Long Lake Township for help.

“I told them I wanted to make a development and set most of it aside as a protected nature preserve with a cluster of houses. They said, ‘We don’t have an ordinance for that; tell us what you want us to do.’ And what resulted was the first conservation cluster ordinance in Michigan,” Paulson says. “I was shocked.”

Long Lake Township approved the development in 2002 then went on to give Paulson an “Outstanding Development Award” for his dedication to good planning and zoning.

“The developer has always been sensitive to the natural beauty of the parcel and has thoughtfully worked toward retaining the natural features, while allowing for family homes and recreation,” says Township Zoning Administrator Shirley Mesch.

But does sustainability sell?

While the market for vacant land in Grand Traverse County was in a free-fall from 2004 to 2008, lot sales in Cedar Valley Ridge remained fairly consistent, Paulson says. In fact, in 2008, sales in the development represented eight percent of vacant lot sales below two acres in Grand Traverse County.

To date, Paulson has sold 16 of the 1.5-acre lots. Prices start at \$79,000, which includes a shared ownership in the 133-acre common area.

“The common area ownership has an appraised value of \$45,000 per lot, so if you were to compare our lot prices with those in traditional subdivisions, the pricing would be more like \$39,000 per lot,” adds Paulson.

To encourage the building of certified green homes, Paulson offers a \$5,000 rebate to homeowners. He also takes pride in maintaining the more than six miles of recreational trails he created on the property.

Despite having invested so much of his own resources, Paulson says the development is doing well financially.

“We have a substantial profit margin,” he says. “We’re not sacrificing profits for the green label.”

Who’s buying it?

Paulson is getting more requests than he has in two years, which he attributes to the development’s unique qualities and accolades – including two People’s Choice awards from the Parade of Homes.

Interest comes from around the globe. While most of the owners are from around the United States, Paulson and his wife, Susan Sherman, are currently in talks with two separate potential buyers from Indonesia who found Cedar Valley Ridge on the Internet.

“Most of the buyers are professionals who are very interested in nature, having a relationship with nature, and in being physically fit,” Paulson says. “Many have said, ‘we’re buying because we know there’s not going to be another development like this.’”

Making a development “sustainable” means making it small enough so that it’s truly a neighborhood, he adds. In order to preserve Cedar Valley Ridge’s character, Paulson set up a homeowner’s association, led completely by property owners, who vote on guidelines for the development.

For instance, landowners can clear up to 25 percent of their lots, but can’t cut down a tree larger than six inches in diameter without board review. Homes need to be a minimum of 1,500 square feet and gardens should fit in aesthetically with the lot.

But no one seems to mind the few restrictions, Paulson says. While only four lots in the development have homes at this time, all of the property owners plan to build within eight years. They keep in touch via an online community Paulson set up.

So, what’s it going to take for more developments like Cedar Valley Ridge to come to fruition?

“Education,” Adcock says. “Most homeowners aren’t aware that green building is viable and readily available, let alone that there is a development like Cedar Valley Ridge. That’s one of the goals of the Michigan Green Consortium: to educate the public on green and sustainable practices. There is truly no down side to being green.” BN