

# Housing and Community Development Community Conversation

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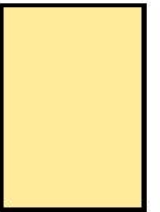
# Master Plan Update

- Required by the Michigan Planning Enabling Act (MPEA) (Act 33 of 2008)
- Prepared by the Planning and Zoning Division
- Reviewed every five years to:
  - Assess if the community's priorities and goals have changed
  - Determine progress towards stated goals
- Guides the **overall development** of Battle Creek
- Defines **land use patterns** across the City



# Five Year Consolidated Plan

- Required by the Department of Housing and Urban Development (HUD)
- Prepared every **five years** by the Community Development Division
- **Establishes priorities** for spending federal Community Development Block Grant (CDBG) and HOME Investment Partnership funds
- Governs how the City **allocates grant funds** to projects and programs
- City develops an Annual Action Plan to budget funds each year



City of Battle Creek  
2020-2024 Consolidated Plan







# Battle Creek Housing Action Plan

March 2024

HR&A



## BATTLE CREEK HOUSING CHALLENGES

Existing market challenges and incoming economic investments requires Battle Creek to implement an actionable plan to address its housing challenges.

### EXISTING HOUSING CHALLENGES

Battle Creek's existing housing supply is aging and requires significant reinvestment, **limiting Battle Creek's ability to capture population and economic growth**. Furthermore, there are limited quality housing options for residents in Battle Creek, ranging from lower- and moderate-income households to higher-income earners.

In recent years, the City of Battle Creek and its partners have pursued housing development and rehabilitation opportunities to increase the quality of its housing stock. However, **limited capacity from local developers and service providers** and **disinvestment from state and federal entities** have hampered Battle Creek's ability to revamp its housing stock and grow its population and economic base.

### FUTURE HOUSING NEEDS

In February 2023, Ford Motor Company announced plans to develop the BlueOval Battery Park Michigan in nearby Marshall. The Plant is currently projected to bring up to 1,700 new jobs to start with additional phases and suppliers adding additional employees to the region.

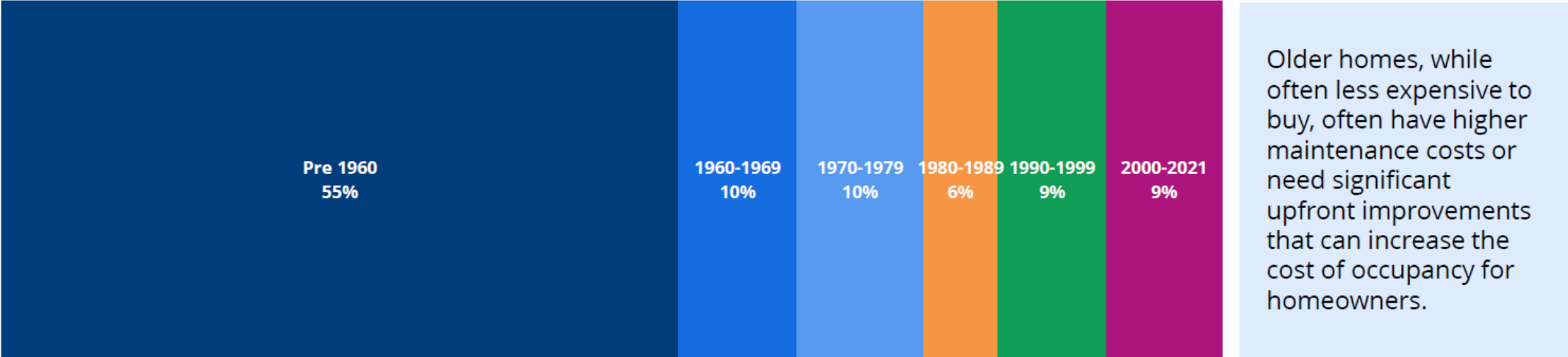
This new growth can help address Battle Creek's housing challenges but **without interventions from the City and its partners, future job growth in Battle Creek, including BlueOval, can exacerbate local and regional housing challenges.**



### UNITS BY BUILDING AGE (2021)

Battle Creek’s housing stock is old. The majority of housing in Battle Creek was built prior to 1960, and only 9% of all occupied housing units were built after 2000.

**Battle Creek Occupied Housing Units by Year Structure Built**



Source: American Communities Survey, 2011-2021 5-year.  
Note: Other includes Mobile Homes.

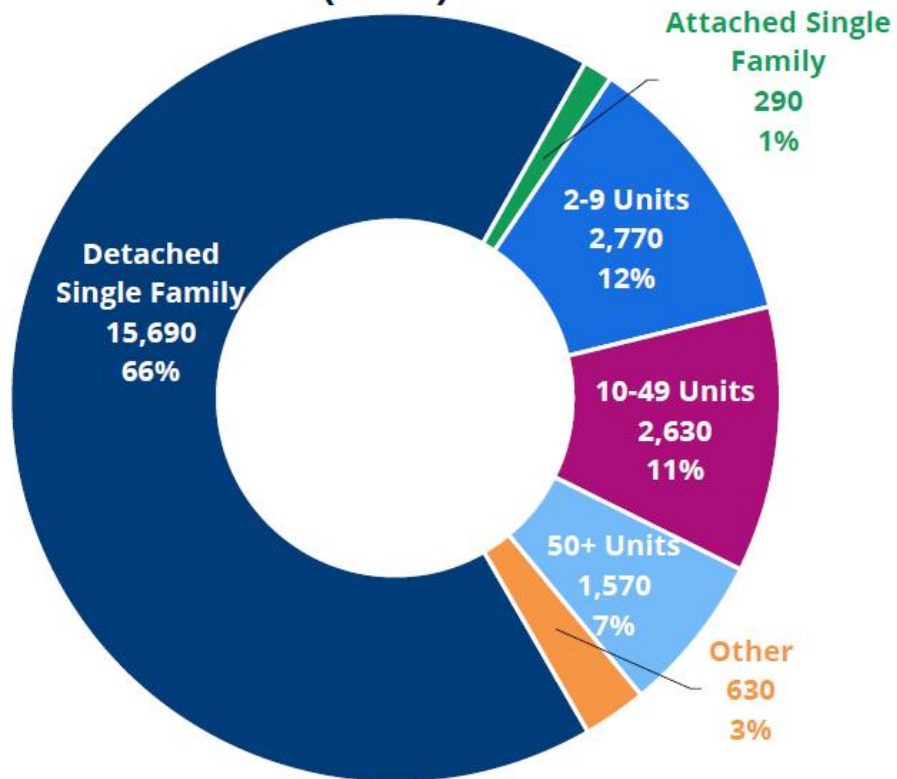




## UNITS BY BUILDING TYPOLOGY (2021)

Over 66% of Battle Creek's housing stock is single-family.

**Battle Creek Units by Building Typology  
(2021)**



Source: American Communities Survey, 2011-2021 5-year. Images are from Zillow.  
Note: Other includes Mobile Homes.

### *Single-family & small attached units, older*



### *Larger buildings, Adaptive reuse*



## EXISTING BATTLE CREEK HOUSING DEMAND

In Battle Creek, there is a pressing demand for more well-maintained and up-to-date middle income for-sale housing and significant demand for housing that is affordable to low-income households.

### FOR-SALE HOUSING DEMAND



## 470 Households

in the market annually to buy homes in Battle Creek at **\$238,000**, the price affordable to the average BlueOval household and the average household that already owns a home. Some of this demand will be met by the natural churn of the market, but some of this will result in the need for new and rehabbed units.

### RENTAL DEMAND



## 1,400 Unit Deficit

For households **making under \$32,000**. These households are the most likely to be rent burdened.

*Source: Lightcast, 2023. Costar, 2023.*

*Note: 7,900 Households make \$63,000 or above in Battle Creek, the estimated median household earnings from BlueOval and the median income for home owners in Battle Creek. There is a 64% ownership rate for households in Battle Creek. There is an 8% annual turnover rate for households owning their homes in Battle Creek. These facts were used to determine that there are 470 households in the market annually looking to move into a for-sale house.*





## TYPES

Given the areas of greatest housing need, the City and its partners should prioritize five housing typologies comprising of new construction and rehab developments.

Single-Family  
Attached/  
Detached



Fourplex



Larger-Site  
Apartment



Infill  
Apartment



Single-Family  
Detached



New Construction

### Support infill development of townhomes, duplexes, triplexes, and mid-density multifamily.

Townhomes, duplexes, triplexes, and other forms of multifamily can create lower-cost alternatives to single-family development to increase both rental and for-sale housing supply. There has been some recent new fourplex development in Kalamazoo and single-family attached homes in Battle Creek, indicating that attached housing is viable in the market.

Rehab

### Upgrade housing through rehabilitation of existing stock

75% of Battle Creek's housing stock was built before 1980. While the housing stock is generally affordable in Battle Creek, many of the houses are older and require major renovation or upkeep, making homeownership expensive.

# GAP FINANCING ANALYSIS | BASELINE SCENARIO

The most prevalent housing development and rehabilitation typologies in Battle Creek require a combination of subsidies and/or incentives in order to be financially viable.

NO INCENTIVES	Single-Family Att./Det.	Fourplex	Larger-Site Apartment	Infill Apartment	Single-Family Detached
	New Construction			Rehab	
	INFEASIBLE	INFEASIBLE	INFEASIBLE	INFEASIBLE	INFEASIBLE
	Market Rate	Market Rate	Market Rate	Market Rate	Market Rate
	\$225,000 - \$250,000 / unit gap	\$200,000 - \$225,000 / unit gap	\$250,000 - \$275,000 / unit gap	\$250,000 - \$275,000 / unit gap	\$250,000 - \$275,000 / unit gap



## PRIORITY PROGRAMS

Affordable housing tools that Battle Creek should prioritize fall into two main categories: land use & regulatory tools and development feasibility tools.

Each type of tool has its limitations; a comprehensive approach to affordable housing must balance these limitations by addressing and including a combination of tools.



### Land Use & Regulatory Tools

Land use and regulatory tools shape where housing is located, what housing looks like, and how much housing is built, but it will not meet the needs of the lowest-income households.

Land use tools can reduce displacement, increase housing supply, stabilize housing costs, and redress racial segregation.



### Development Feasibility Tools

Development feasibility tools close the gap between what a household can afford and the cost to develop and operate housing.

These tools can be costly but is necessary to make the development and preservation of homes affordable to lower-income households feasible.



# Community Development: Making a Difference

Marcie Gillette – Community Services Director  
Helen Guzzo – Community Development Manager  
Vanessa Hernandez – Community Development Specialist  
Sara Espinoza – Intake Specialist  
Christopher Douglas – Rehab. Coordinator  
Todd Nowicki – Lead Inspector  
Michael Earl – Construction Specialist/Minor Home Repair



# Community Development - Sources of Revenue

Program	Per Year
Community Development Block Grant (CDBG)	\$1.2 million
HOME Investment Program (HOME)	\$300,000
CHIP Medicaid Lead Safe Program (CHIP LSP)	\$1.5 million
HUD Lead Hazard Control & Healthy Homes Program (HUD LEAD)	\$1.1 million
HOME-ARP (ARPA special allocation)	\$1 million
Battle Creek Public Schools Housing Incentive	\$750,000



# Consolidated Plan Process

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- Needs Assessment
- Community Survey
- Community Conversations/public meetings
- Consultations with community leaders
- Public hearings at City Commission meetings
- Decide on priorities
- Draft due on April 15, submitted to HUD May 15





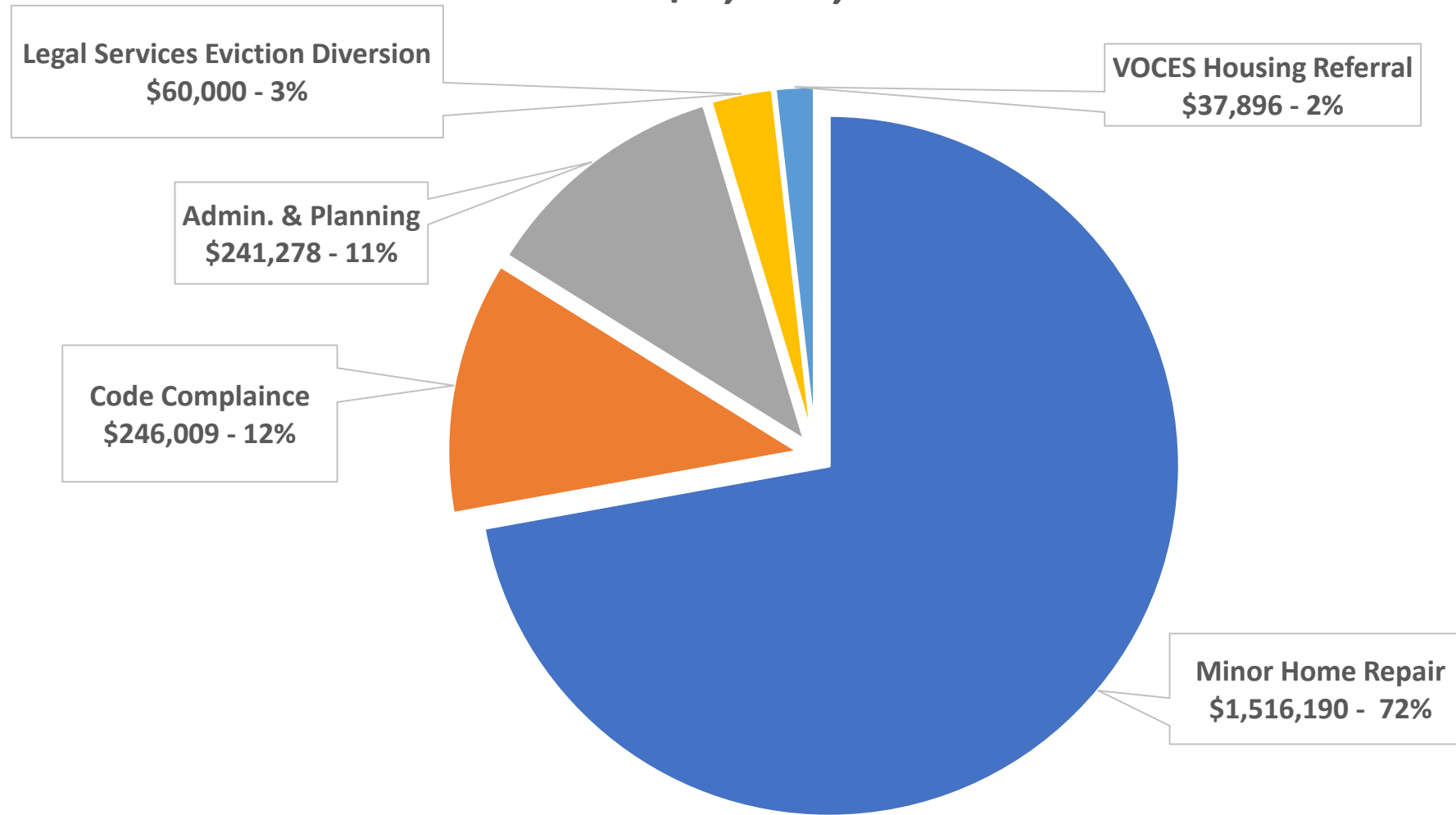
# Consolidated Plan Priorities

2015-2019 Priorities	2020-2024 Priorities
1. Encourage <b>vibrant neighborhoods</b> and support a well-functioning housing market.	1. Ensure housing is <b>affordable, accessible, and safe</b> .
2. Promote <b>vibrancy</b> downtown and major corridors.	2. Activate <b>underutilized land</b> in low-income neighborhoods.
3. Increase resident and community <b>engagement</b> .	3. Alleviate <b>poverty</b> .
4. Support efforts to expand employment and <b>workforce development</b> , including improving <b>transportation</b> for low-income people.	4. Community <b>engagement</b> through collaboration and empowerment.
	5. Affirmatively further <b>fair housing</b> .
	6. Restore <b>vitality</b> to low-income neighborhoods.



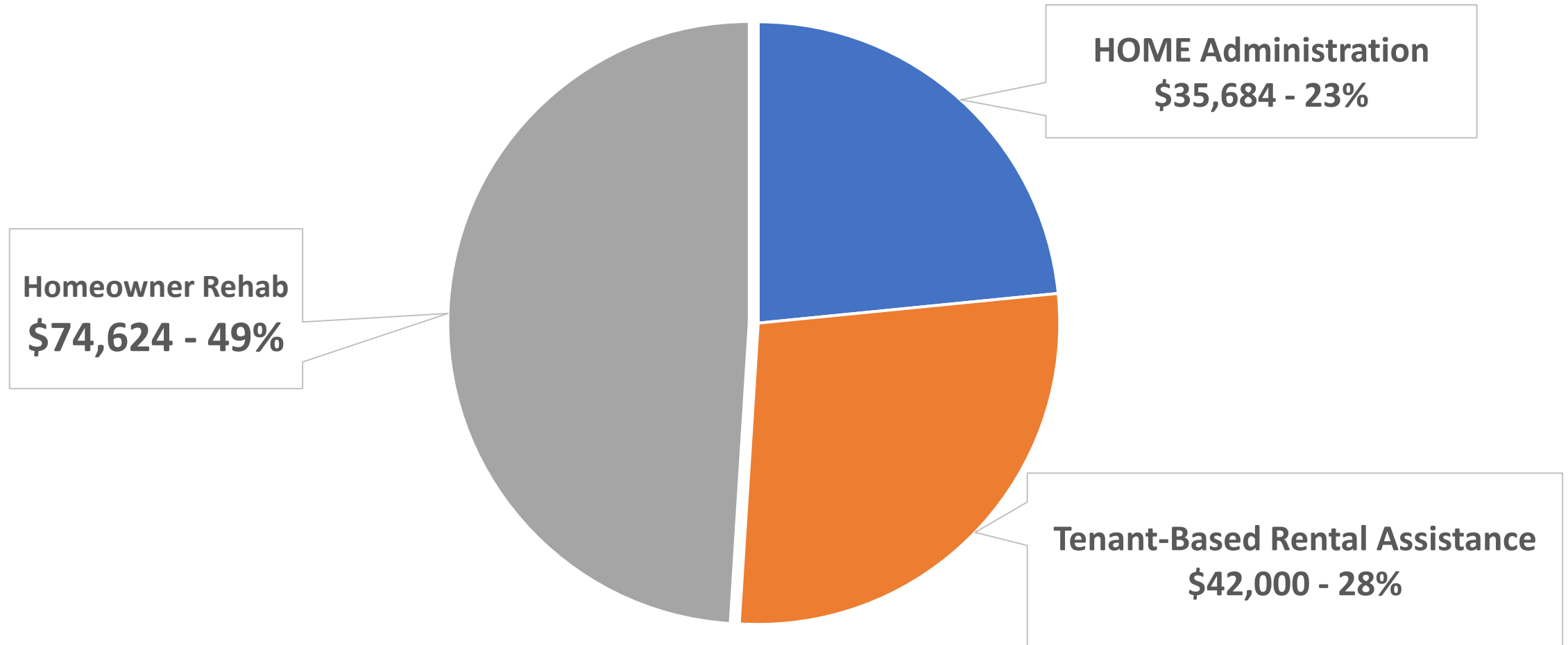
# Community Development Block Grant (CDBG) 2023

## \$2,101,374



# HOME Investment Partnership 2023

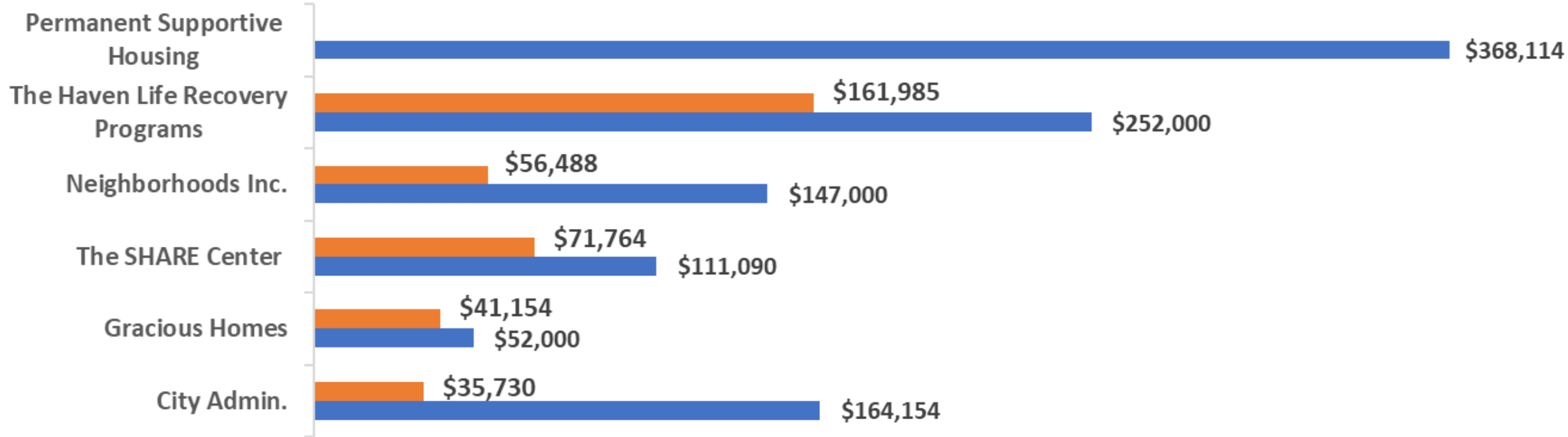
## \$152,308





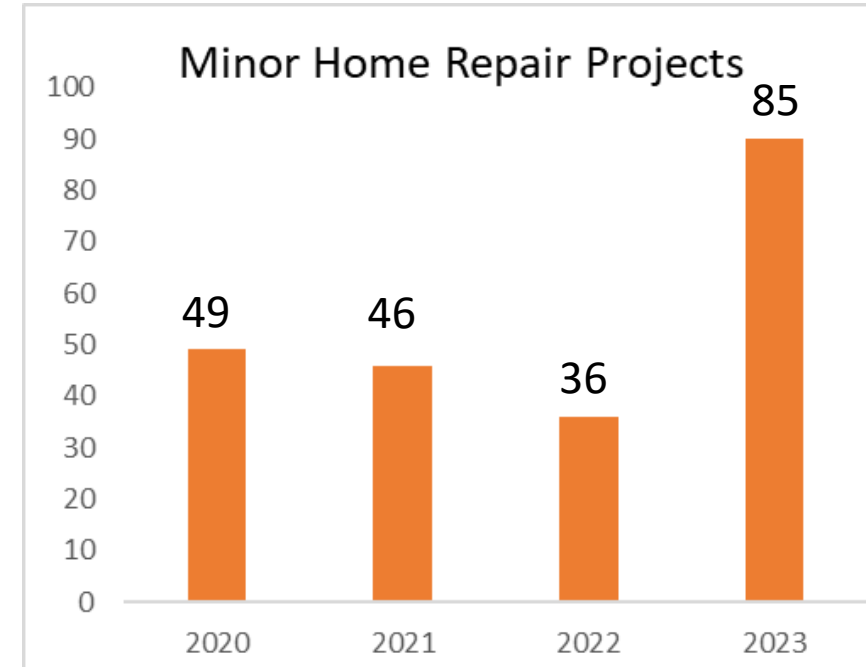
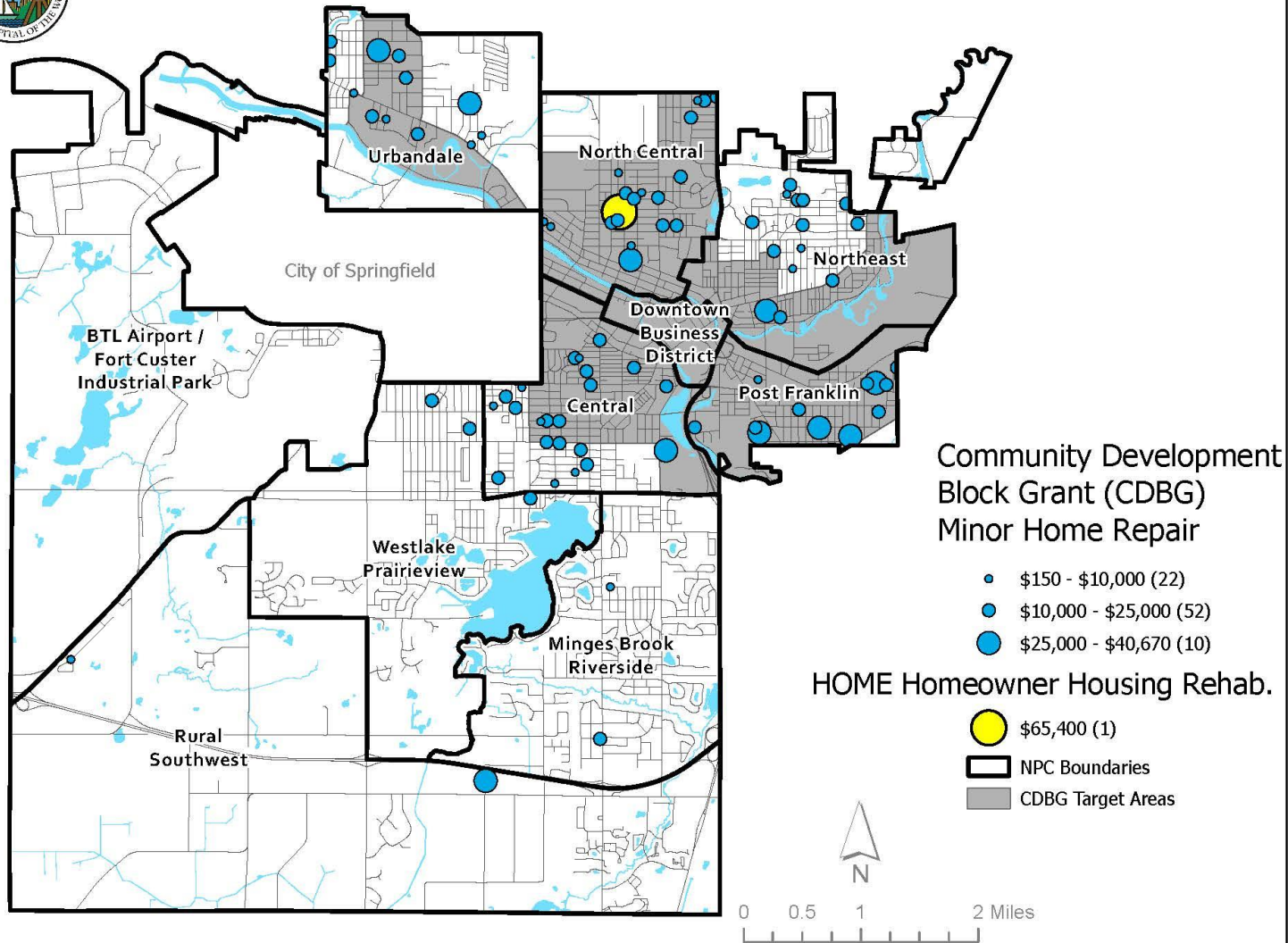
# HOME-ARP American Rescue Act Funding

Spent in PY 2023: \$367,121 / Available: \$1,094,358

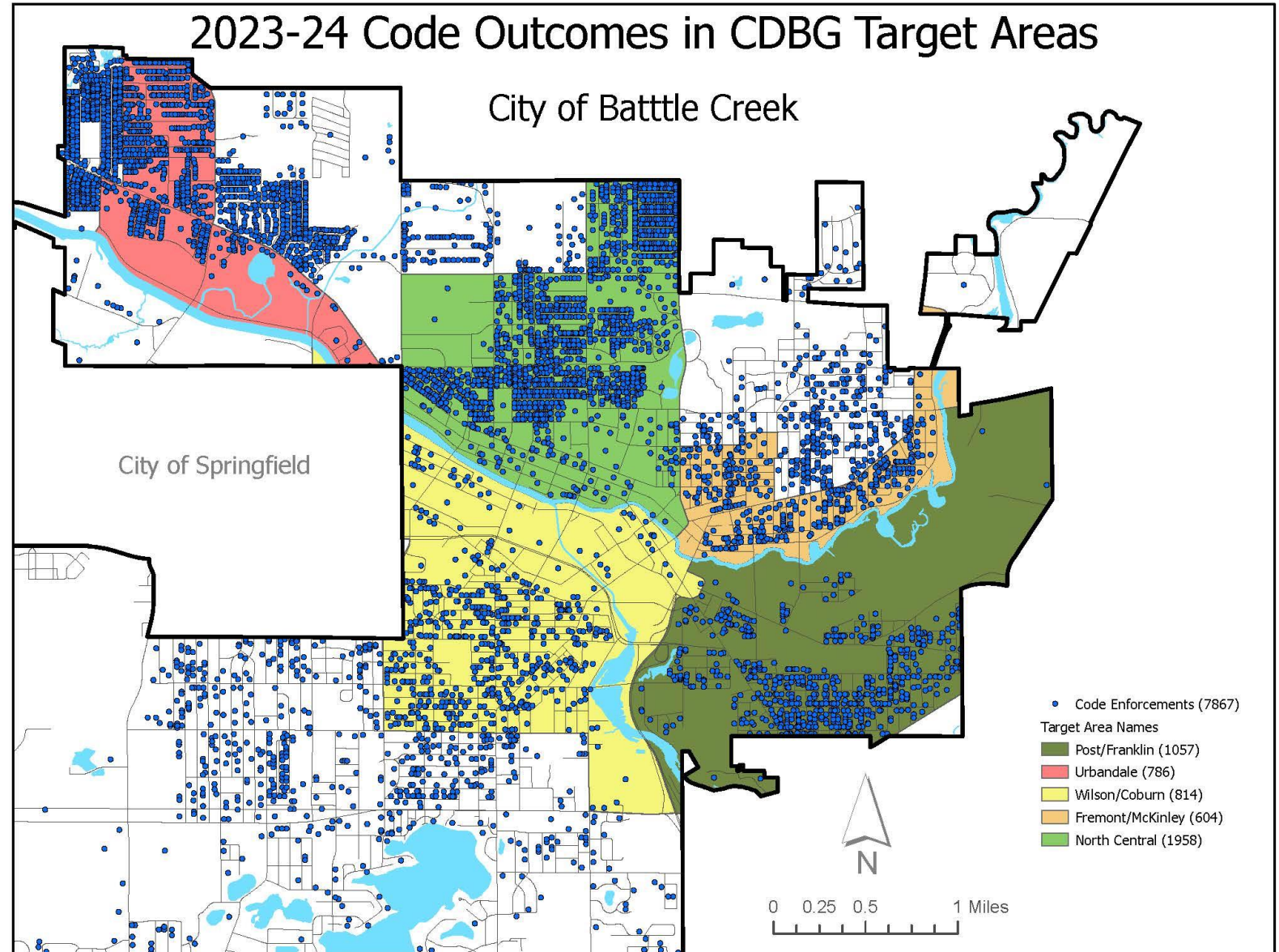




## City of Battle Creek Program Year 2023 CDBG & HOME Funded Projects

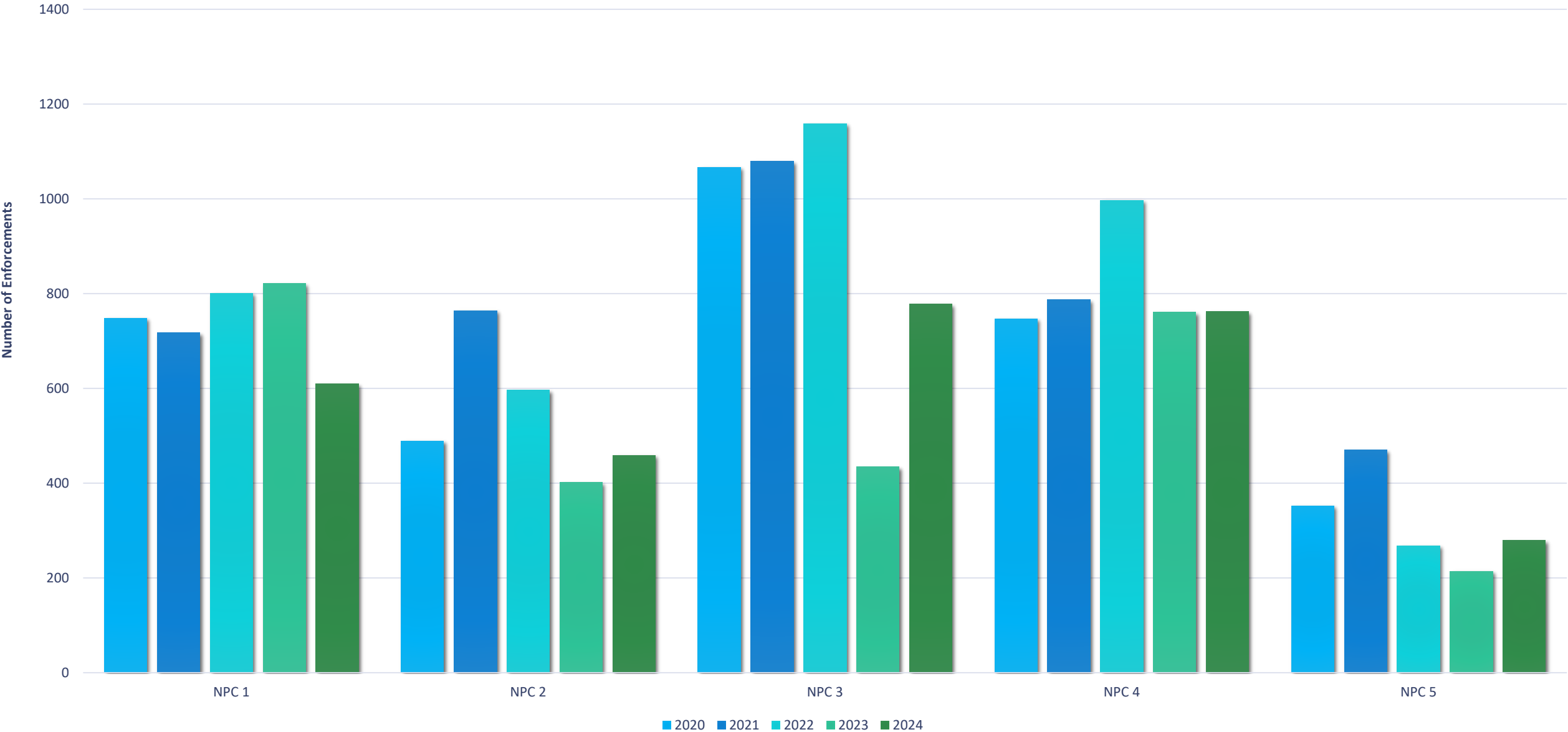


- 7,867 Enforcements in 2023-2024
- Resources to help homeowners
- Vacant and abandoned building monitoring
- Rental Registration Inspections
- Housing Code Enforcements
  - Exterior housing violations
  - Rental inspections
  - Vacant building registrations
- Non-Housing Code Enforcements
  - Inoperable vehicles
  - Front yard parking
  - Junk and trash accumulation





# Code Enforcements by NPC Geography



# HUD 2024 Income Limits

Household Size	1	2	3	4	5	6	7	8
50% AMI	\$27,900	\$31,850	\$35,850	\$39,800	\$43,000	\$46,200	\$49,400	\$52,550
80% AMI	\$44,600	\$51,000	<b>\$57,350</b>	\$63,700	\$68,800	\$73,900	\$79,000	\$84,100
120% AMI	\$66,850	\$76,400	\$85,950	\$95,500	\$103,150	\$110,800	\$118,450	\$126,100

- 50% AMI      Housing Choice Voucher income limit
- 80% AMI      CDBG and HOME income limit
- 120% AMI      Workforce housing, Neighborhood Stabilization Fund income limit
- Median household income: **\$49,684** (ACS 5-Year Estimates Subject Tables, 2022, Table S1901)
- Median household size: **3.24** (ACS 5-Year Estimates Subject Tables, 2022, Table DP02)
- The median household is considered **low- to moderate-income** in 2024

*Income limits / hud user.* (n.d.). Retrieved November 22, 2024, from <https://www.huduser.gov/portal/datasets/il.html#year2024>  
HUD Exchange, Neighborhood Stabilization Program Income Limits, from: [NSP Income Limits - HUD Exchange](#)



# Working Poor

- 
- ALICE – **A**sset-**L**imited, **I**ncome-**C**onstrained, **E**mployed households that make below the basic cost of living for their county of residence
- **52%** of Battle Creek households are below the ALICE threshold as measured in 2022, earning **below the basic cost of living for Calhoun County**

Source: ALICE Threshold, 2010-2022; American Community Survey, 2010-2022



# Housing Cost-Burden

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- Cost-Burden: spending **more than 30%** of one's income to housing costs
- Severe Cost-Burden: **more than 50%** of one's income to housing costs

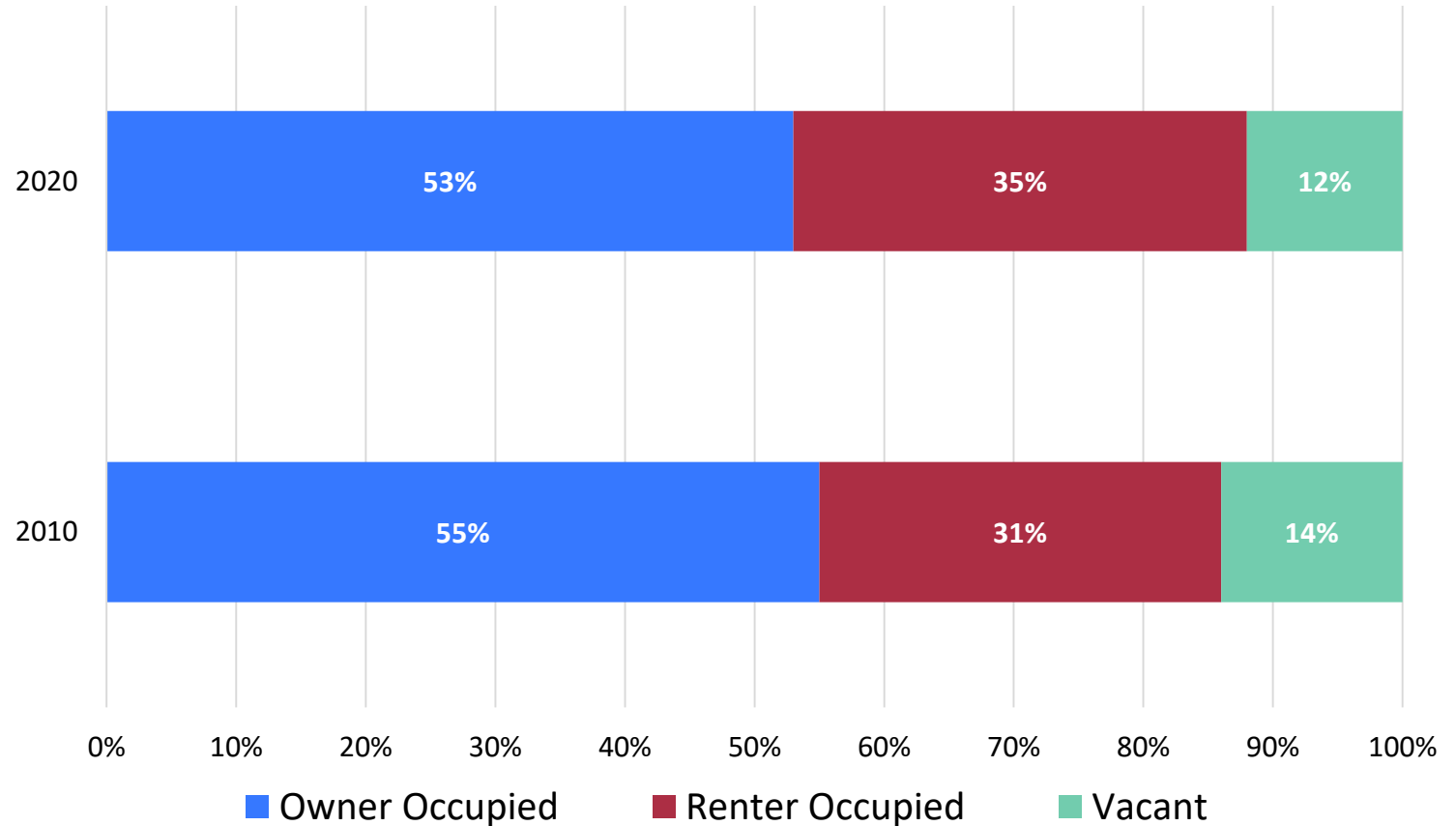
Source: HUD CHAS 2017-2021





# Owner and Renter-Occupied Housing

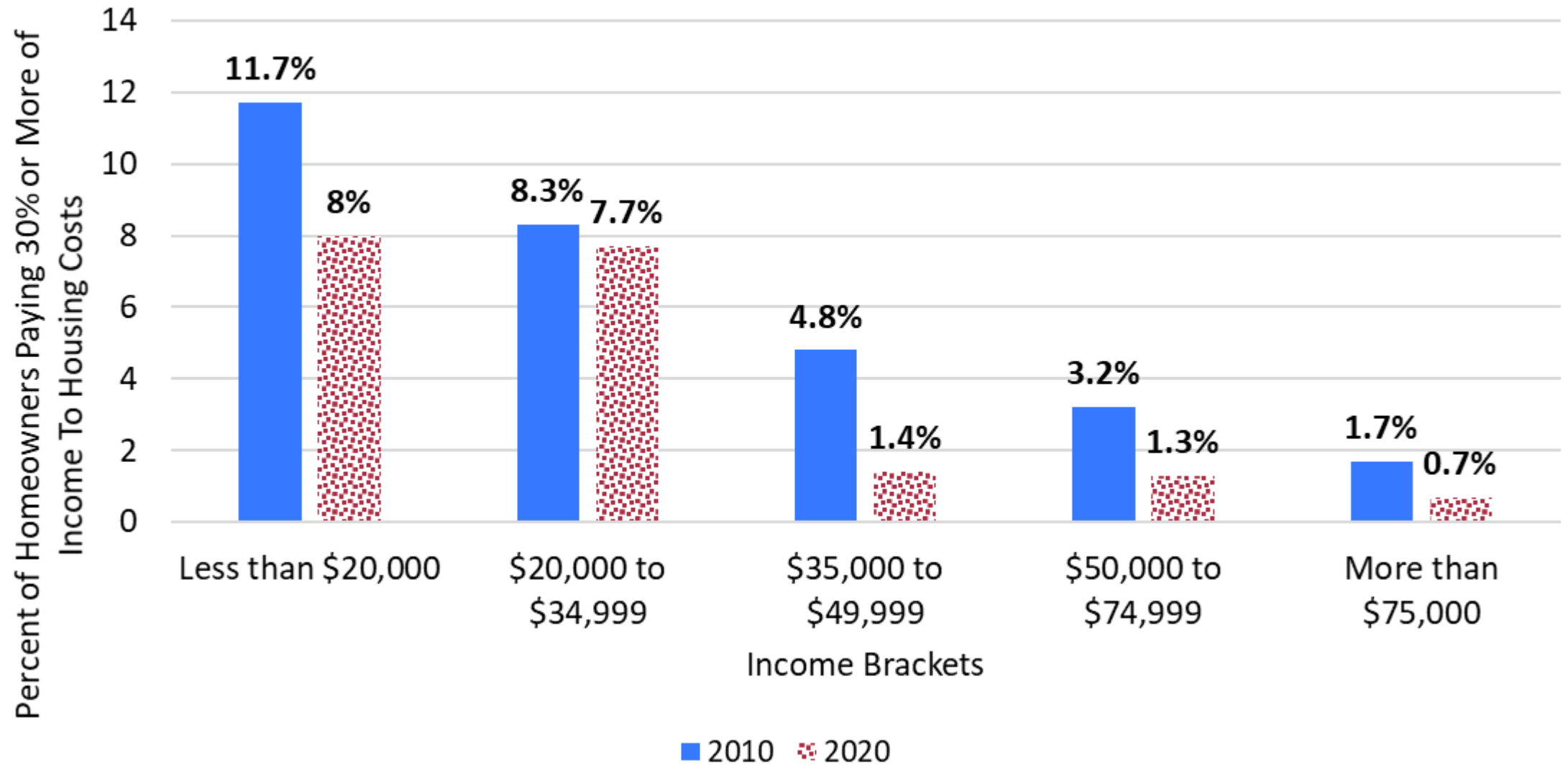
- Home ownership and rental rates have remained **stable** in Battle Creek
- **Existing significant demand** for affordable housing for LMI families
- LMI homeowners have the **highest rates** of being cost-burdened
- Rates of being **cost-burdened** as a renter are **higher** than owner-occupied housing



Source: American Community Survey S2502, B25004, 2010; 2022; Battle Creek Housing Action Plan; ACS S2503, 2010; 2022



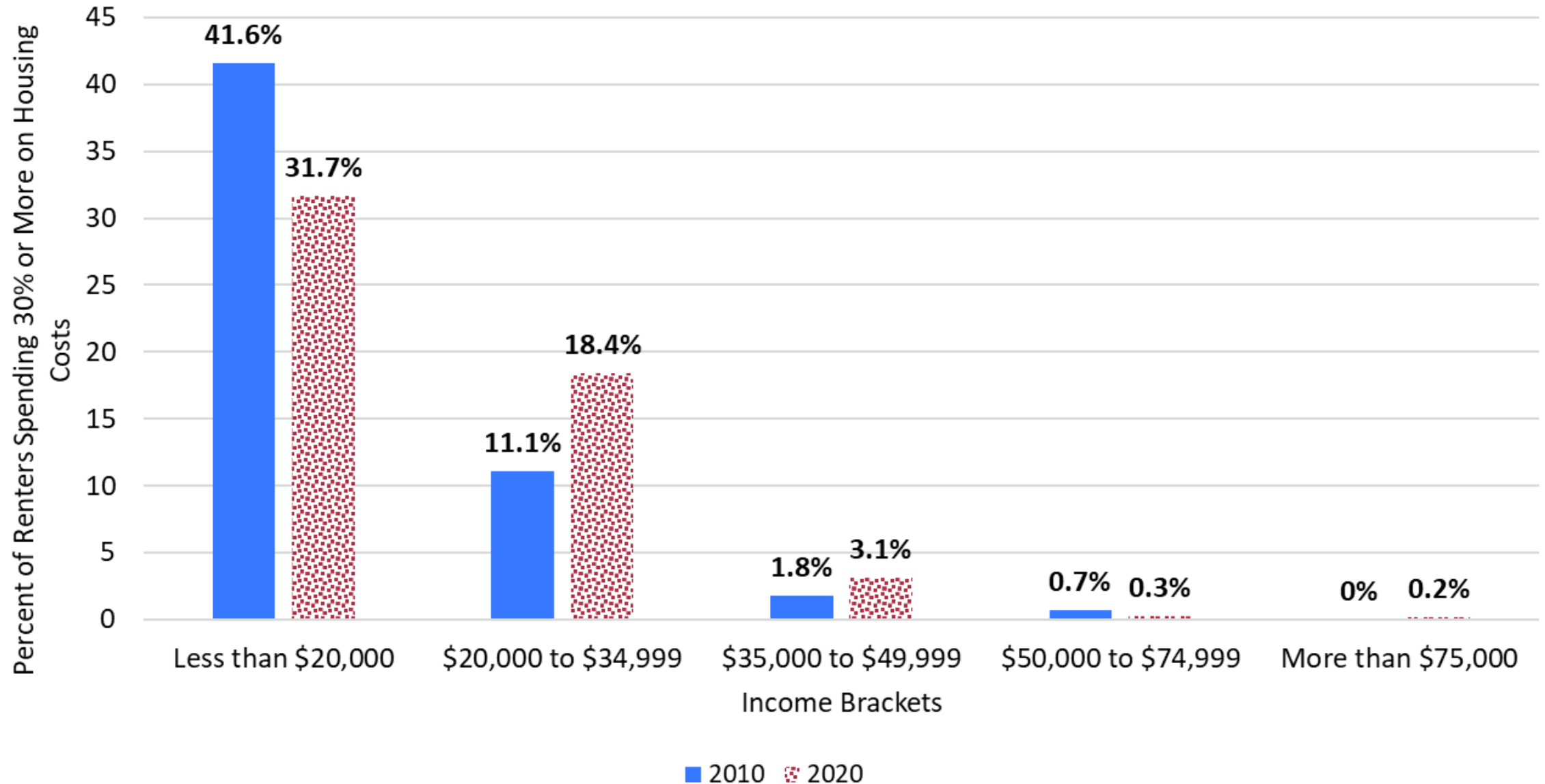
## Owner-Occupied, Cost-Burdened Households



Source: American Community Survey S2503, 2010; 2022



## Renter-Occupied, Cost-Burdened Households



Source: American Community Survey S2503, 2010; 2022

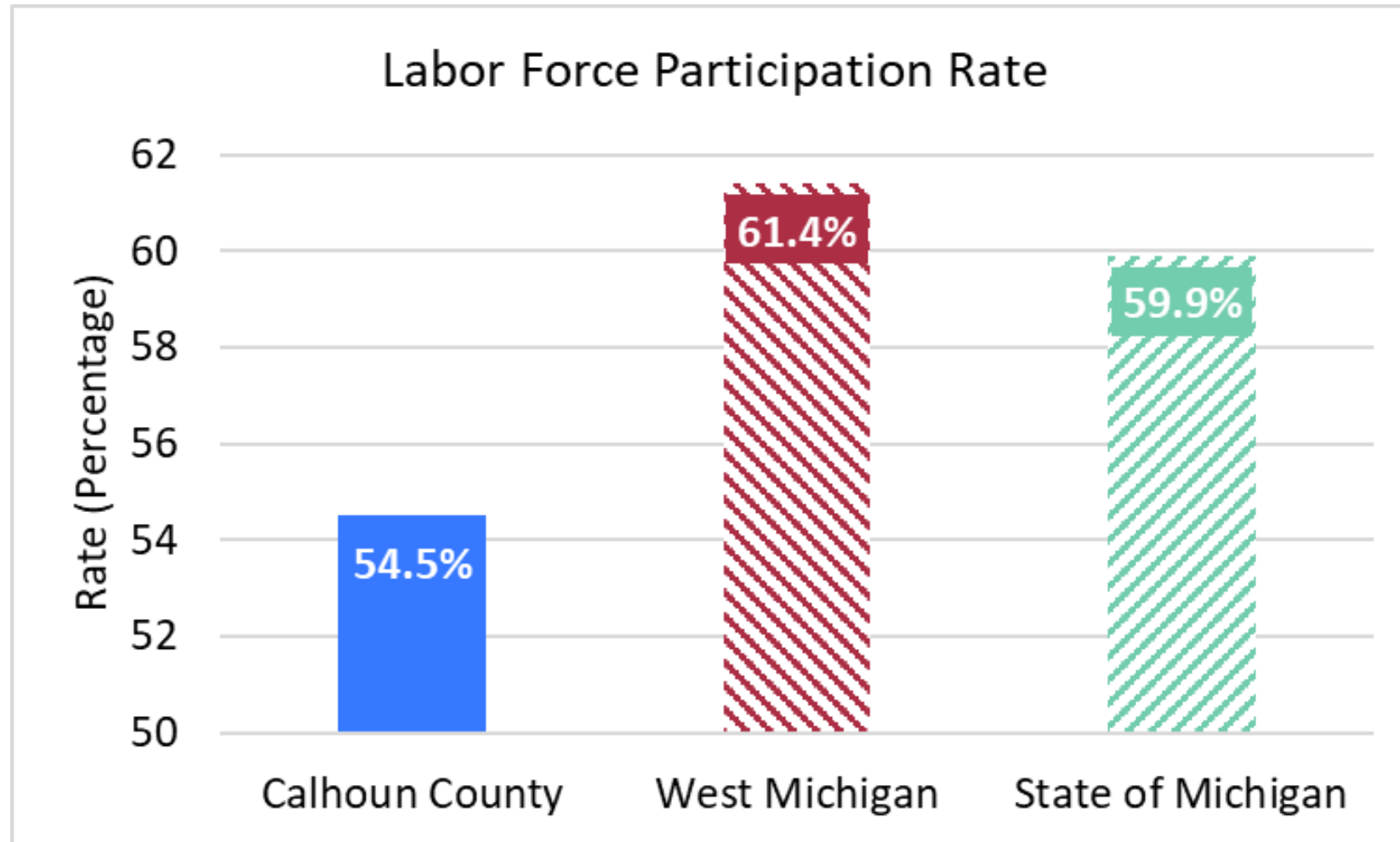


# Labor Force Participation Rate

- Percentage of people aged **16 and older** who are in the labor force
- Influences
  - Educational attainment
  - Aging workforce
  - Job availability
  - Job attainability

Hoevermann, K. (2023, May 5). *The Labor Force Participation Rate, Explained* [Organization]. Federal Reserve Bank of St. Louis.

<https://www.stlouisfed.org/open-vault/2020/august/labor-force-participation-rate-explained>



Source: FRED, Federal Reserve Bank of St. Louis





# Neighborhood Influences

- Property sales
  - **High turnover** of residents is a factor of neighborhood **decline** (Coulton, Theodos and Turner 2009)
- Sales at tax auctions
  - Nature of these sales creates a **market oriented to investor-buyers** rather than residents (Thomas 2015)
- Demolitions involve the removal of deteriorated properties from the neighborhood
  - Had a positive effect on low-value properties in Detroit, MI (Odell 2019)
  - **Increased likelihood** that property **conditions improved** at nearby properties in Cleveland, OH (Kuhlmann 2023)
- Housing code enforcements



# Neighborhood Influences

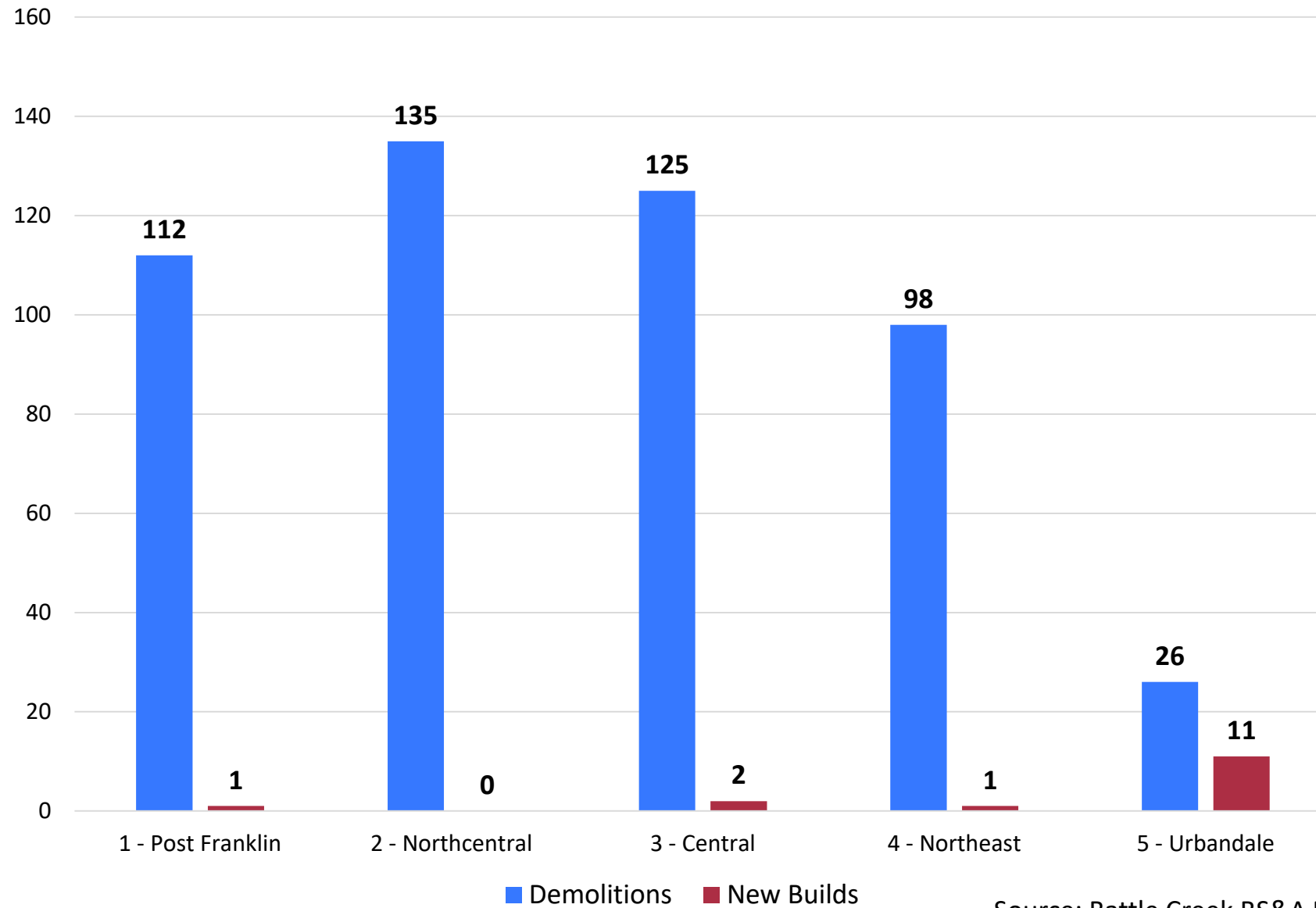
	Post Franklin NPC 1	Northcentral NPC 2	Central NPC 3	Northeast NPC 4	Urbandale NPC 5
Total Residential Properties	1,747	2,372	3,335	3,168	1,696
Demolitions (2020 - 2024)	112 (6.4%)	135 (5.7%)	125 (3.7%)	98 (3.1%)	26 (1.5%)
Property Sales (2020-2024)	448 (25.6%)	558 (23.5%)	1,085 (32.5%)	1,015 (32.0%)	529 (31.2%)
Tax Auction Sales	32 (1.8%)	60 (2.5%)	43 (1.3%)	29 (0.9%)	13 (0.8%)

- Post Franklin (NPC 1) has the **highest rates** of demolitions and property sales
- Central (NPC 3), Northeast (NPC 4), and Urbandale (NPC 5) have **similar rates** of property sales and tax auction sales
  - Higher property sales, lower demolitions and tax auction sales than NPCs 1 and 2

Source: Battle Creek BS&A Permits Dataset, Accessed and Compiled with Tolemi



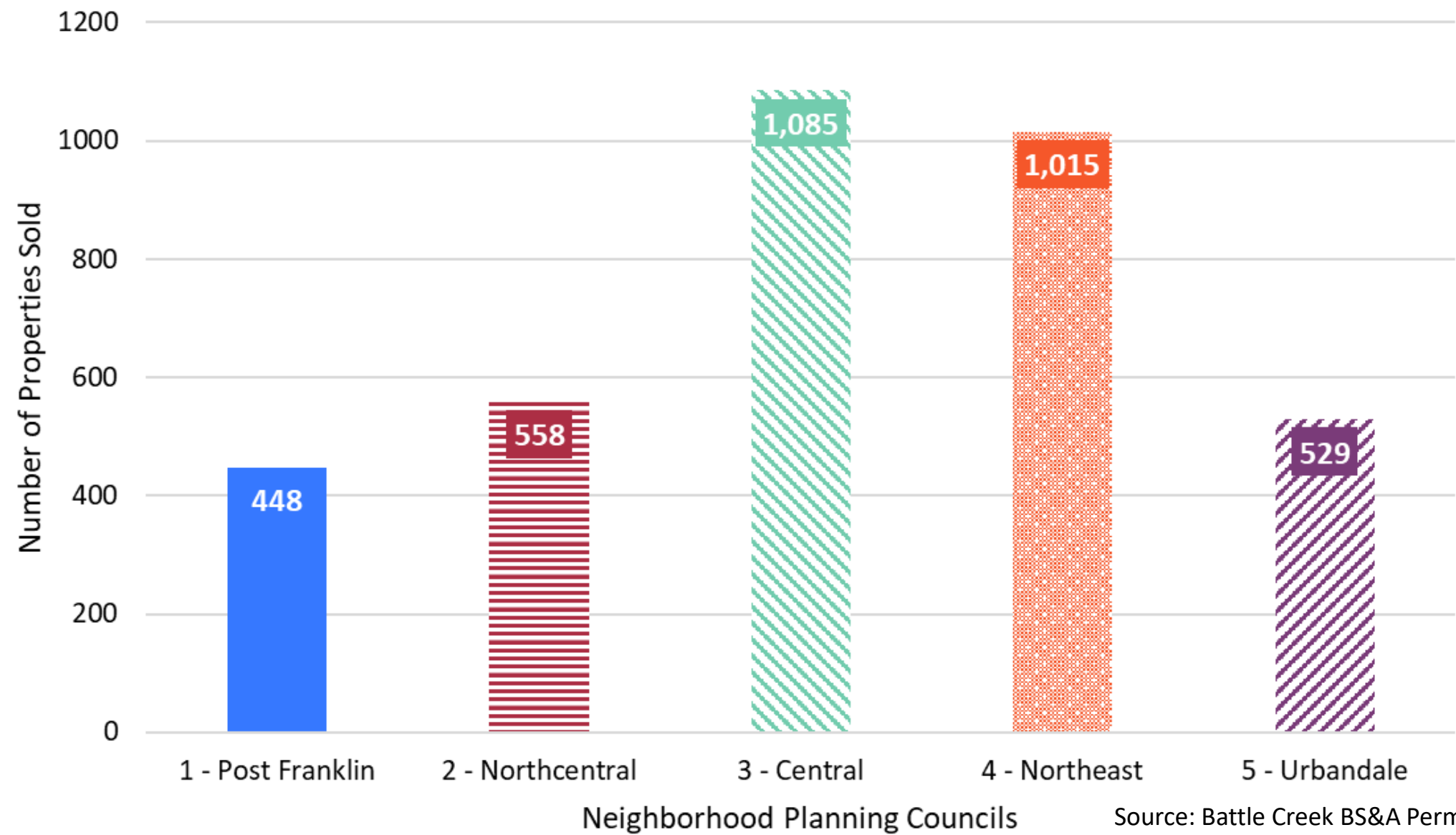
## Demolitions and New Builds (2014 - 2024)



Source: Battle Creek BS&A Permits Dataset, Accessed and Compiled with Tolemi



Property Sales (May 2020 - May 2024)

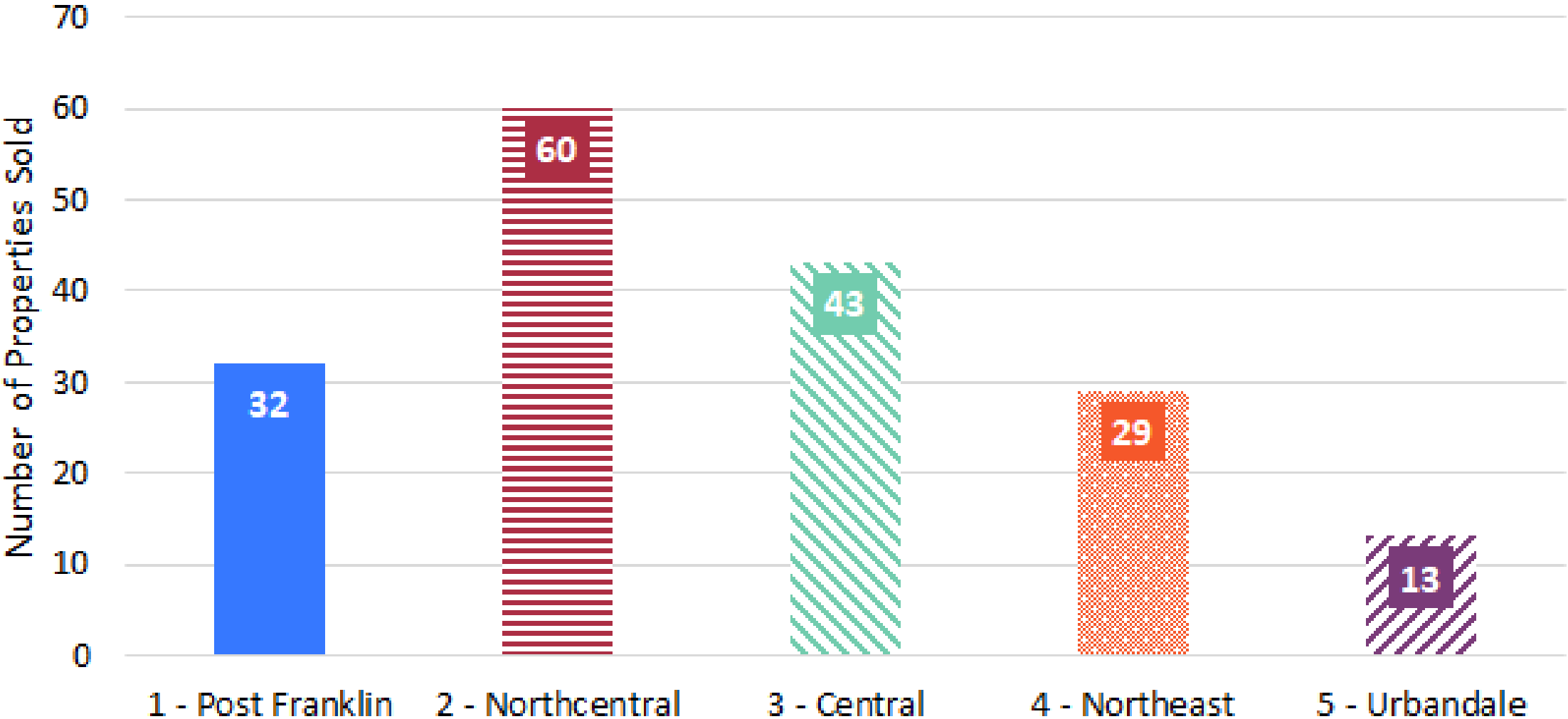


Source: Battle Creek BS&A Permits Dataset,  
Accessed and Compiled with Tolemi





# Properties Sold at Tax Auction (2020 - 2024)



Neighborhood Planning Councils

Source: Battle Creek BS&A Permits Dataset,  
Accessed and Compiled with Tolemi



# State Equalized Value

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- The assessor maintains two values on taxable properties within the local jurisdiction
  - Assessed value (AV)
  - Taxable value (TV)
- AV is equal to 50% of the estimated True Cash Value of the property
- Once the county and state equalization are completed the assessed value typically becomes the State Equalized Value (SEV)



Source: Garden City, MI Tax FAQ: [FAQs • What are assessed value, State Equalized Value, and t](#)



# Taxable Value

- Taxable value (TV) is used in the calculation of the property taxes.
- TV is capped by the Rate of Inflation or 5%, whichever is lower.
- TV can increase by more than the Rate of Inflation if something is added to the property (addition, patio, deck, etc.).
- According to State law, the TV must increase the assessed value the year after a transfer of ownership.
- If the property sells in 2024, the TV becomes the same as the assessed value in 2025.

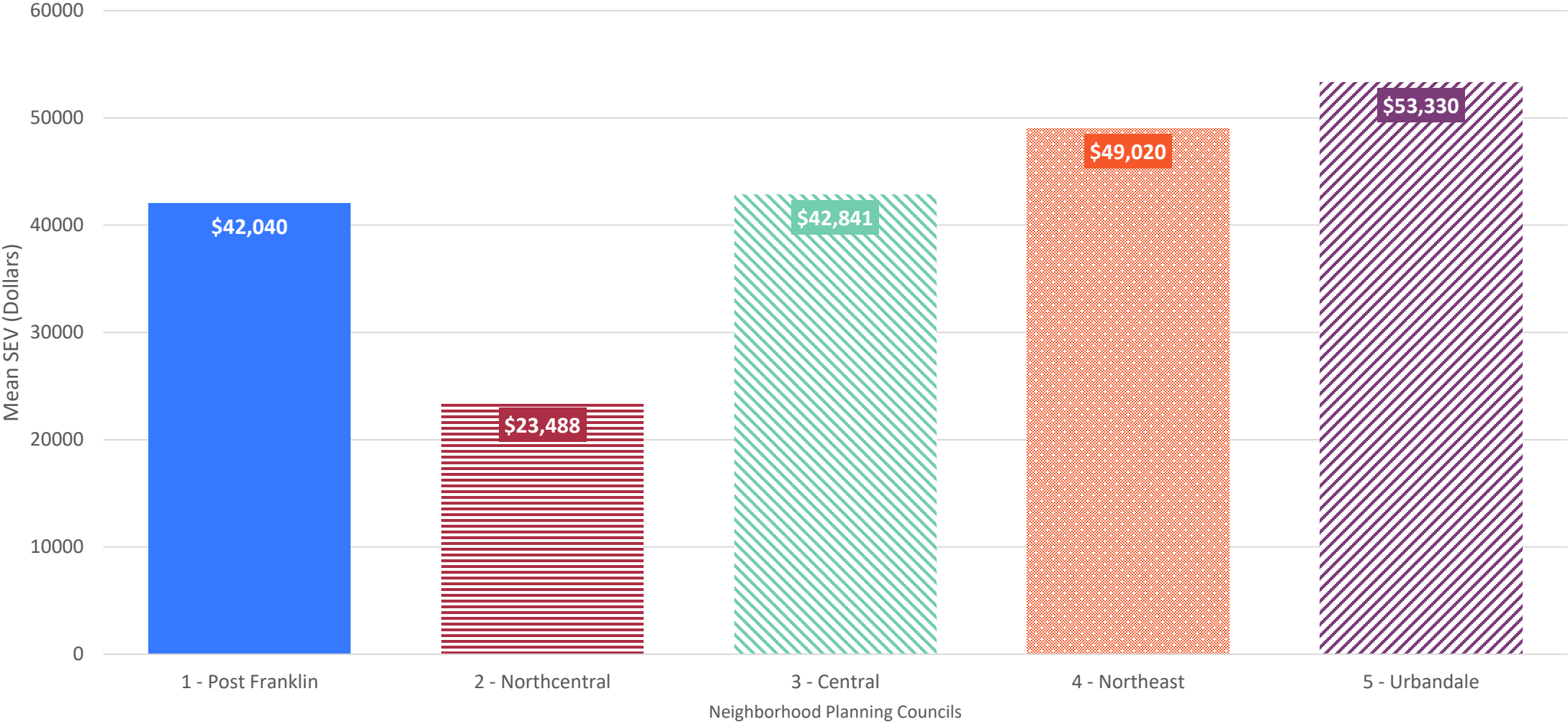


For more information on either the SEV or the TV, please contact the Assessor's Office at 269-966-3369 or email [assessor@battlecreekmi.gov](mailto:assessor@battlecreekmi.gov)

Source: Battle Creek Assessors Office



Mean State Equalized Value



Source: Battle Creek BS&A Permits Dataset, Accessed and Compiled with Tolemi





# Discussion Questions

Is the Minor Home Repair program still highly prioritized?

How to strengthen Code Compliance?

What are your housing and neighborhood concerns?

