

What we've heard from the community:

We need more affordable housing! Multi-generational families are living together out of necessity. Wages haven't gone up but house prices have. Working residents can no longer afford to rent or buy in the City so they are living with friends and family until they can obtain affordable housing. Seniors desire smaller homes and yards to reduce maintenance efforts. Households need adequate parking - at least two spaces per unit.

Low-income subsidized housing and affordable housing are two different concepts:

Low-income subsidized housing: Provides affordable options for low-income housing by reducing housing costs through government programs. Low-income subsidized housing is a great resource, but these government programs are not always available.

Affordable housing: Housing that the combined cost of rent/mortgage payment and utilities are less than 30% of the households' gross income.

For example:

Retail / Restaurant

Average Income	Max Housing Budget
\$46,000	\$1,156
	Median 2-BR rent
	\$1,300/mo



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Battle Creek Community Workshop September 22, 2025

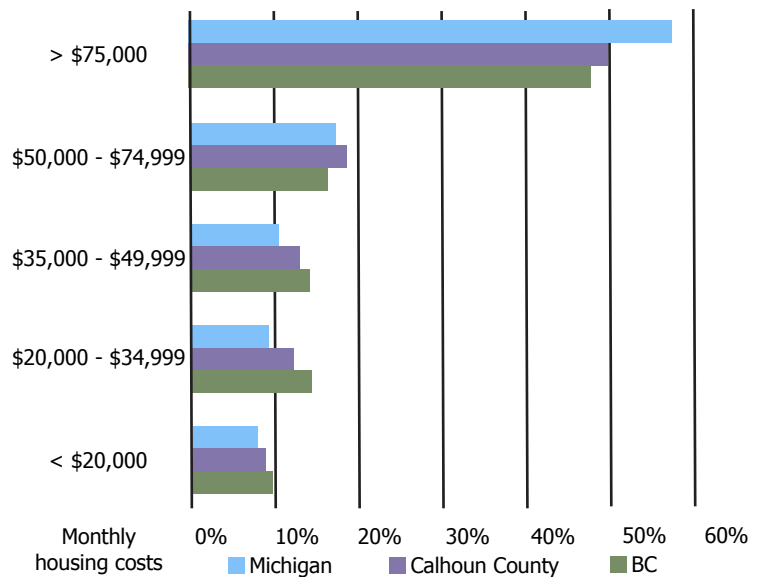
Flywheel

As shown above, a typical person working at a restaurant may find it difficult to obtain affordable housing in Battle Creek.

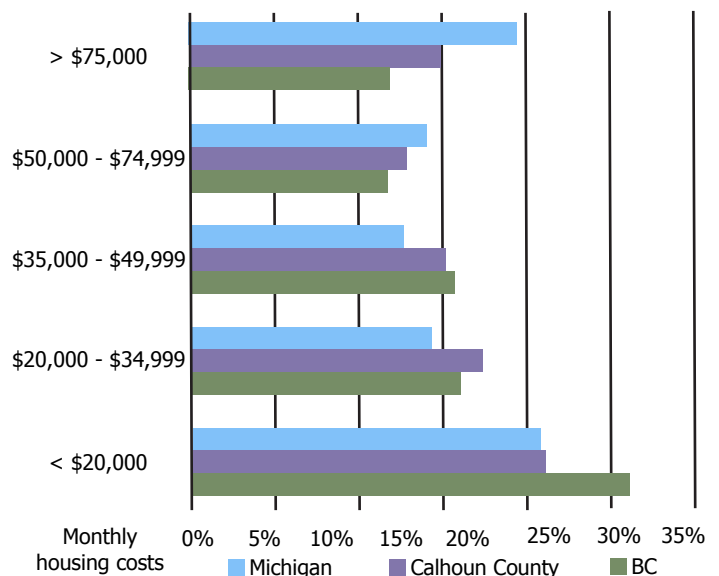
Cost-Burdened Housing:

Housing that the combined cost of rent/mortgage payment and utilities are more than 30% of the households' gross income. The bar charts below show the percentage of homeowner and renters in Michigan, Calhoun County and Battle Creek that are cost-burdened housing, using five different gross household income ranges. (Source: S2503-Financial Characteristics 2023 5-year estimates)

Owner Occupied Cost-Burdened




Renter Occupied Cost-Burdened



Current Housing Situation in Battle Creek:

Right now, most neighborhoods only allow for single family housing. Most of existing family houses are too large for many working-class perspective buyers to afford. Additional prohibitive barriers include rising rent, high mortgage interest rates and increasing home insurance rates, while wages stay the same.

1,200 SF House



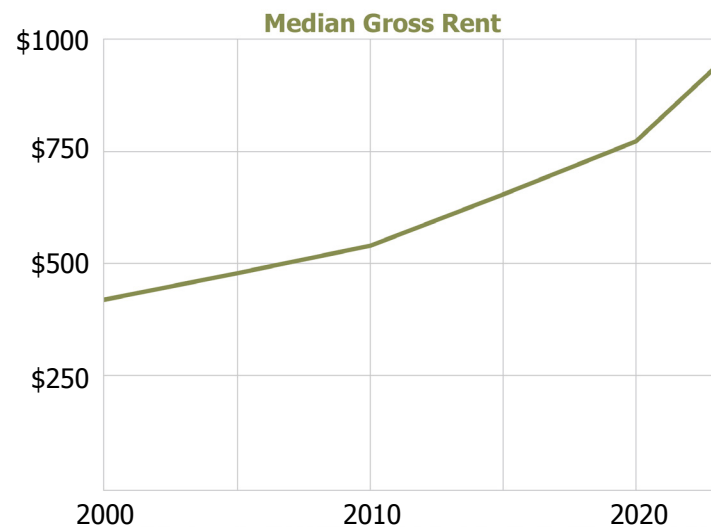
\$300,000 to Build (\$250/SF)

10% Down Payment
6.5% Interest Rate
+ \$575 Taxes + Insurance

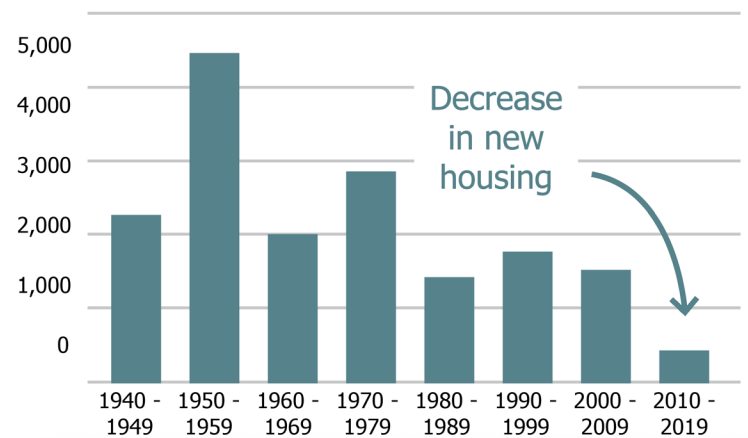
Monthly Payment: \$2,471

A family would have to earn at least \$100,000 to find this home affordable (30% of income).

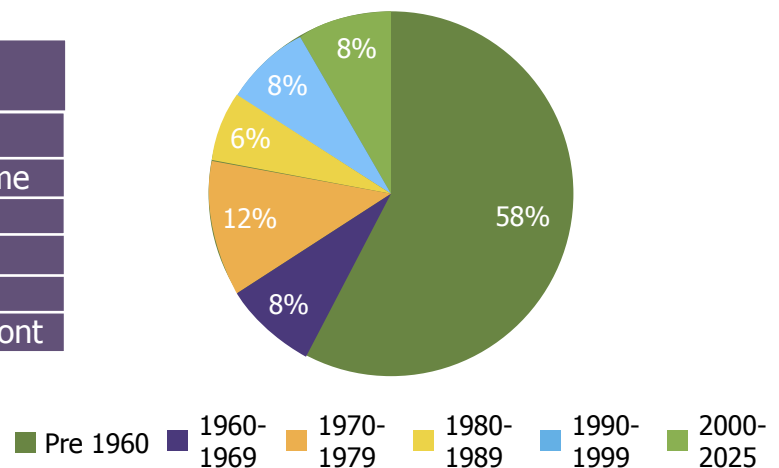
New housing construction in Battle Creek has stagnated in recent years. Lack of inventory drives up the cost of rent as well as sales prices for existing homes.



Number of Housing Structures Built in the City of Battle Creek



Battle Creek Age of Housing, Census 2023



(\$250-\$325 avg/sq ft) Average Cost		
	Rent	Own
	800 sq ft apartment	1,200 sq ft home
Cost to Build:	\$200,000	\$357,000
Payment:	\$1,858/mo lease	\$2,600/mo
Desired:	\$800/mo	\$900/mo
Subsidy:	\$100,000 up front	\$250,000 up front



Household Income & Housing Affordability for New Construction

Annual Income	Monthly Housing Budget	Market Implications
\$25,000	\$600 rent	Large subsidy needed in all markets
\$50,000	\$1,250 rent	Moderate subsidy + flexible zoning or older housing without subsidy
\$75,000	\$220k mortgage \$1,875 payment	Flexible zoning and minimal to modest subsidy
\$100,000	\$350k mortgage \$2,500 payment	Viable in most markets without subsidies

What factors can lead to higher housing cost?



Low Inventory

+



High Demand

=

- Market rate prices rise
- Households unable to pay market rate get priced out

What factors can limit housing supply?

Shortage of
Construction
Employees

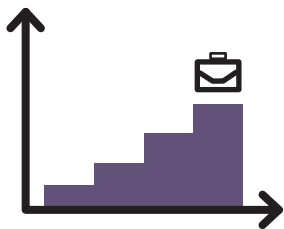
Cost of Construction



Zoning

Loss of land
(demolition)

What factors can increase housing demand?



Job Growth

Affordable
OptionsSeniors
DownsizingFirst time
homeowners

Housing and the City's Role

City's Role:

- Modify zoning districts to allow additional housing types. Housing type examples include: single family, accessory dwelling units (ADUs) duplexes, cottage courts, townhouses, multi-family housing, and tri-plexes.
- Require a minimum number of parking spaces per building or unit.
- Require a minimum amount of green space.
- Reduce lot size and increase density
- Establish minimum square footage of a house/dwelling unit.
- Offer pre-approved construction drawings to facilitate new development in the City
- Encourage the development of infill market-rate housing that would be affordable to the working class population - more specifically households that would not qualify for low-income housing but are still struggling to make ends meet.
- Support the development of Low Income Tax Credit Housing Initiations.

City does not have a role in:

- Building new houses.
- Solving the financial gap between the cost of construction and the appraisal value of new houses.
- Designing or approving the design of construction - such as 1 vs. 2 story exterior, appearance or number of bedrooms and bathrooms.
- Determine whether a house is rented or owner occupied. Both are needed in the community.

**Please join us at our next
Battle Creek Housing Strategy meeting on
February 19th from 5:30-7:30 at the
Department of Public Works,
150 S Kendall Street, Multi Purpose Room 214**

