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## Apartment project proposed downtown

### BCU will accept proposals in 2010

*Barrett Newkirk  
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Add a new apartment building to the list of projects planned for downtown Battle Creek.

Battle Creek Unlimited, the city's economic development arm, wants to begin construction next year on a rental development at Michigan Avenue and Carlyle Street, the site where BCU struggled to sell condominiums.

A study commissioned by BCU concluded the city's downtown could support as many as 100 rental units. Karl Dehn, BCU's president and CEO, said BCU will gather development proposals starting in January.

Dehn said as companies like Covance Inc. move to downtown and Kellogg Co. expands its downtown footprint, the timing is right for a residential project.

"As that activity picks up, I think having downtown residential options fits very well with the long-term plan for downtown," Dehn said.

The study by the Ohio-based Danter Co. found downtown Battle Creek could support up to 100 one- and two-bedroom apartments with monthly rents from \$600 to \$850, Dehn said.

Ken Danter, president of the Danter Co., said downtown's amenities, employment prospects and a national trend toward downtown living helped determine what the Battle Creek market could sustain.

The proposed price would make the apartments less expensive than those in the Battle Creek Tower, where rents start around \$1,200 but whose residents benefit from Renaissance Zone tax breaks.

Apartments in the Battle Creek Tower have been popular. The building is fully occupied and now has a waiting list, said Anmar Atchu, a vice president for the Hinman Co., which owns Battle Creek Tower.

He supported the idea of bringing another residential development to downtown.

"Not everybody can afford certain rents," Atchu said. "If you can provide the young professional or an individual who wishes to be downtown with affordable housing, I think they'll be there."

Dehn said the condo project at Michigan Avenue and Carlyle Street never got going because of the economy and lack of an existing downtown market.

By strengthening that market with more rental units, Dehn said condominiums may come later.

"Essentially, when you're building a new market, you need to start with apartment units and rentals and develop a larger concentration of people," he said.

It's not yet known whether the new development will make use of the existing buildings or raze them and start fresh.

"We're not suggesting either direction," Dehn said. "We want developers to come back and give us what they think the best development would be."

But outside of downtown Battle Creek, there's already a surplus of rental property, according to Beth Dunlap, a board member with the Rental Property Owners Association of Battle Creek.

She said the weak housing market has created plenty of rentals, especially houses, and rental vacancy rates have been creeping up to around 50 percent over the past several years.

"Who wants to rent an apartment when they can rent a house?" Dunlap said. "There's an abundance of housing, and we don't need any more housing in this area."

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