

COMMUNITY OVERVIEW & HOUSING MARKET SUMMARY

Bay City,
Michigan



BOWEN
NATIONAL
RESEARCH

2025

I. INTRODUCTION

A. PURPOSE

The East Michigan Council of Governments retained Bowen National Research in September 2024 for the purpose of conducting a Community Overview and Housing Market Summary of Bay City, Michigan. This overview was completed in conjunction with the Housing Needs Assessment for Region G in the state of Michigan.

With changing demographic characteristics and trends expected over the years ahead, it is important for the local government, stakeholders and its citizens to understand the current market conditions and projected changes that are anticipated to occur that will influence future housing needs. Toward that end, this report intends to:

- Provide an overview of present-day Bay City, Michigan.
- Present and evaluate past, current and projected detailed demographic characteristics.
- Present and evaluate employment characteristics and trends, as well as the economic drivers impacting the community.
- Determine current characteristics of major housing components within the market (for-sale/ownership and rental housing alternatives).
- Provide housing gap estimates by tenure (renter and owner) and income segment.

By accomplishing the study's objectives, government officials, area stakeholders, and housing advocates can: (1) better understand the community's evolving housing market, (2) establish housing priorities, (3) modify, expand, or introduce local government housing policies, and (4) enhance and/or expand the community's housing market to meet current and future housing needs.

B. METHODOLOGIES AND DATA SOURCES

The following methods and data sources were used by Bowen National Research:

Study Area Delineation

The primary geographic scope of this study is Bay City, Michigan. A description of the individual study area and corresponding maps are included in Section II.

Demographic Information

Demographic data for population, households, and housing was secured from ESRI, the 2010 and 2020 U.S. Census, the U.S. Department of Commerce, and the American Community Survey. This data has been used in its primary form and by Bowen National Research for secondary calculations. Estimates and projections of key demographic data for 2024 and 2029 were also provided.

Employment Information

Employment information was obtained and evaluated for various geographic areas that were part of this overall study. This information included data related to employment by job sector, total employment, unemployment rates, identification of top employers, and identification of large-scale job expansions or contractions. Most information was obtained through the U.S. Department of Labor, Bureau of Labor Statistics. Bowen National Research also conducted numerous interviews with local stakeholders familiar with the area's employment characteristics and trends.

Housing Supply

This study focuses on rental and for-sale housing components. Rentals include multifamily apartments (generally five+ units per building) and non-conventional rentals (single-family homes, duplexes, mobile homes, etc.). For-sale housing includes individual homes, mobile homes, and projects within subdivisions. It is important to note, depending upon the availability of data and housing product, we present and evaluate housing data as reported by secondary data sources and/or collected by Bowen National Research.

Housing Gap Estimates

Based on the demographic data for both 2024 and 2029 and taking into consideration the housing data from our field survey of area housing alternatives, we are able to project the potential number of new housing units that are needed (housing gap) in the county, then apportioned part of this gap toward the smaller subject market. The following summarizes the metrics used in our demand estimates.

We included renter and owner household growth, the number of units required for a balanced market, the need for replacement of substandard housing, commuter/external market support, severe cost-burdened households, and step-down support as the demand components in our estimates for new rental and for-sale housing units. As part of this analysis, we accounted for vacancies reported among both renter- and owner-occupied housing alternatives, considered applicable units in the development pipeline, and concluded this analysis by providing the number of units that are needed by different income segments, rent levels, and purchase price points.

C. REPORT LIMITATIONS

The intent of this report is to collect and analyze selected data for Bay City, Michigan. Bowen National Research relied on a variety of data sources to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a concerted effort to assure accuracy. While this is not always possible, we believe that our efforts provide an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

We have no present or prospective interest in any of the properties included in this report, and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event resulting from the analyses, opinions, or use of this study. Any reproduction or duplication of this study without the expressed approval of the East Michigan Council of Governments or Bowen National Research is strictly prohibited.

II. COMMUNITY OVERVIEW & HOUSING MARKET SUMMARY

In May 2025, Bowen National Research completed an eight-county Housing Needs Assessment of Region G in the state of Michigan. In conjunction with the regional Housing Needs Assessment, individual housing overviews were also prepared for select communities within the region.

This housing overview includes a summary of demographic, economic and housing metrics specific to Bay City, Michigan. To provide a base of comparison, various metrics of Bay City are compared with Bay County and statewide numbers.

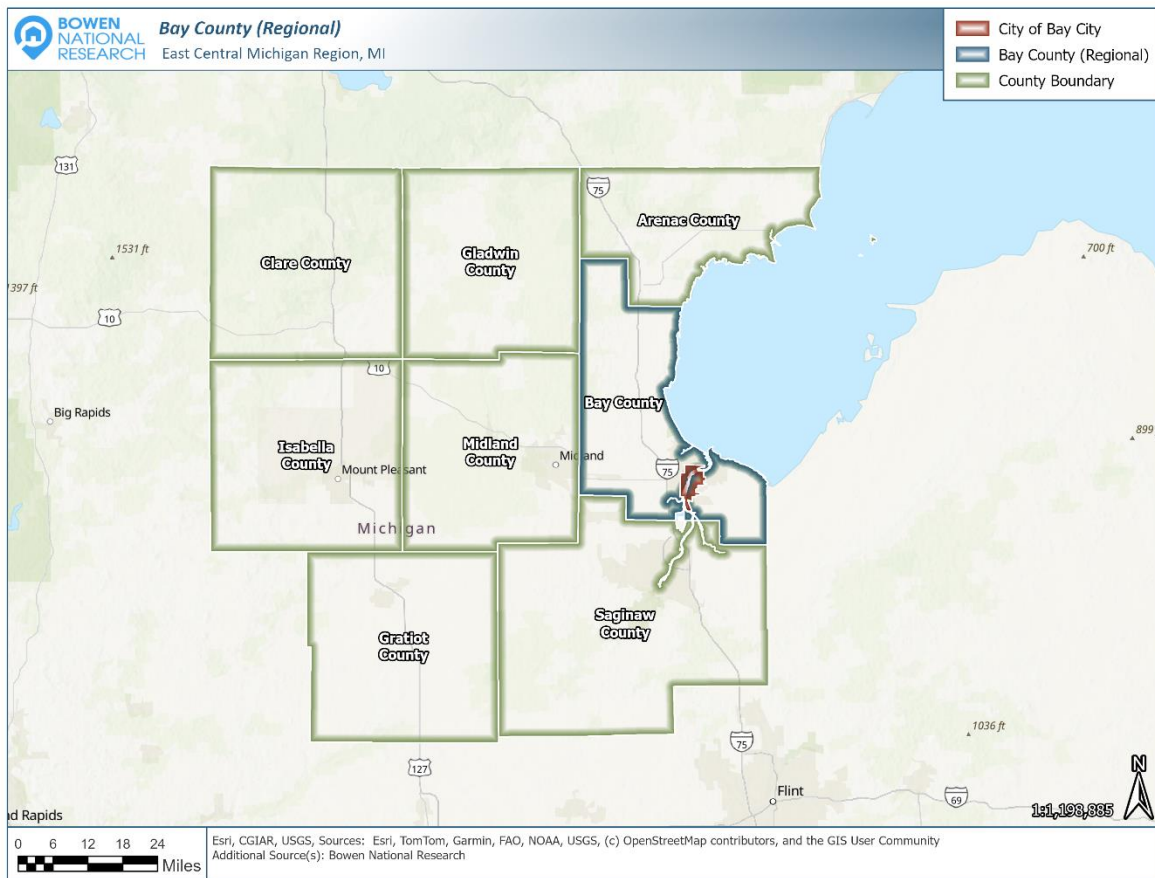
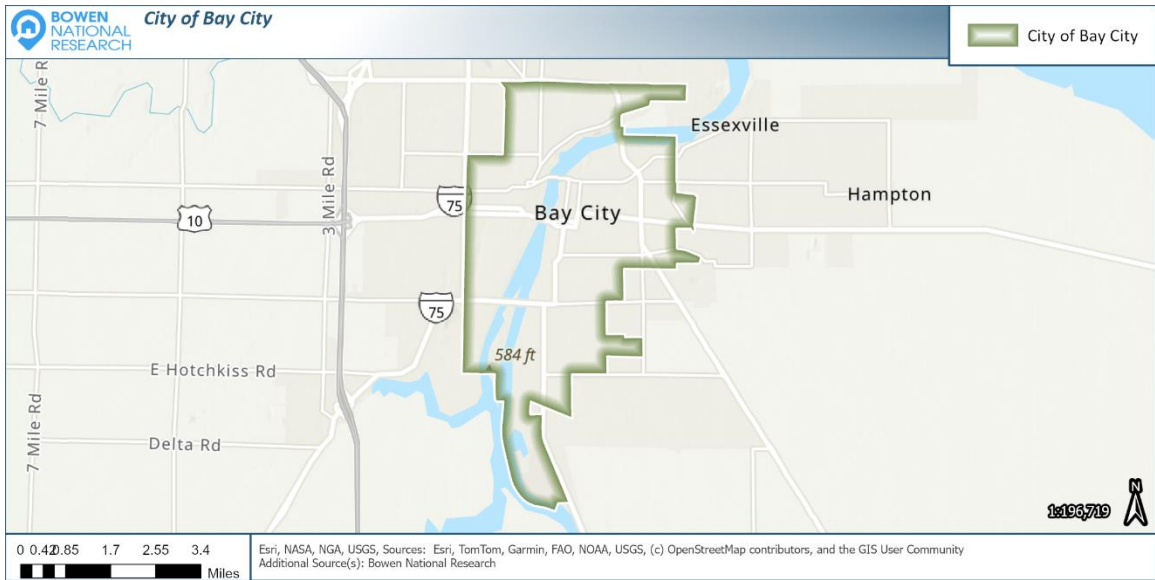
The analyses on the following pages provide overviews of key demographic and economic data, summaries of the multifamily rental market and for-sale housing supply, and general conclusions on the housing needs of the area. Demographic projections included in this overview assume that no significant government policies, programs or incentives are enacted that would drastically alter residential development or economic activity.

It is important to note that 2010 and 2020 demographic data are based on U.S. Census data (actual count), while 2024 and 2029 data are based on calculated estimates provided by ESRI, a nationally recognized demography firm. Additionally, secondary housing data included within this analysis uses a combination of ESRI estimates and data obtained from the American Community Survey (ACS). As such, differences in totals and shares among various tables within this analysis may exist. Also note that due to the relative size of the population and number of households in the subject community, the margins of error for survey-driven data from sources such as the American Community Survey may be higher compared to larger geographies. Nonetheless, the demographic data provided as part of this analysis is the most accurate available, as provided by the aforementioned reputable sources.

A. INTRODUCTION

Bay City is within Bay County, Michigan. Located in the East Central Region of Michigan, Bay City encompasses approximately 10.0 square miles. The community has an estimated 2024 population of 32,142, representative of nearly one-third (31.5%) of the population in Bay County. State Routes 13, 15, 25 and 84 serve as primary connectors for Bay City.

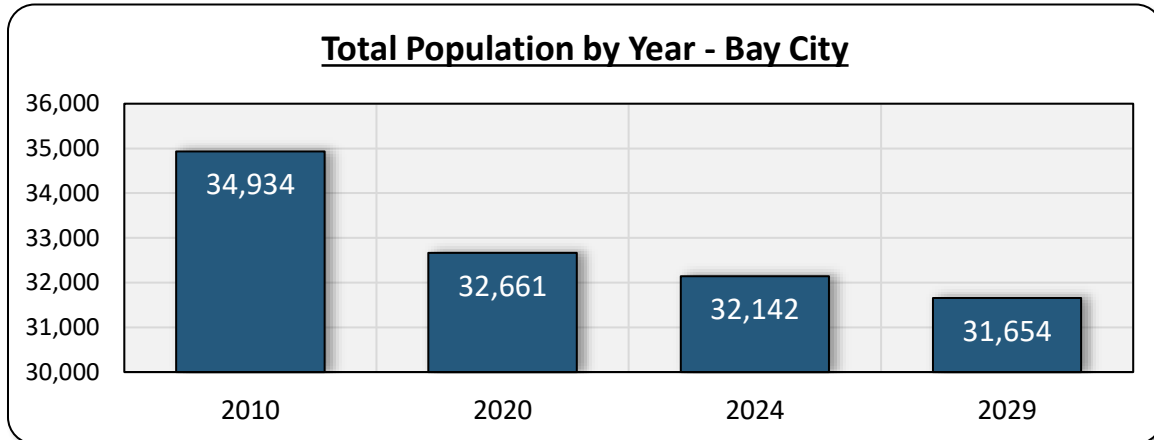
Maps illustrating the city of Bay City, Michigan and Bay County in relation to Region G are included on the following page.



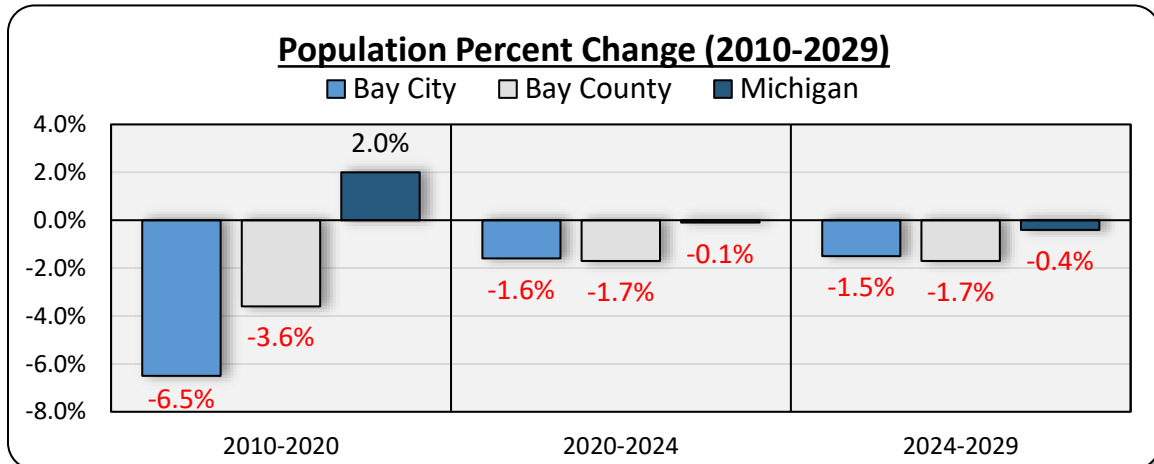
B. DEMOGRAPHICS

This section of the report evaluates key demographic characteristics for Bay City. Demographic comparisons provide insights into the human composition of housing markets. It should be noted that some total numbers and percentages may not match the totals within or between tables/graphs in this section due to rounding.

The following graphs illustrate **total population** by year for Bay City and population **percent** changes for each study area between 2010 and 2029.



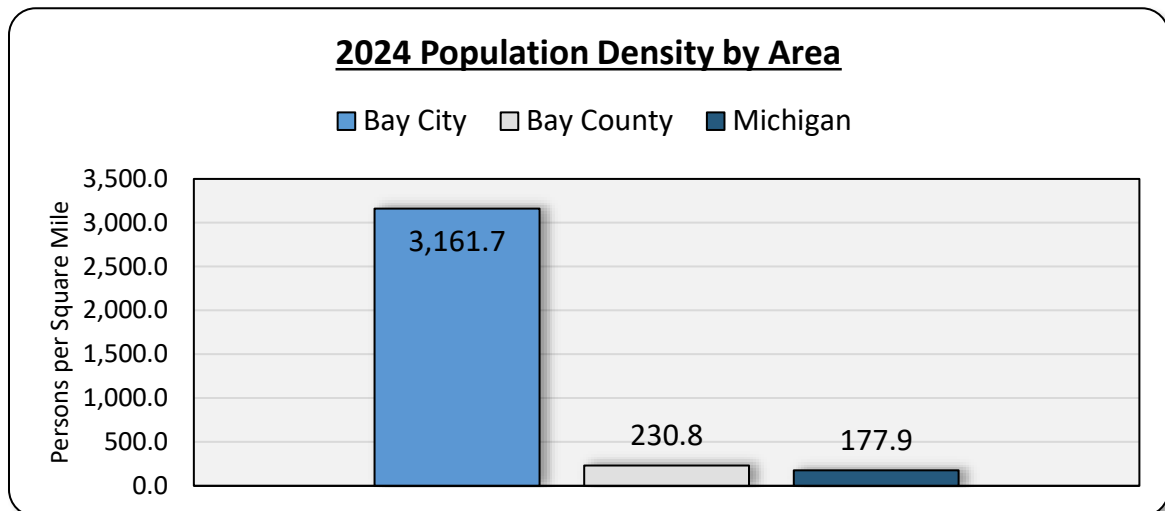
Source: 2010, 2020 Census; ESRI; Bowen National Research



Source: 2010, 2020 Census; ESRI; Bowen National Research

The population in Bay City decreased by 2,273 (6.5%) between 2010 and 2020. This is a much larger rate of decline when compared to that of Bay County (3.6%) and contrasts with the 2.0% increase for the state during the time period. Between 2020 and 2024, the population in Bay City decreased by 1.6%, and the population within the area is projected to decline by 1.5% over the next five years. The projected rate of population decline within Bay City is slightly less than that projected for the county (1.7%) but greater than that projected for the state (0.4%) during this time period. Household growth, which is a better reflection of housing needs, is discussed later in this section.

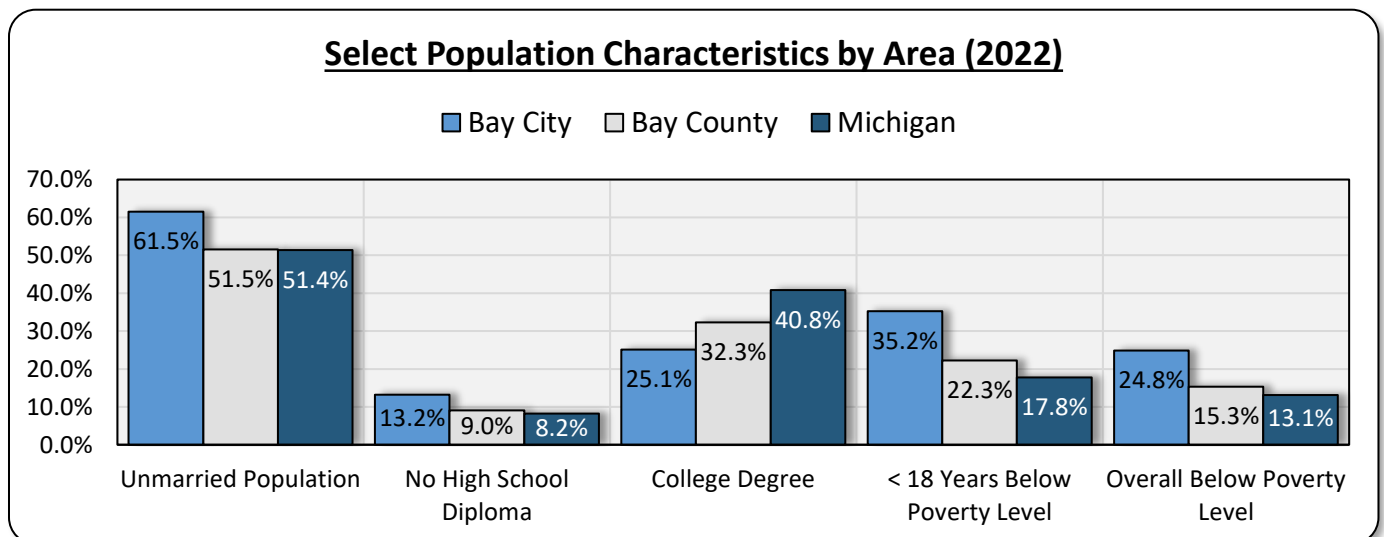
The following graph illustrates the *population density* for each study area in 2024.



Source: 2010, 2020 Census; ESRI; Bowen National Research

With a population density of 3,161.7 persons per square mile, Bay City is significantly more densely populated than Bay County and the state of Michigan.

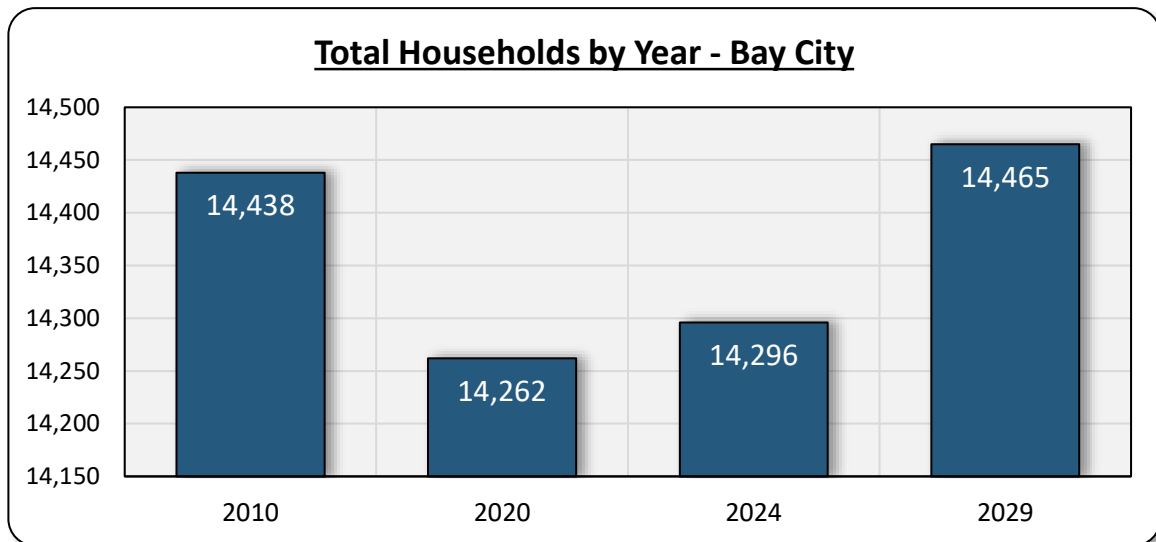
The following graph illustrates *select population characteristics* that typically influence housing affordability for each of the study areas.



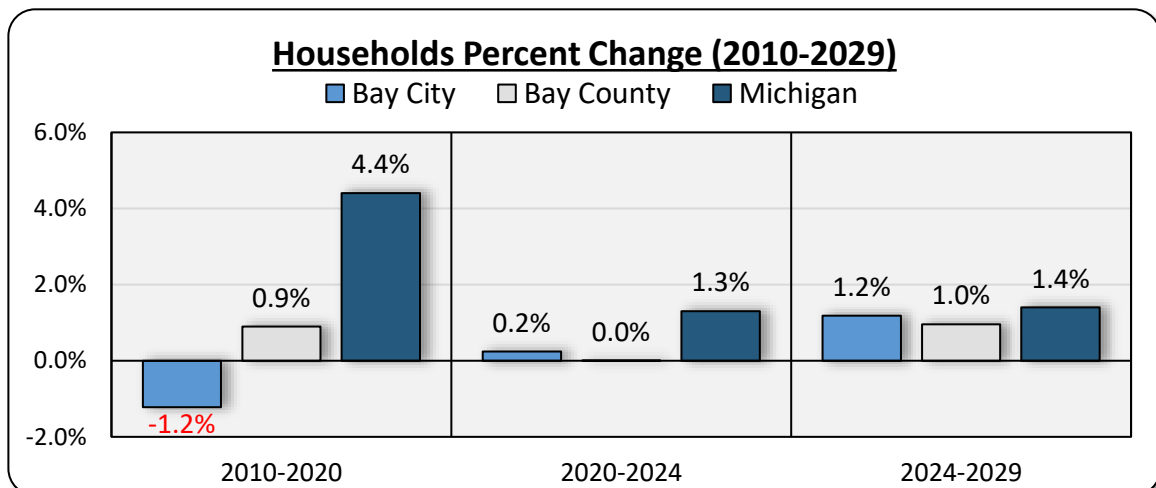
Source: 2018-2022 American Community Survey; ESRI; Bowen National Research

Bay City has a higher share of unmarried population (61.5%), a higher share of the population without a high school diploma (13.2%), and a lower share of individuals with a college degree (25.1%) as compared to corresponding shares for the county and state. The two educational attainment factors likely have a negative influence on household income within the city. Overall, Bay City has much higher poverty rates for children less than 18 years of age (35.2%) and the overall population (24.8%) when compared to the county and state.

The following graphs illustrate the number of **total households** by year for Bay City and household **percent** changes for each study area between 2010 and 2029.



Source: 2010, 2020 Census; ESRI; Bowen National Research



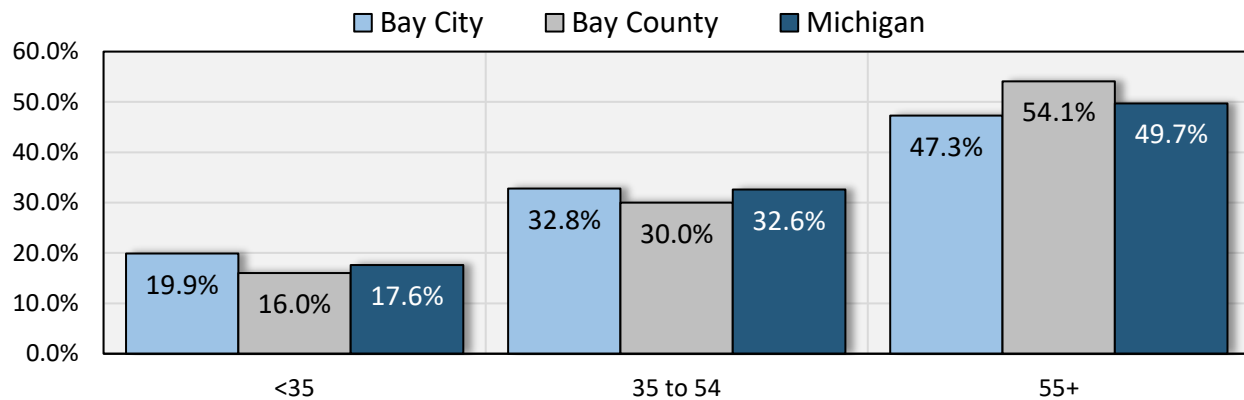
Source: 2010, 2020 Census; ESRI; Bowen National Research

The number of households in Bay City decreased by 176 (1.2%) between 2010 and 2020, which contrasts with the household increases for both Bay County (0.9%) and the state (4.4%) during this time period. Between 2020 and 2024, the number of households in Bay City increased by 0.2%, and is projected to increase by 1.2% between 2024 and 2029. This is generally similar to the projections for both the county and state over the next five years. While household growth can heavily influence the total housing needs of a market, factors such as households living in substandard or cost-burdened housing, people commuting into the area for work, pent-up demand, and availability of existing housing all affect housing needs. These factors are addressed throughout this overview.

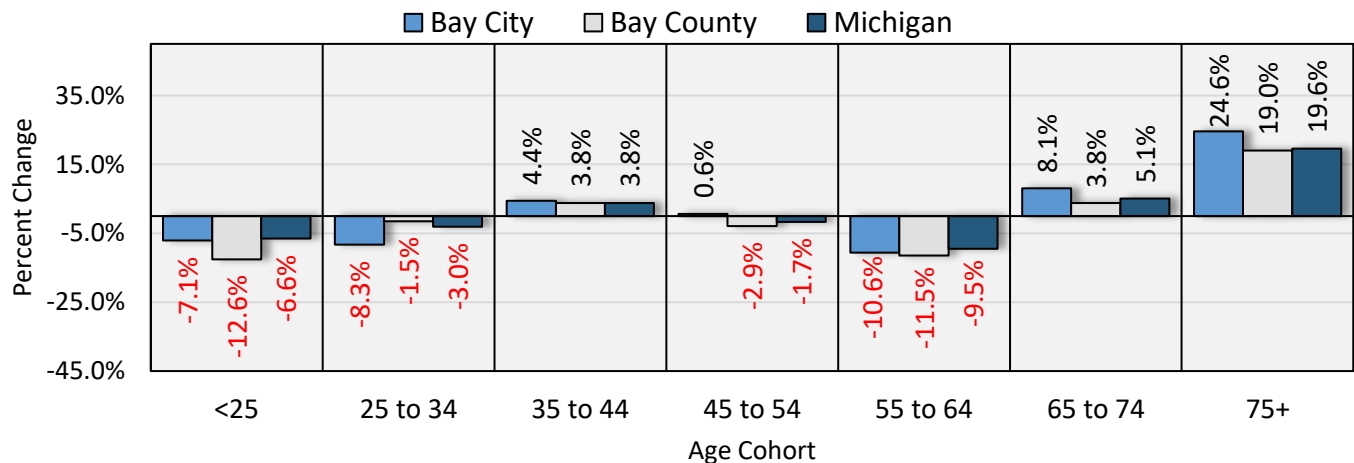
The following table and graphs illustrate *household heads by age* for the subject community, the distribution in 2024, and the projected percent changes between 2024 and 2029 for each of the study areas.

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Bay City	2020	569 (4.0%)	2,320 (16.3%)	2,292 (16.1%)	2,387 (16.7%)	2,962 (20.8%)	2,323 (16.3%)	1,406 (9.9%)
	2024	548 (3.8%)	2,299 (16.1%)	2,392 (16.7%)	2,302 (16.1%)	2,769 (19.4%)	2,484 (17.4%)	1,502 (10.5%)
	2029	509 (3.5%)	2,109 (14.6%)	2,498 (17.3%)	2,316 (16.0%)	2,476 (17.1%)	2,684 (18.6%)	1,872 (12.9%)
	Change 2024-2029	-39 (-7.1%)	-190 (-8.3%)	106 (4.4%)	14 (0.6%)	-293 (-10.6%)	200 (8.1%)	370 (24.6%)

Distribution of Household Heads by Age (2024)



Projected Percent Change in Household Heads by Age (2024-2029)



Source: ESRI; Bowen National Research

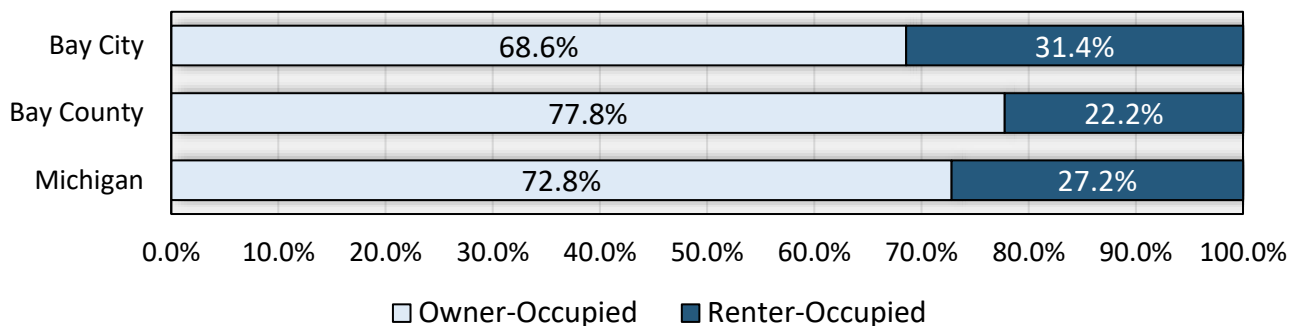
While the largest share (47.3%) of households within Bay City in 2024 are aged 55 and older, households are more heavily concentrated among those less than 35 years of age (19.9%) and between the ages of 35 and 54 (32.8%) when compared to the county and state. While households aged 75 and older are projected to increase by 24.6% within Bay City over the next five years, moderate increases are also projected for households between the ages of 35 and 44 (4.4%) and between the ages of 65 and 74 (8.1%). While the projected changes in households by age will likely influence housing demand for a variety of products, it appears the largest increase in demand will be for senior-oriented housing within the city.

The following table and graph illustrate *households by tenure* (renters and owners) for the subject community in 2024 and compare the shares by tenure for each of the study areas.

Households by Tenure					
Household Type	2020		2024		
	Number	Percent	Number	Percent	
Bay City	Owner-Occupied	9,540	66.9%	9,804	68.6%
	Renter-Occupied	4,722	33.1%	4,492	31.4%
	Total	14,262	100.0%	14,296	100.0%

Source: 2020 Census; ESRI; Bowen National Research

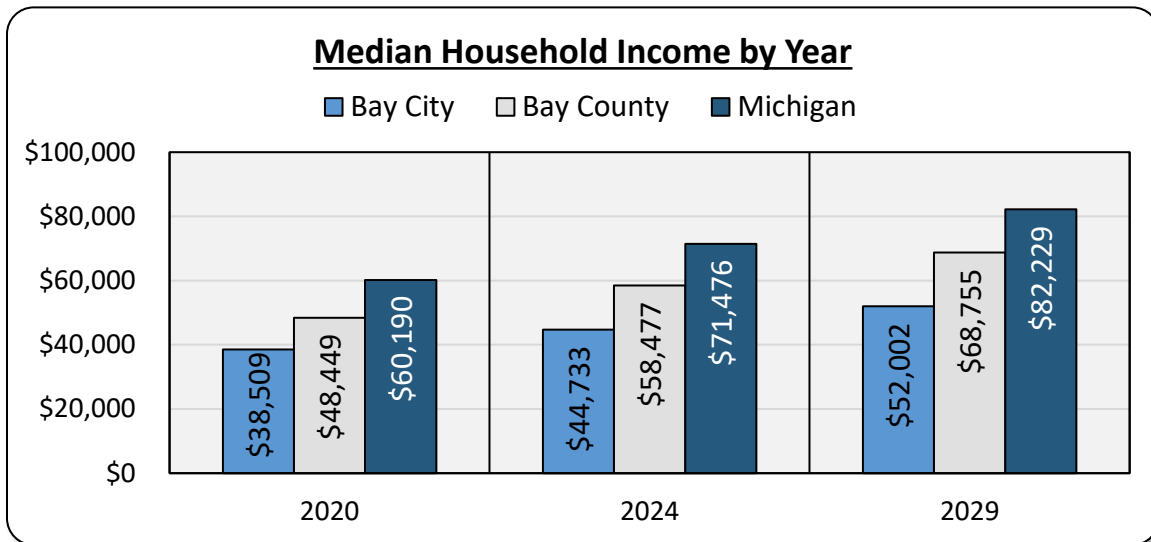
Households by Tenure (2024)



Source: 2020 Census; ESRI; Bowen National Research

In 2024, the distribution of households by tenure in Bay City (68.6% owners and 31.4% renters) is more heavily weighted toward renter households as compared to the county and state. While changes in the number of households by tenure over time will influence housing needs, housing demand is influenced by a variety of factors, which may include existing pent-up demand, substandard housing, housing cost burden, commuting, and/or other factors.

The following compares the *median household income* for each of the study areas from 2020 to 2029.



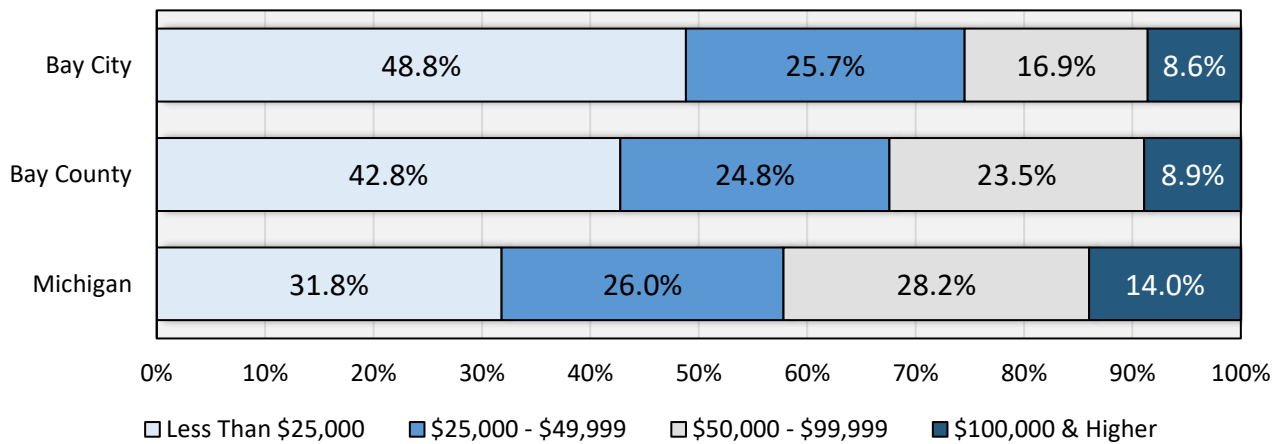
Source: 2020 Census; ESRI; Bowen National Research

As the preceding illustrates, the 2024 median household income in Bay City (\$44,733) is 23.5% lower than the county median household income and 37.4% lower than the statewide median household income. Over the next five years, it is projected that the median household income in Bay City will increase to \$52,002, representing an increase of 16.2%. Nonetheless, the median household income in Bay City will remain below both county and statewide levels over the next five years.

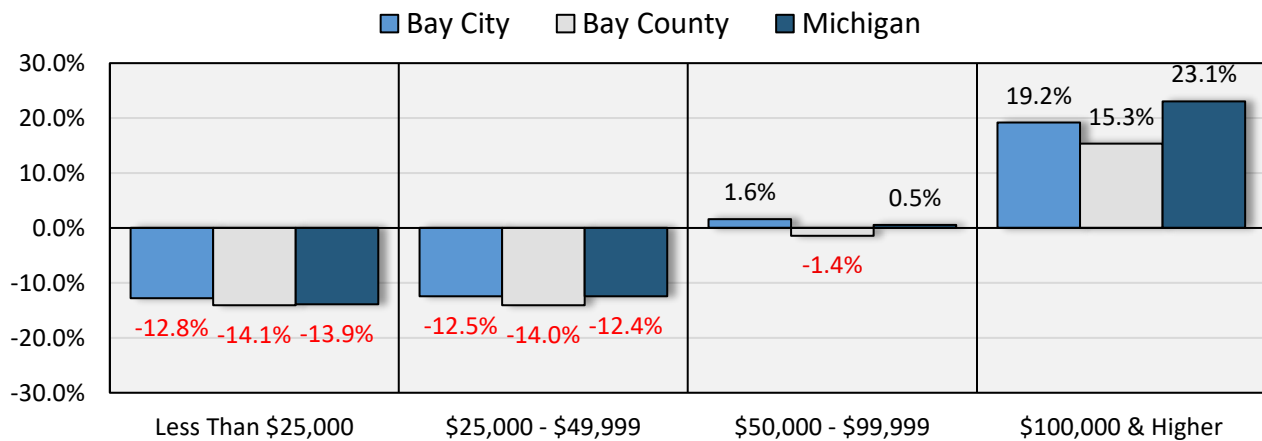
The following table and graphs illustrate **renter households by income** for the subject community and compare the distribution and the projected *percent* changes in renter households by income between 2024 and 2029 for each of the study areas.

		Renter Households by Income							
		Less Than \$15,000	\$15,000 - \$24,999	\$25,000 - \$34,999	\$35,000 - \$49,999	\$50,000 - \$74,999	\$75,000 - \$99,999	\$100,000 - \$149,999	\$150,000 & Higher
Bay City	2020	1,776 (37.6%)	716 (15.2%)	616 (13.1%)	640 (13.6%)	470 (10.0%)	183 (3.9%)	258 (5.5%)	61 (1.3%)
	2024	1,379 (30.7%)	813 (18.1%)	640 (14.2%)	516 (11.5%)	477 (10.6%)	281 (6.3%)	293 (6.5%)	93 (2.1%)
	2029	1,244 (29.9%)	668 (16.1%)	552 (13.3%)	460 (11.1%)	471 (11.3%)	299 (7.2%)	348 (8.4%)	112 (2.7%)
	Change 2024-2029	-135 (-9.8%)	-145 (-17.8%)	-88 (-13.8%)	-56 (-10.9%)	-6 (-1.3%)	18 (6.4%)	55 (18.8%)	19 (20.4%)

2024 Distribution of Renter Households by Income



Percent Change in Renter Households by Income (2024-2029)



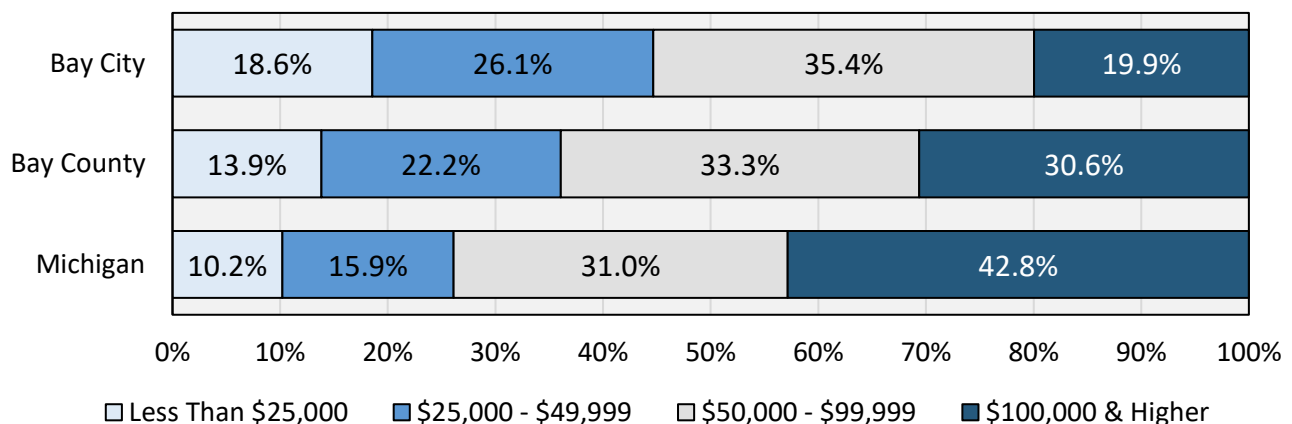
Source: 2020 Census; ESRI; Bowen National Research

In 2024, Bay City has a notably higher share of renter households with incomes less than \$25,000 (48.8%) when compared to both the county (42.8%) and state (31.8%). Bay City also has a slightly higher share of renter household with incomes between \$25,000 and \$49,999 (25.7%) when compared to the county (24.8%), yet generally comparable to that of the state (26.0%). Between 2024 and 2029, renter household growth in all three geographies is projected to be primarily concentrated among households earning \$100,000 or higher, although renters earning between \$50,000 and \$99,999 are also projected to experience growth within both the city and state. Despite these changes, the vast majority (70.4%) of renter households in Bay City will continue to earn less than \$50,000 through 2029, and 46.0% will continue to earn less than \$25,000 annually.

The following table and graphs illustrate **owner households by income** for the subject community in 2024 and compare the distribution and the projected *percent* changes in owner households by income between 2024 and 2029 for each of the study areas.

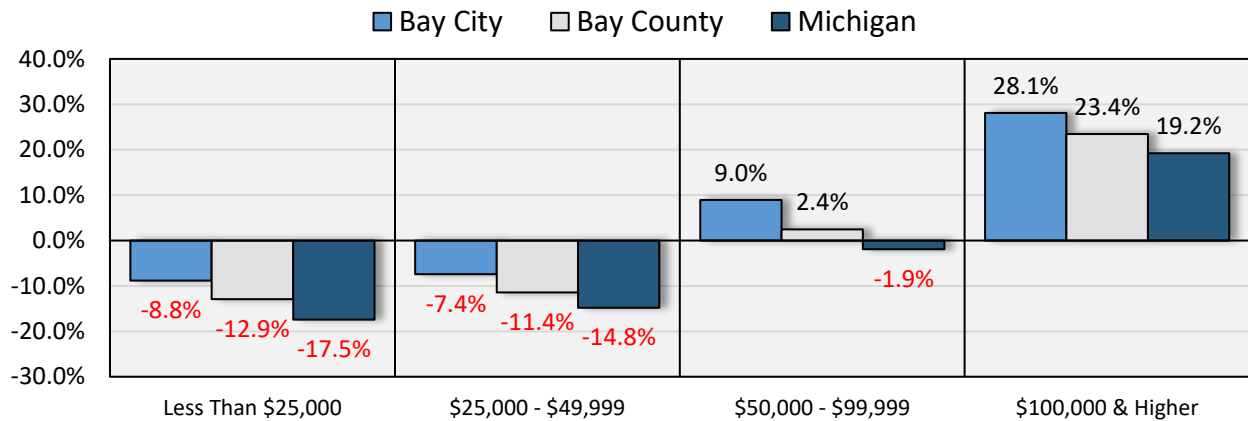
		Owner Households by Income							
		Less Than \$15,000	\$15,000 - \$24,999	\$25,000 - \$34,999	\$35,000 - \$49,999	\$50,000 - \$74,999	\$75,000 - \$99,999	\$100,000 - \$149,999	\$150,000 & Higher
Bay City	2020	846 (8.9%)	1,038 (10.9%)	1,557 (16.3%)	1,835 (19.2%)	1,889 (19.8%)	1,095 (11.5%)	872 (9.1%)	406 (4.3%)
	2024	989 (10.1%)	831 (8.5%)	1,031 (10.5%)	1,528 (15.6%)	1,889 (19.3%)	1,581 (16.1%)	1,204 (12.3%)	751 (7.7%)
	2029	941 (9.1%)	718 (7.0%)	933 (9.0%)	1,436 (13.9%)	1,975 (19.2%)	1,806 (17.5%)	1,514 (14.7%)	990 (9.6%)
	Change 2024-2029	-48 (-4.9%)	-113 (-13.6%)	-98 (-9.5%)	-92 (-6.0%)	86 (4.6%)	225 (14.2%)	310 (25.7%)	239 (31.8%)

2024 Distribution of Owner Households by Income



Source: 2020 Census; ESRI; Bowen National Research

Percent Change in Owner Households by Income (2024-2029)



Source: 2020 Census; ESRI; Bowen National Research

In 2024, over three-quarters (80.1%) of Bay City owner households earn less than \$100,000, which is a larger share compared to the county (69.4%) and state (57.2%). Specifically, 44.7% of owner households in the city earn less than \$50,000, which is a substantially larger share than the state share (26.1%) of such households. Between 2024 and 2029, the most significant growth (28.1%) in owner households is projected to be among those earning \$100,000 or more, though notable growth (9.0%) is projected for those earning between \$50,000 and \$99,999. Despite this increase among owner households earning \$100,000 or higher, 75.7% of all owner households in Bay City will continue to earn less than \$100,000 through 2029, and approximately 39.0% will earn less than \$50,000 annually.

The following table illustrates the *components of population change* for Bay County and the state of Michigan between April 2020 and July 2024. Note that components of change data is only available at the county level or higher. The estimate for each geography includes a *residual* value, which is the change that cannot be attributed to any specific component. The residual value adjusts the total population change for the given geography so that the sum of each county equals the state, and each state equals the total national population change.

Estimated Components of Population Change by Area						
April 1, 2020 to July 1, 2024						
Area	Change		Components of Change			
	Number	Percent	Natural Change	Domestic Migration	International Migration	Net Migration
Bay County	-1,205	-1.2%	-2,155	771	160	931
Michigan	61,121	0.6%	-38,340	-67,785	164,465	96,680
						19

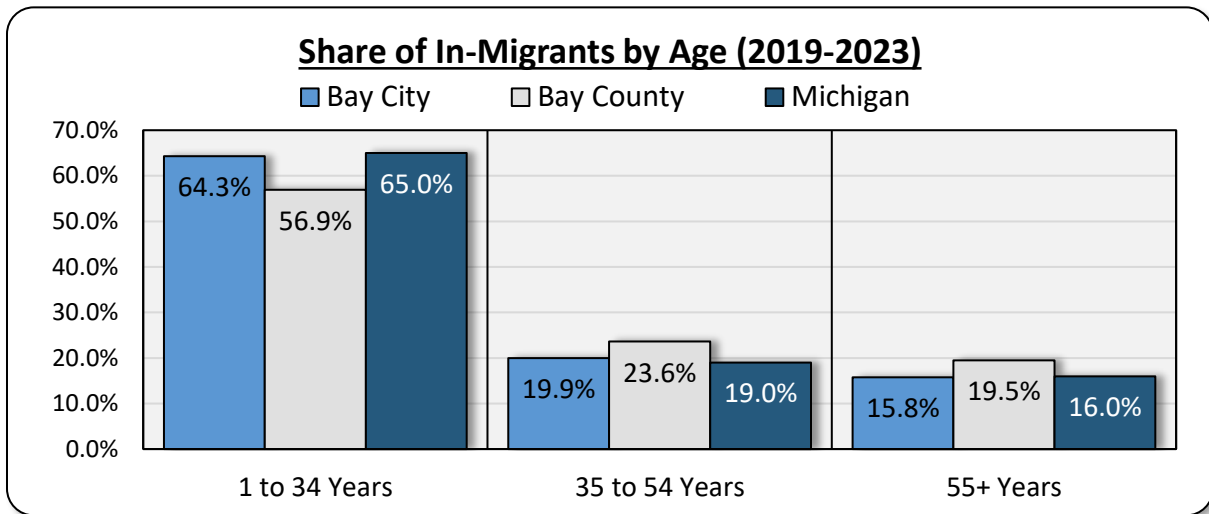
Source: U.S. Census Bureau, Population Division, March 2025

*Each geography includes residual representing the change that cannot be attributed to any specific demographic component

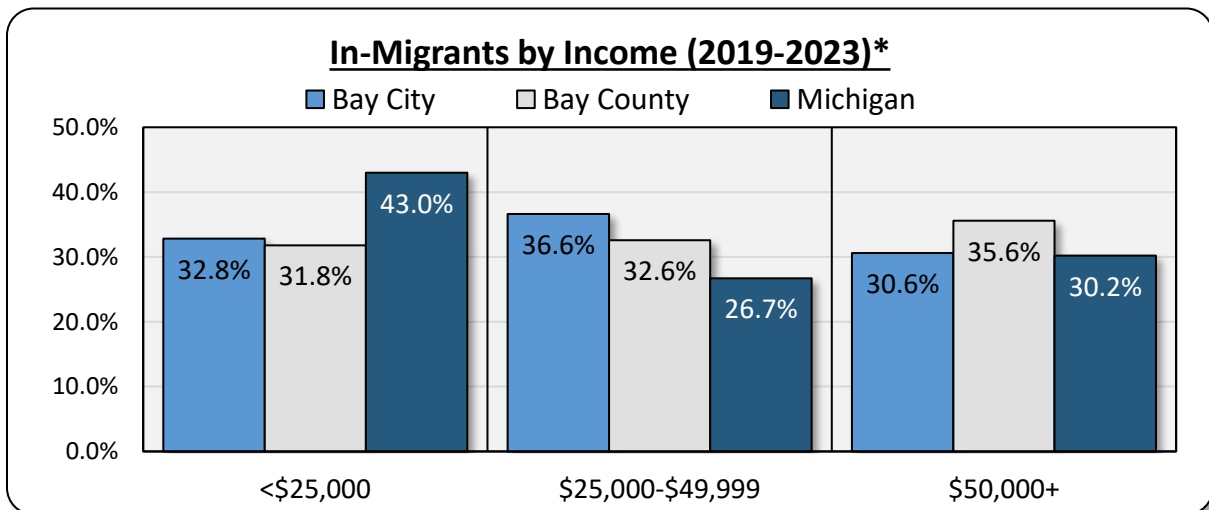
Based on the preceding data, the population decline within Bay County between 2020 and 2024 was heavily influenced by natural decrease (more deaths than births). Conversely, domestic and international migration were both positive components of

population change in Bay County. While this data is not specific to Bay City, it is reasonable to conclude that the components of population change for Bay County likely have a significant influence on each of the geographies located within the county.

The following graphs illustrate the distribution of *in-migrants by age* and *by income* for each study area from 2019 to 2023. Note that the data illustrated in both graphs is based on *population*, not households.



Source: U.S. Census Bureau, 2023 5-Year American Community Survey (S0701); Bowen National Research



Source: U.S. Census Bureau, 2023 5-Year American Community Survey (B07010); Bowen National Research

*Excludes population with no income

As the preceding data illustrates, the largest share (64.3%) of Bay City in-migrants by age are less than 35 years, followed by those between the ages of 35 and 54 (19.9%) and then seniors aged 55 or older (15.8%). This distribution of in-migrants by age is very comparable to that of the state. In-migrants by income within Bay City is relatively evenly distributed, with a slightly higher share (36.6%) of those earning between \$25,000 and \$49,999.

C. ECONOMY AND WORKFORCE ANALYSIS

Note that some economic data specific to Bay City is not available within this section. In these instances, data for Bay County has been provided as economic trends within the county likely influence economic conditions within Bay City.

Labor Force

The following table illustrates *the employment base by industry* for Bay City, Bay County, and the state of Michigan. The top five industries by share of employment for each area are highlighted in **red** text.

NAICS Group	Employment by Industry					
	Bay City		Bay County		Michigan	
	Employees	Percent	Employees	Percent	Employees	Percent
Agriculture, Forestry, Fishing & Hunting	19	0.1%	101	0.2%	20,855	0.5%
Mining	0	0.0%	30	0.1%	4,899	0.1%
Utilities	38	0.3%	108	0.2%	11,620	0.3%
Construction	339	2.3%	977	2.2%	168,108	3.8%
Manufacturing	1,710	11.8%	4,951	11.0%	504,941	11.3%
Wholesale Trade	284	2.0%	7,285	16.1%	187,578	4.2%
Retail Trade	1,086	7.5%	5,484	12.1%	542,818	12.1%
Transportation & Warehousing	607	4.2%	1,193	2.6%	98,990	2.2%
Information	128	0.9%	373	0.8%	81,327	1.8%
Finance & Insurance	400	2.8%	960	2.1%	144,434	3.2%
Real Estate & Rental & Leasing	178	1.2%	642	1.4%	94,915	2.1%
Professional, Scientific & Technical Services	528	3.6%	1,188	2.6%	319,369	7.1%
Management of Companies & Enterprises	3	0.0%	7	0.0%	13,783	0.3%
Administrative, Support, Waste Management & Remediation Services	234	1.6%	678	1.5%	110,005	2.5%
Educational Services	1,000	6.9%	3,642	8.1%	386,042	8.6%
Health Care & Social Assistance	3,272	22.5%	6,252	13.8%	750,195	16.7%
Arts, Entertainment & Recreation	157	1.1%	899	2.0%	119,596	2.7%
Accommodation & Food Services	1,362	9.4%	4,259	9.4%	398,128	8.9%
Other Services (Except Public Administration)	1,150	7.9%	2,928	6.5%	272,318	6.1%
Public Administration	2,050	14.1%	3,193	7.1%	245,144	5.5%
Non-classifiable	0	0.0%	16	0.0%	5,515	0.1%
Total	14,545	100.0%	45,166	100.0%	4,480,580	100.0%

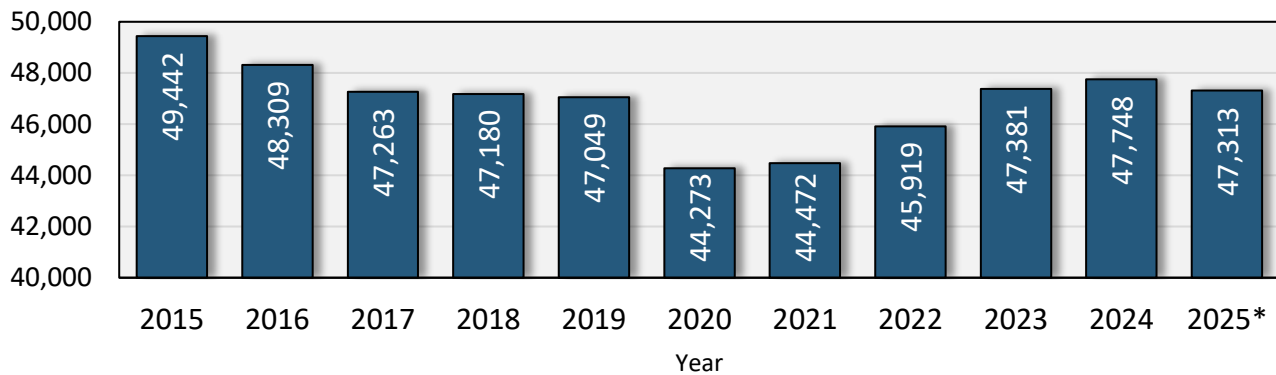
Source: 2020 Census; ESRI; Bowen National Research

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within each market. These employees, however, are included in our labor force calculations because their places of employment are located within each market.

Bay City has an employment base of over 14,500 individuals within a broad range of employment sectors. The labor force within the city comprises nearly one-third (32.2%) of the total Bay County employment base and is based primarily in four sectors: Health Care & Social Assistance (22.5%), Public Administration (14.1%), Manufacturing (11.8%) and Accommodation & Food Services (9.4%). Combined, the top four job sectors represent 57.8% of the city's employment base.

Total employment reflects the number of employed persons who live within an area regardless of where they work. The following illustrates the ***total employment*** base for Bay County between 2015 and February 2025.

Total Employment - Bay County (2015-2025)



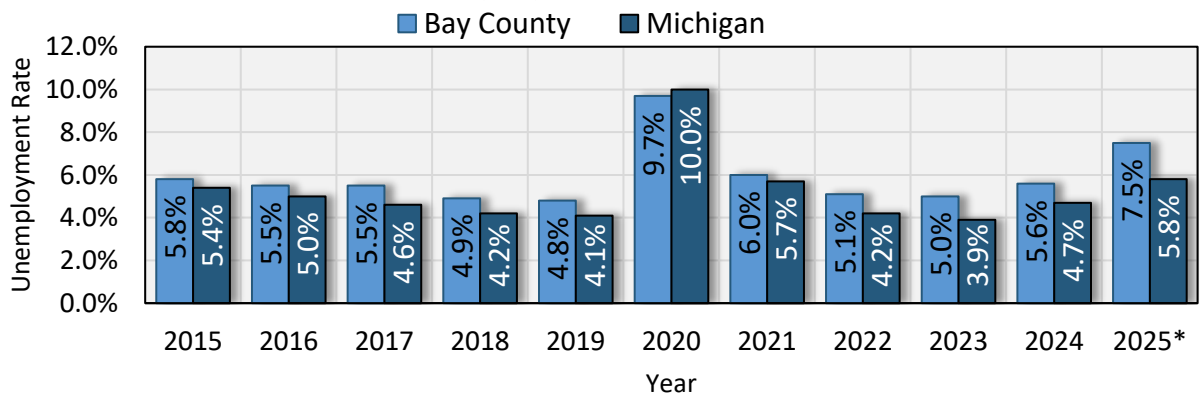
Source: Department of Labor; Bureau of Labor Statistics; Bowen National Research

*Through February

As the preceding illustrates, total employment within Bay County decreased by 2,393 (4.8%) between 2015 and 2019. In 2020, total employment decreased by an additional 2,776 jobs (5.9%) within the county, which can be largely attributed to the economic impact of the COVID-19 pandemic. Since 2020, total employment in the county has increased for four consecutive years. As of year-end 2024, total employment was at 101.5% of the 2019 level. This represents the highest level of total employment in the county since 2016 and is a positive economic indicator.

The following illustrates the ***annual unemployment rate*** for Bay County and the state of Michigan from 2015 to February 2025.

Annual Unemployment Rate (2015-2025)

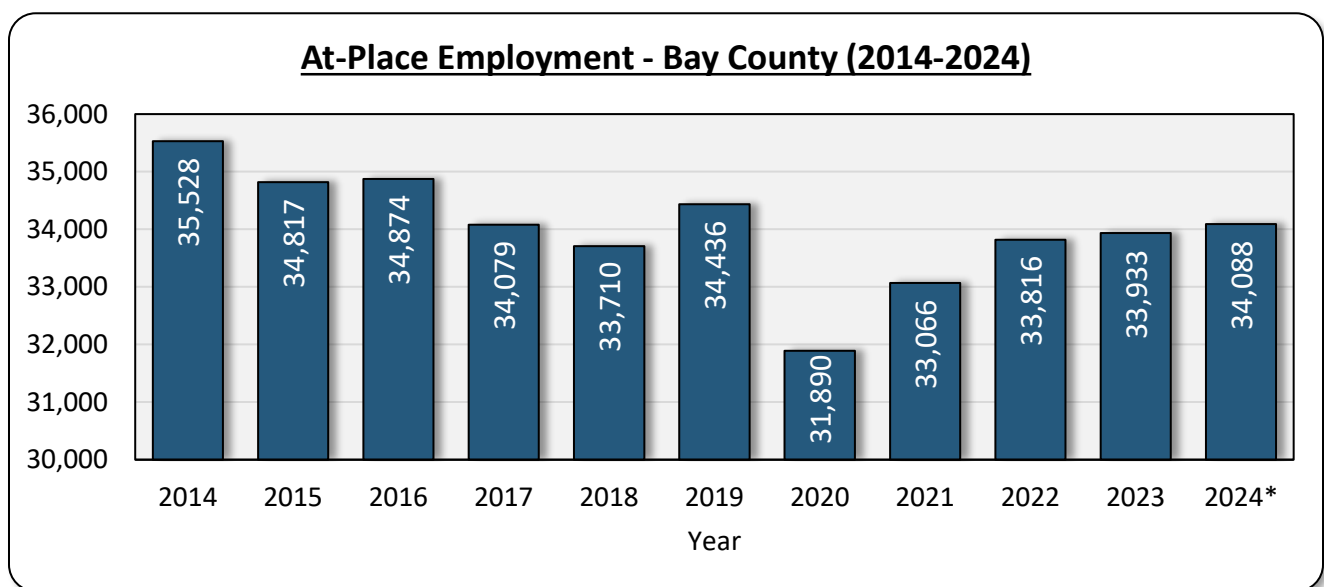


Source: Department of Labor; Bureau of Labor Statistics; Bowen National Research

*Through February

As the preceding data shows, the unemployment rate in Bay County declined from 5.8% in 2015 to 4.8% in 2019. After the sharp increase in 2020 (to 9.7%), the unemployment rate in the county dropped to 5.0% in 2023. However, the county unemployment rate has increased, as the year-end unemployment rate for 2024 was 5.6%. While the unemployment rate in the state also increased in 2024, the county unemployment rate is higher than the state and has been above the statewide rate every year except 2020. This indicates that unemployment has historically been a challenge within the county.

At-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total *at-place employment* base for Bay County from 2014 to September 2024.



Source: Department of Labor; Bureau of Labor Statistics

*Through September

As the preceding illustrates, at-place employment within Bay County decreased between 2014 and 2018 (6.6% decrease) before increasing by 2.2% between 2018 and 2019. A decrease of over 2,500 jobs (7.4%) occurred in 2020, which can be largely attributed to the economic effects related to the COVID-19 pandemic. Through September 2024, at-place employment within the county was at 99.0% of the 2019 level. Although this indicates some softness in the labor market likely exists in Bay County, at-place employment has increased for three consecutive years since 2021.

Economic Outlook

The Worker Adjustment and Retraining Notification (WARN) Act requires advance notice of qualified plant closings and mass layoffs. WARN notices were reviewed on March 18, 2025. According to the Michigan Department of Labor and Economic Opportunity and Michigan Department of Technology, Management & Budget, there have been two WARN notices reported for Bay County over the past 12 months. Details for these WARN notices are illustrated in the following table.

WARN Notices – Bay County				
Company	Location	Jobs	Notice Date	Effective Date
Bay County Medical Care Facility	Essexville	90	N/A	May 10, 2024
McLaren Bay Special Care	Bay City	43	N/A	December 22, 2024

Sources: Michigan Department of Labor and Economic Opportunity; Michigan Department of Technology, Management, and Budget

N/A – Not Available

The two WARN notices for Bay County resulted in the loss of 133 jobs, including layoffs at a skilled care nursing facility in Essexville and the closure of a long-term care facility in Bay City. Note that an outpatient medical facility is being planned for the site of the now closed long-term care facility in Bay City.

The following table summarizes the 10 largest employers within Bay County:

Largest Employers – Bay County		
Employer Name	Business Type	Total Employed
Michigan Sugar Company (Corporate Office)	Agriculture	2,100
McLaren Bay Region	Healthcare	1,600
Bay City Public Schools	Education	850
Bay City Propulsion Systems	Manufacturing	550
S.C. Johnson, Inc.	Manufacturing	440
Northern Concrete Pipe, Inc. (HQ)	Manufacturing	225
Bay Area Family YMCA	Nonprofit	210
HL Mechatronics	Manufacturing	185
Mersen	Manufacturing	178
Lake State Railway Co.	Transportation	165

Sources: Economic Development Corporation Bay County

Major employers within Bay County are primarily involved in agriculture, healthcare, education, and manufacturing. While a number of the largest employers in the county are engaged in industries that are generally considered stable industries (healthcare, education, etc.) and are typically less susceptible to economic downturns, certain types of manufacturing facilities can be affected by economic conditions.

The following table summarizes economic development activity and infrastructure projects in Bay County that were identified through online research and/or through communication with local economic development officials.

Economic Development Activity – Bay County			
Project Name	Investment	Job Creation	Scope of Work/Details
Bay Carbon Inc. Bay City	\$1.6 million	20	Approximately 10,000-square-foot facility expansion for semiconductor components and specialty metal manufacturing. Construction was completed in 2024.
Mersen USA Bay City	\$70 million	70	A four-building expansion is planned on five acres for graphite materials manufacturing space. An additional four existing buildings will be rehabilitated and expanded, one of which will be a technical center. Expansion facility to open spring 2025.
Vantage Plastics Bangor Township	\$31 million	93	Approximately 325,000-square-foot facility being renovated on seven-acre lot for thermoforming manufacturing space. Expansion announced early 2023, current completion date unknown.
McLaren Bay Region (West Campus) Bay City	N/A	N/A	Announced in November 2024, the former long-term care facility will undergo extensive renovations and expansion to develop an advanced multispecialty outpatient care center. Will add more specialty care clinics, a medical laboratory, and advanced imaging facilities. Currently in planning stage.
Infrastructure Projects – Bay County			
Project Name	Scope of Work, Status, Investment		
Sewer Upgrade Monitor Township	Plans include sanitary sewer upgrade at 3 Mile Rd. and Wilder Rd. Construction currently underway. ECD unknown. Total investment value of \$4.1 million.		
Lafayette Street Bridge Replacement Bay City	Demolition and replacement of the M-13/M-84 (Lafayette Street) bridge. Construction underway. ECD 2027. Total investment value of \$112 million.		
Fraser Street Bridge Bay City	The bridge, which runs over the Kawkawlin River, is being replaced due to age. Construction expected to begin in 2026. Investment value of \$7 million.		
Independence and Liberty Bridges Bay City	The bridges have changed ownership from city ownership to private operation (Bay City Bridge Partners). Both bridges will become toll bridges with the Independence Bridge already collecting tolls. Total investment value of \$150 million.		

N/A – Not Available; ECD – Estimated Completion Date

As the preceding illustrates, three manufacturing companies in the county have announced renovation or expansion plans that are expected to create a combined total of 183 jobs. In addition, expansion is planned for the west campus of the McLaren Bay Region hospital and a sanitary sewer upgrade project is currently underway in Monitor Township. Three bridge projects, which have a total investment value of \$269 million, are also currently underway or planned within Bay City.

Commuting Data

The ability of a person or household to travel easily, quickly, safely, and affordably throughout a market influences the desirability of a housing market. In addition, the individuals commuting into a market from neighboring markets represent a potential base of support for future residential development.

The following tables summarize two *commuting pattern attributes* (mode and time) for each of the study areas.

		Commuting Mode						
		Drove Alone	Carpooled	Public Transit	Walked	Other Means	Worked at Home	Total
Bay City	Number	11,738	1,186	100	476	217	871	14,588
	Percent	80.5%	8.1%	0.7%	3.3%	1.5%	6.0%	100.0%
Bay County	Number	39,493	2,915	181	746	695	3,207	47,237
	Percent	83.6%	6.2%	0.4%	1.6%	1.5%	6.8%	100.0%
Michigan	Number	3,557,296	375,519	56,353	96,131	56,391	471,483	4,613,173
	Percent	77.1%	8.1%	1.2%	2.1%	1.2%	10.2%	100.0%

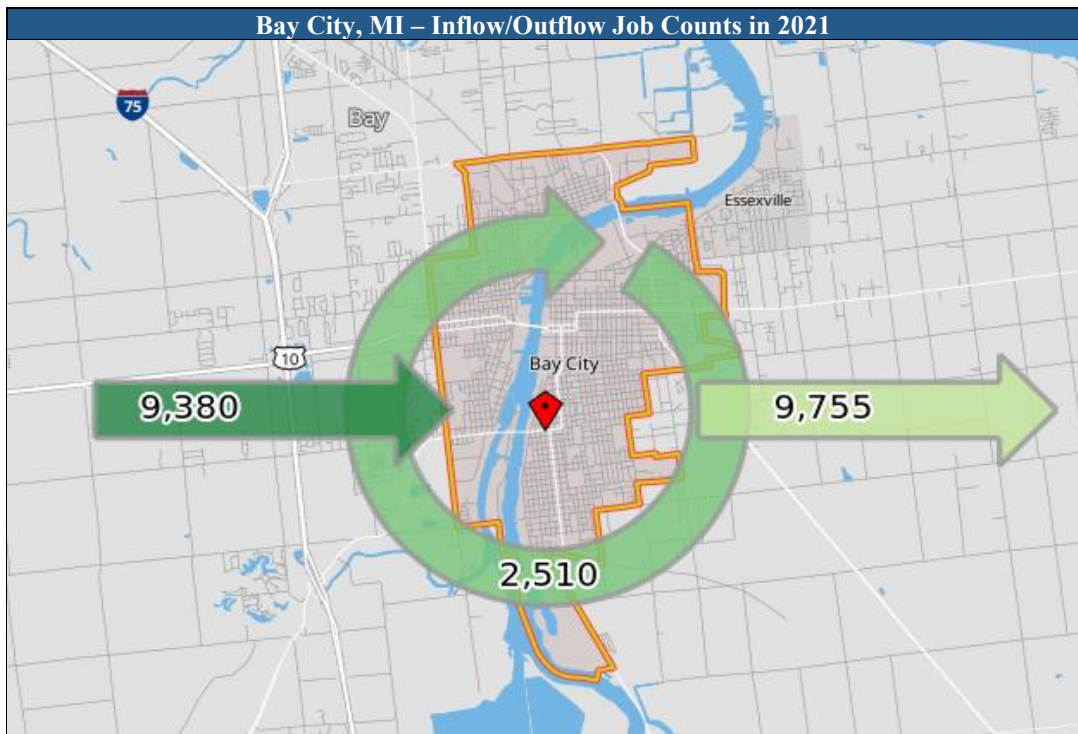
Source: ESRI; Bowen National Research

		Commuting Time						
		Less Than 15 Minutes	15 to 29 Minutes	30 to 44 Minutes	45 to 59 Minutes	60 or More Minutes	Worked at Home	Total
Bay City	Number	5,502	5,154	1,838	496	727	871	14,588
	Percent	37.7%	35.3%	12.6%	3.4%	5.0%	6.0%	100.0%
Bay County	Number	14,115	17,777	7,783	1,948	2,407	3,207	47,237
	Percent	29.9%	37.6%	16.5%	4.1%	5.1%	6.8%	100.0%
Michigan	Number	1,171,444	1,605,041	813,580	294,030	257,594	471,483	4,613,172
	Percent	25.4%	34.8%	17.6%	6.4%	5.6%	10.2%	100.0%

Source: ESRI; Bowen National Research

As the preceding illustrates, 88.6% of individuals in Bay City utilize their own vehicles or carpool to work, 3.3% walk to work, and 6.0% work from home. The share of individuals who walk to work (3.3%) within the city is higher than the county (1.6%) and statewide (2.1%) shares. Overall, approximately 73.0% of commuters have commute times of less than 30 minutes to their place of employment. As such, the vast majority of individuals in the city have relatively short commute times or work from home, while 5.0% have commute times of 60 minutes or more.

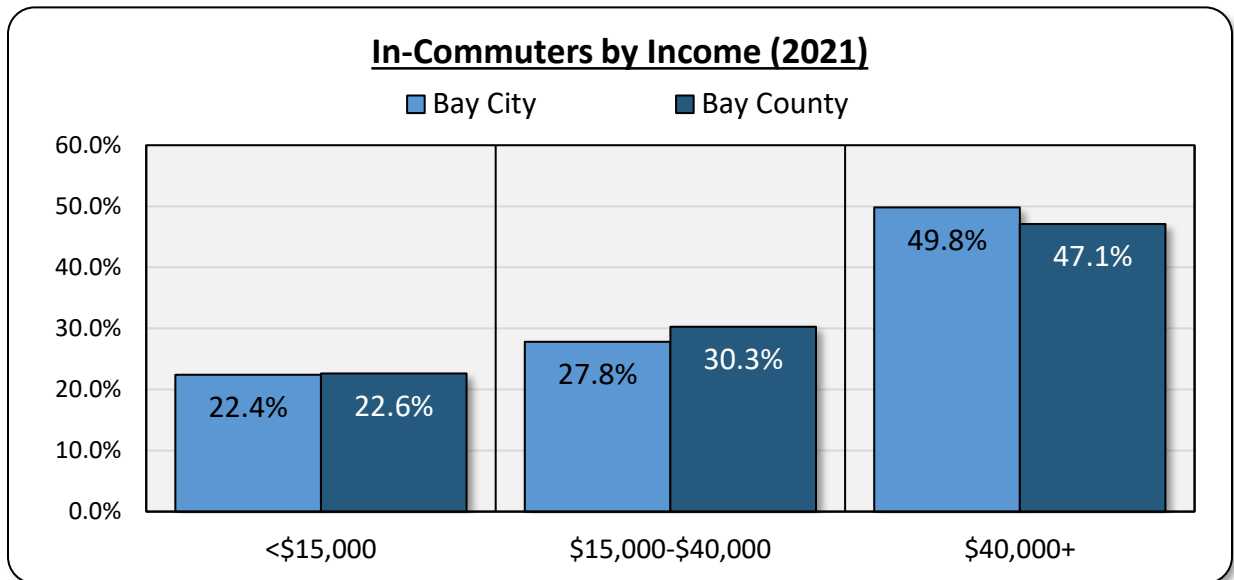
The following illustrates the overall *commuter flow* for Bay City based on 2021 U.S. Census Longitudinal Origin-Destination Employment Statistics (LODES) data.



Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES); Bowen National Research

Of the approximately 11,890 persons *employed* in Bay City in 2021, 78.9% (9,380) originate from outside the city, while 21.1% (2,510) live within the city. Over 9,750 residents of the city commute to surrounding areas daily for employment. Regardless, the 9,380 non-residents who work in the area represent a substantial base of potential support for future residential development within Bay City.

The following compares the distribution of *in-commuters by annual income* for Bay City and Bay County.

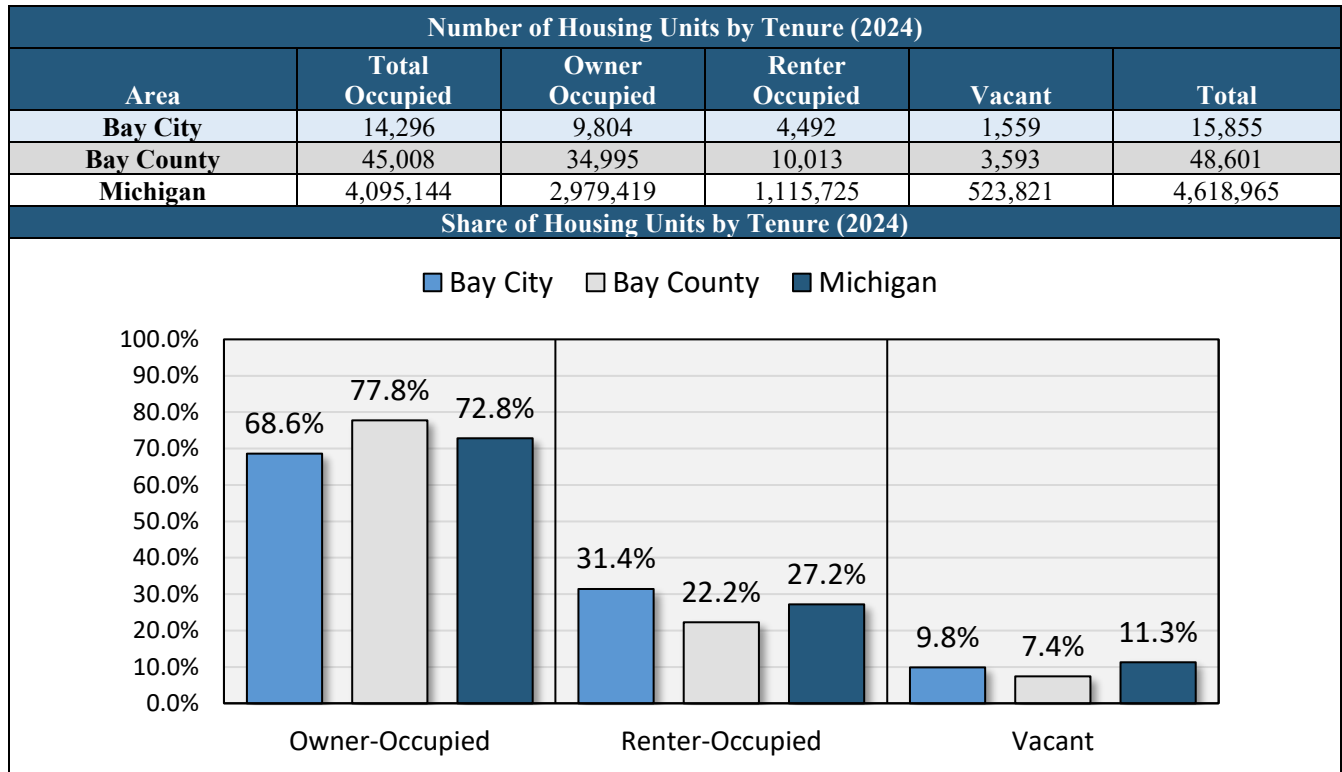


Source: U.S. Census, Longitudinal Origin-Destination Employment Statistics (LODES); Bowen National Research

The preceding shows that the largest share (49.8%) of in-commuters to Bay City earn \$40,000 or more annually, while 27.8% earn between \$15,000 and \$40,000, and 22.4% earn less than \$15,000 annually. As such, the distribution of in-commuter income within Bay City is slightly more weighted toward those earning \$40,000 or more as compared to the county. Regardless, a variety of housing types could be developed to potentially attract some of the 9,380 in-commuters to live within Bay City. We accounted for a portion of the in-commuters as additional household growth in the housing gaps shown later in this overview.

D. HOUSING METRICS

The estimated distribution of the area *housing stock by occupancy/tenure status* for each study area for 2024 is illustrated in the following table and graph:



Source: 2020 Census; ESRI; Bowen National Research

Of the 14,296 total *occupied* housing units in Bay City, 68.6% are owner occupied and 31.4% are renter occupied. This is more heavily weighted toward renter-occupied housing when compared to the county and state. Among the 15,855 total housing units in Bay City, 9.8% (1,559 units) are classified as vacant. This is a lower share of vacant units as compared to the state (11.3%), yet a higher share compared to the county (7.4%). Vacant units are comprised of a variety of units including abandoned properties, unoccupied rentals, for-sale homes, and seasonal housing units. According to 2019-2023 American Community Survey estimates (Table ID B25004), 14.7% of vacant housing units in Bay City are classified as seasonal/recreational units. This is a much smaller share of such units compared to the Region G share of 56.4%. While a portion of the vacant units in Bay City are seasonal/recreational units, the influence of these units is significantly less than the influence in the overall region.

The following table compares key *housing age and conditions* based on American Community Survey and ESRI data. Housing units built over 50 years ago (pre-1970), overcrowded housing (1.01+ persons per room), or housing that lacks complete indoor kitchens or bathroom plumbing are illustrated by tenure. It is important to note that some occupied housing units may have more than one housing issue.

	Housing Age and Conditions (2024)											
	Pre-1970 Product				Overcrowded				Incomplete Plumbing or Kitchen			
	Renter		Owner		Renter		Owner		Renter		Owner	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Bay City	3,342	72.5%	8,466	87.0%	18	0.4%	141	1.4%	0	0.0%	210	2.2%
Bay County	5,756	54.9%	20,542	59.5%	85	0.8%	259	0.7%	182	1.7%	271	0.8%
Michigan	496,850	44.8%	1,392,778	47.3%	31,042	2.8%	33,798	1.1%	21,323	1.9%	19,540	0.7%

Source: American Community Survey; ESRI; Bowen National Research

In Bay City, 72.5% of the renter-occupied housing units and 87.0% of the owner-occupied housing units were built prior to 1970, which are much higher shares than the corresponding shares in the county and state. The most prevalent housing condition issues in Bay City are the 1.4% share of overcrowded owner-occupied housing units and the 2.2% share of owner-occupied housing units lacking complete plumbing or kitchen facilities, which are larger shares than both those of the county and state.

The following table compares key household income, housing cost, and housing affordability metrics. It should be noted that cost burdened households pay over 30% of income toward housing costs, while severe cost burdened households pay over 50% of income toward housing.

	Household Income, Housing Costs and Affordability							
	Total Households (2024)	Median Household Income (2024)	Estimated Median Home Value (2024)	Median Gross Rent (2022)	Share of Cost Burdened Households* (2023)		Share of Severe Cost Burdened Households** (2023)	
					Renter	Owner	Renter	Owner
Bay City	14,296	\$44,733	\$88,014	\$726	44.5%	19.9%	19.7%	8.9%
Bay County	45,008	\$58,477	\$160,105	\$786	39.6%	18.3%	19.7%	7.2%
Michigan	4,095,144	\$71,476	\$249,290	\$1,037	45.8%	19.1%	23.7%	7.9%

Source: American Community Survey; ESRI; Bowen National Research

*Paying more than 30% of income toward housing costs; **Paying more than 50% of income toward housing costs

The estimated median home value in Bay City of \$88,014 is 45.0% lower than the median home value for the county and 64.7% lower than the state. Similarly, the median gross rent of \$726 is 7.6% lower than that for the county and 30.0% lower than that for the state. With a median household income of \$44,733 in Bay City, approximately 44.5% of renter households and 19.9% of owner households are housing cost burdened. As a result, there are roughly 1,999 renter households and 1,951 owner households in Bay City that are housing cost burdened, of which approximately 885 renter households and 873 owner households are severe cost burdened (paying more than 50% of income toward housing costs). As such, affordable housing alternatives should be an integral part of future housing solutions.

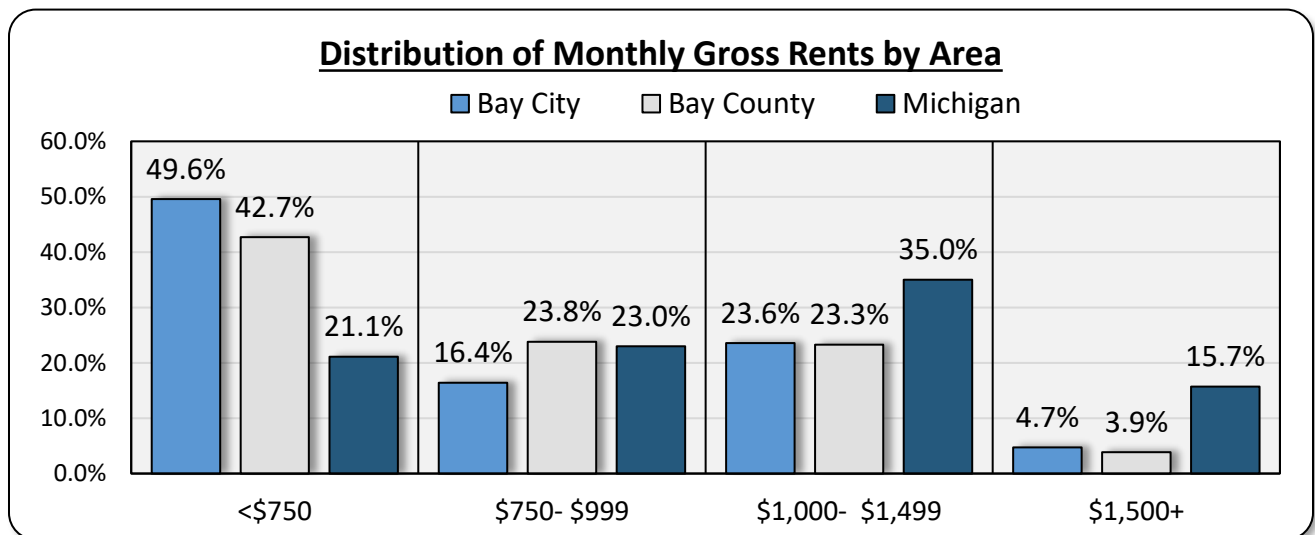
Based on the American Community Survey data, the following is a distribution of all occupied housing by **units in structure by tenure** (renter or owner) for each of the study areas.

		Renter-Occupied Housing by Units in Structure				Owner-Occupied Housing by Units in Structure			
		4 Units or Less	5 Units or More	Mobile Home/ Other	Total	4 Units or Less	5 Units or More	Mobile Home/ Other	Total
Bay City	Number	3,323	1,264	24	4,611	9,532	72	124	9,729
	Percent	72.1%	27.4%	0.5%	100.0%	98.0%	0.7%	1.3%	100.0%
Bay County	Number	6,151	3,929	412	10,491	32,955	93	1,463	34,511
	Percent	58.6%	37.4%	3.9%	100.0%	95.5%	0.3%	4.2%	100.0%
Michigan	Number	558,443	504,600	46,212	1,109,254	2,762,130	36,728	144,116	2,942,974
	Percent	50.3%	45.5%	4.2%	100.0%	93.9%	1.2%	4.9%	100.0%

Source: American Community Survey (2019-2023); ESRI; Bowen National Research

Nearly 73.0% of the *rental* units in Bay City are within structures of four units or less or mobile homes. Overall, Bay City has a smaller share (27.4%) of multifamily rental housing (five or more units within a structure) when compared to both those of the county (37.4%) and state (45.5%). Among *owner*-occupied units in Bay City, nearly all are within structures of four units or less (98.0%) and mobile homes (1.3%).

The following graph illustrates the **distribution of monthly gross rents** (per unit) for rental alternatives within each of the study areas. Note that this data includes both multifamily rentals and non-conventional rentals, and gross rents include tenant-paid rents and tenant-paid utilities.



Source: American Community Survey (2019-2023); ESRI; Bowen National Research

*Excludes rentals classified as “No Cash Rent”

As the preceding illustrates, the largest share (49.6%) of Bay City rental units have rents less than \$750, followed by units with rents between \$1,000 and \$1,499 (23.6%), and those with rents between \$750 and \$999 (16.4%). Although considerably less in share, 4.7% of rentals in the area have rents of \$1,500 or more. Compared to the county and state, the distribution of gross rental rates in Bay City is more heavily weighted toward the lowest priced product (less than \$750), illustrating the dominance of low to moderately priced rental product in the area.

Bowen National Research's Survey of Housing Supply

Renter-occupied housing in a market is generally classified in one of two categories: *multifamily apartments* or *non-conventional rentals*. Multifamily apartments are typically properties consisting of five or more rental units within a structure, while non-conventional rentals are usually defined as rental properties with four or less units within a structure. The following pages provide an analysis of the rental market within Bay City and Bay County based on secondary data from sources such as the American Community Survey and U.S. Census Bureau, and when applicable, includes primary data collected directly by Bowen National Research.

Multifamily Apartments

A survey of multifamily apartment properties was conducted as part of this Housing Market Summary. Multifamily apartments can operate under a number of program types. These can include market-rate rentals and affordable housing programs such as the Low-Income Housing Tax Credit (LIHTC) and various government-subsidized programs. Properties that operate under a LIHTC program, hereinafter referred to as "Tax Credit," are generally restricted to households earning up to 80% of Area Median Housing Income (AMHI), while government-subsidized rental housing typically serves households earning no more than 50% of AMHI and requires tenants to pay only 30% of their income toward housing costs. The following table summarizes the surveyed multifamily rental supply within Bay City.

Multifamily Supply by Product Type – Bay City				
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	4	114	0	100.0%
Tax Credit	3	226	1	99.6%
Tax Credit/Government-Subsidized	1	158	0	100.0%
Government-Subsidized	3	444	0	100.0%
Total	11	942	1	99.9%

Source: Bowen National Research

A total of 11 apartment properties were surveyed in Bay City, comprising a total of 942 units. The overall occupancy rate for the multifamily units in the city is 99.9% (a result of only one vacant unit), showcasing the exceptionally high demand that exists for rental housing of all affordability levels within the city. Typically, healthy, well-balanced markets have rental housing vacancy rates generally between 4% and 6%. As such, it appears the Bay City market has a notable shortage of multifamily apartments, which may represent a potential future development opportunity in the area.

The following tables illustrate the *median rent by bedroom/bathroom type* for the surveyed *market-rate* and *Tax Credit* units in Bay City and Bay County. Note that the tables only include the most common bedroom/bathroom configurations.

Market-Rate Median Rents by Bedroom/Bathroom Type				
Area	One-Br/ 1.0-Ba	Two-Br/ 1.0-Ba	Two-Br/ 2.0-Ba	Three-Br/ 1.5-Ba
Bay City	\$1,100	\$2,300	\$2,200	-
Bay County	\$890	\$895	\$1,140	\$1,174

Source: Bowen National Research

Tax Credit Median Rents by Bedroom/Bathroom Type				
Area	One-Br/ 1.0-Ba	Two-Br/ 1.0-Ba	Two-Br/ 2.0-Ba	Three-Br/ 2.0-Ba
Bay City	\$820	\$835	\$920	\$1,020
Bay County	\$820	\$835	\$920	\$1,020

Source: Bowen National Research

As the preceding illustrates, the median rents for the most common unit configurations in Bay City range from \$1,100 (one-bedroom/1.0-bathroom) to \$2,300 (two-bedroom/1.0-bathroom) for market-rate units, while the median Tax Credit rents range from \$820 (one-bedroom/1.0-bathroom) to \$1,020 (three-bedroom/2.0-bathroom). Although the median rents for the Tax Credit units in the city are identical to those within Bay County, the market-rate units have significantly higher median rents within the city compared to the overall county. With virtually no availability among the multifamily rentals identified in Bay City, residents are likely to seek rental alternatives among the non-conventional supply, which also has extremely limited availability. This can result in households seeking housing options outside the area to find more readily available and/or affordable housing choices.

Housing Choice Vouchers, which are administered by local housing authorities, can be utilized to increase rental housing options for lower-income households. The following table summarizes the number of Housing Choice Vouchers (HCVs) issued, the estimated number of unused vouchers, and the number of households on the housing authority's wait list for the next available vouchers in Bay County, which includes Bay City.

Housing Choice Voucher Use – Bay County				
Total Vouchers Issued	Estimated Unused Vouchers	Unused Voucher Share	Annual Program Turnover	Wait List
216	5	2.3%	23	198

Source: Michigan State Housing Development Authority (MSHDA)

There are currently 216 HCVs issued in Bay County, nearly all of which are currently being utilized. In addition, there are nearly 200 households currently on the wait list for additional vouchers within the county, and the annual program turnover is estimated to be 23 vouchers. As such, it appears there is extremely high demand for affordable housing in Bay County and this segment of the market is likely severely underserved.

Non-Conventional Rental Housing

Non-conventional rentals are considered rental units typically consisting of single-family homes, duplexes, units over store fronts, and mobile homes. For the purposes of this particular inventory and analysis, we have assumed that rental properties consisting of four or less units within a structure and mobile homes are non-conventional rentals. Overall, 72.6% of the rental units in Bay City are classified as non-conventional rentals.

During May 2025, Bowen National Research conducted an online survey and identified 26 non-conventional rentals that were listed as *available* for rent in Bay County. Note that due to the very limited number of available non-conventional rentals in the area, all such homes available within Bay County have been evaluated as part of this analysis, regardless of their inclusion within the city limits of Bay City.

The following table illustrates the vacancy rate, which compares the number of identified *vacant* non-conventional rentals to the *total number* of non-conventional rentals based on the American Community Survey, for Bay County.

Non-Conventional Rentals Overview			
Area	Non-Conventional Rentals*	Identified Vacant Units	Vacancy Rate
Bay County	6,563	26	0.4%

Source: American Community Survey (2019-2023); ESRI; Bowen National Research

*ACS reported number of rental units within structures of four units or less and mobile homes

With 26 available units identified, Bay County has an overall vacancy rate of 0.4% for non-conventional rentals, which is well below the optimal range of 4% to 6% for non-conventional rentals and indicates a significant lack of available non-conventional supply in the area.

A summary of the available *non-conventional rental* units in Bay County, which includes bedroom type, rent range, and median rent, follows:

Available Non-Conventional Rental Supply – Bay County			
Bedroom	Vacant Units	Rent Range	Median Rent
One-Bedroom	5	\$600 - \$900	\$700
Two-Bedroom	6	\$800 - \$1,200	\$975
Three-Bedroom	14	\$896 - \$4,200	\$1,288
Four-Bedroom+	1	\$1,400	\$1,400
Total	26		

Source: Zillow; Apt.com; Trulia; Realtor.com; Facebook

The available non-conventional rentals identified in Bay County are primarily comprised of three-bedroom units, representing over half (53.8%) of the available non-conventional rentals identified. Although it is impossible to draw general conclusions about the typical non-conventional rentals in the market based on such limited data, the lack of available units and a vacancy rate of 0.4% indicate there is a notable shortage of non-conventional rentals in the area. Given that the multifamily rental units surveyed in the city are 99.9% occupied and 26 available non-conventional rental units were identified throughout the county, there appear to be very limited options available for households to rent in and near Bay City.

For-Sale Housing

The following table summarizes the *recently sold* (between January 1, 2022 and March 19, 2025) and *available* (as of March 19, 2025) for-sale housing stock for Bay City and Bay County.

Sold/Currently Available For-Sale Housing Supply*		
Status	Number of Homes	Median Price
Bay City		
Sold	1,491	\$120,000
Available	53	\$130,000
Bay County		
Sold	3,175	\$149,900
Available	126	\$199,900

Source: Redfin.com & Bowen National Research

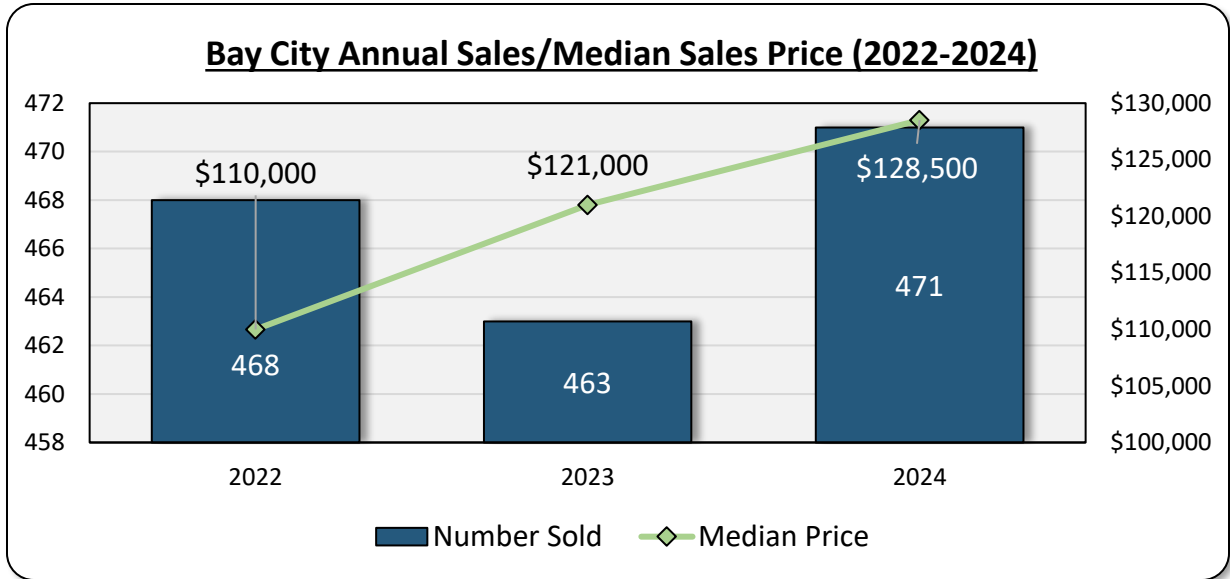
*Historical sales (sold) from January 1, 2022 to March 19, 2025; Available supply as of March 19, 2025

Historical sales from January 2022 to March 2025 in Bay City consisted of 1,491 homes (47.0% of all homes sold within the county during this time period) with a median sales price of \$120,000, which is 19.9% lower than that reported for the county (\$149,900) during this time period. The available for-sale housing stock in Bay City as of March 19, 2025 consists of 53 total units with a median list price of \$130,000. The 53 units available within the city comprise 42.1% of the 126 total units available for purchase within the county. The median list price of \$130,000 within the city is 35.0% lower than the median list price for the county (\$199,900).

The following table and graph summarize ***historical sales volume*** and ***median sales price*** by year from January 2022 through December 2024.

Sales History/Median Sales Price by Year – Bay City (January 1, 2022 to December 31, 2024)				
Year	Number Sold	Percent Change	Median Sales Price	Percent Change
2022	468	-	\$110,000	-
2023	463	-1.1%	\$121,000	10.0%
2024	471	1.7%	\$128,500	6.2%

Source: Redfin.com & Bowen National Research



As the preceding illustrates, the volume of home sales in Bay City decreased slightly by 1.1% between 2022 and 2023, followed by a 1.7% increase in 2024. During this time period, the median sales price of homes sold in Bay City increased each year. Collectively, the median sales price of homes sold in Bay City increased by 16.8% between January 2022 and December 2024.

The following table provides various housing market metrics for the *available* for-sale homes within Bay City and Bay County as of March 19, 2025. Note that availability rates and Months Supply of Inventory (MSI) numbers that are indicative of limited availability are highlighted in **red** text.

Available For-Sale Housing (As of March 19, 2025)							
Area	Total Available Units	% Share of County	Availability Rate / MSI	Median List Price	Average Square Feet	Average Year Built	Average Days on Market
Bay City	53	42.1%	0.5% / 1.4	\$130,000	1,443	1931	73
Bay County	126	100.0%	0.4% / 1.5	\$199,900	1,581	1953	71

Source: Redfin.com & Bowen National Research

The 53 available for-sale homes in Bay City represent 42.1% of the total available for-sale homes in Bay County. These homes equate to an availability rate of 0.5% when compared to the 9,804 owner-occupied units in the city, which is only slightly higher than the availability rate for Bay County (0.4%). Based on recent sales history, this inventory represents 1.4 *Months Supply of Inventory* (MSI). Typically, in healthy, well-balanced markets, approximately 2% to 3% of the for-sale housing stock should be available for purchase and there should be between four and six months of available inventory to allow for inner-market mobility and household growth. The available for-sale homes in Bay City have a median list price of \$130,000, an average number of days on market of 73 days, and an average year built of 1931. While the median list

price of the available for-sale homes indicates that a significant portion of the inventory is relatively affordable, the average year built of the available for-sale homes indicates that many likely require costly modernization and repairs. This can create an additional challenge for many low-income households and first-time homebuyers to afford home ownership in the area. Regardless, the data illustrates that there is a limited number of homes available for sale in the city compared to the overall inventory of owner-occupied homes. This limited inventory of available for-sale homes combined with a relatively low average number of days on market has likely contributed to the steady increase in for-sale pricing since 2022.

Planned & Proposed

In addition to the surveys of each housing type within this overview, Bowen National Research conducted interviews with representatives of area building and permitting departments and performed extensive online research to identify residential projects either planned for development or currently under construction within the Bay City area. The following summarizes the known details for the housing developments by type that are planned, proposed, or under construction within Bay County. Note that additional projects may have been introduced into the pipeline since the interviews and research were completed.

Multifamily Rental Housing Development – Bay County				
Project Name & Address	Type	Units	Developer	Status/ Details
Auburn Meadows Apts. 4949 Garfield Road Auburn	Market-rate	54	MDL Property Management	Under Construction: Two-bedrooms; Estimated rent \$1,250; Additional phases planned for 72 units; ECD summer 2026
Unnamed 111 North Madison Avenue Bay City	Affordable Senior	112	N/A	Planned: Demolition of former YMCA and nearby buildings began in 2024; Set aside for residents earning up to 60% AMHI; Phase I includes 17 two- and three-bedroom townhomes and 39 one- and two-bedroom apartments; Phase I to break ground in 2026
Water Street Lofts 1210 North Water Street Bay City	Market-rate	85	Times Properties	Planned: 10 studios, 56 one-bedrooms, 17 two-bedrooms, 2 three-bedrooms; Construction to begin 2025; ECD spring 2026
Unnamed 1113 Central Avenue Bay City	Market-rate	12	Pnacek Property Solutions	Proposed: Studio and one-bedrooms; Special Use and Historic District approved; Awaiting plan submittal by applicant
Unnamed 401 East 5 th Street Pinconning	Affordable	324	N/A	Proposed: One to three-bedrooms; Estimated rents from \$900 to \$1,350; Construction could begin in 2025

ECD – Estimated Completion Date; AMHI – Area Median Household Income; N/A – Not Available

For-Sale Housing Development – Bay County				
Subdivision Name & Address	Product Type	Units/Lots	Developer	Status/Details
Condos at Iron Bridge Marquette Avenue & Cove Drive Bay City	Condominium	32	Mid-Michigan Builders	Under Construction: Two-bedrooms; Homes at \$225,000; Square feet at 2,400

As the preceding illustrates, there are five multifamily rental housing projects and one for-sale housing project in various phases of development in Bay County. Three of these multifamily rental projects and the only for-sale housing development identified appear to be located within Bay City.

Development Opportunities

Based on a review of a variety of resources, potential development opportunities (sites) were identified in the subject market. This likely does not represent all development opportunities within the area. Note that the Map Code number for each site corresponds to the Development Opportunity Locations Map included on page VII-11 of the regional Housing Needs Assessment completed for Region G. The sites located within the Bay City zoning jurisdiction are illustrated in **red** text.

Development Opportunity Sites – Bay City Area						
Map Code	Street Address	Location	Year Built	Building Size (Square Feet)	Land Size (Acres)	Zoning District (Zoning Jurisdiction)
11	430 Ricoma Beach Rd.	Bay City	-	-	4.07	R-2 Single-Family Residential (Bangor Township)
12	4129 Wilder Rd.	Bay City	1992	62,595	5.69	C-2 Regional Commercial (Bangor Township)
13	3774 State Street Rd.	Bay City	-	-	5.99	C-2 Regional Commercial (Bangor Township)
14	3536 Wheeler Rd.	Bay City	-	-	10.00	R-3 Single-Family Residential (Bangor Township)
15	77 Old Kawkawlin Rd.	Bay City	-	-	14.66	I-1 Light Industrial (Bangor Township)
16	S. Huron Rd. (U.S. Hwy 23)	Bay City	-	-	35.76	RM Two-Family & Multiple Family C-2 Regional Commercial (Bangor Township)
17	1120 N. Grant St.	Bay City	1949	28,300	0.81	R2 Duplex (Bay City)
18	4410 Wilder Rd.	Bay City	1899	1,488	2.16	C-2B Highway Business (Bay City)
19	1515 N. Johnson St.	Bay City	-	-	6.52	M2 General Industrial (Bay City)
20	700 Marquette Ave.	Bay City	1912	114,336	10.53	M2 General Industrial (Bay City)
21	1001 S. Euclid Ave.	Bay City	-	-	22.07	C-2-B Highway Business O-1 Office (Bay City)
22	2480 Delta Rd.	Bay City	-	-	2.60	AG Agricultural District (Frankenlust Township)
23	S. 3 Mile Rd.	Bay City	-	-	4.42	C-3 General Commercial District (Frankenlust Township)
24	2507 Delta Rd.	Bay City	N/A	N/A	6.17	C-2 Community Commercial District C-3 General Commercial District (Frankenlust Township)
25	Bay Valley Rd.	Bay City	-	-	7.45	R-T Two Family Residential District (Frankenlust Township)
26	6292 Westside Saginaw Rd.	Bay City	N/A	N/A	25.00	C-3 General Commercial District (Frankenlust Township)
27	Westside Saginaw Rd.	Bay City	-	-	39.00	C-2 Community Commercial District (Frankenlust Township)

Sources: LoopNet, Realtor.com, Michigan Economic Development Corporation, County Equalization and GIS websites

Note: Total land area includes total building area; Location reflects postal address of site; Zoning jurisdiction reflects specific municipality or township

N/A – Information not available

Development Opportunity Sites – Bay City (CONTINUED)

Map Code	Street Address	Location	Year Built	Building Size (Square Feet)	Land Size (Acres)	Zoning District (Zoning Jurisdiction)
28	Delta Rd./Westside Saginaw Rd.	Bay City	-	-	46.00	C-2 Community Commercial District (Frankenlust Township)
29	Eastland Ct.	Bay City	-	-	17.63	R-3 Single-Family Residential (Hampton Township)
30	3930 Traxler Ct.	Bay City	1976/1991	12,750	5.75	C Commercial (Monitor Charter Township)
31	3338 E. Wilder Rd.	Bay City	-	-	50.63	C Commercial R-3 Medium Density Multiple Family Residential (Monitor Charter Township)
32	Fisher Rd.	Bay City	-	-	191.14	AG Agricultural District (Monitor Charter Township)
33	W. German Rd.	Bay City	-	-	11.50	A-E Agricultural Estate District (Portsmouth Township)

Sources: LoopNet, Realtor.com, Michigan Economic Development Corporation, County Equalization and GIS websites

Note: Total land area includes total building area; Location reflects postal address of site; Zoning jurisdiction reflects specific municipality or township
N/A – Information not available

Overall, there were 23 development opportunity sites identified within the Bay City area comprising a total of 525.55 acres of land. Of the 23 sites in the Bay City area, five sites are located within the Bay City zoning jurisdiction. These five sites consist of a combined total of 42.09 acres. Three of the five identified sites in the Bay City zoning jurisdiction have existing buildings or structures that range in size from 1,488 to 114,336 square feet. Of the five sites, two are zoned for residential use, two are zoned for industrial use, and the remaining site is zoned commercial.

E. HOUSING GAP

Bay City is located in Bay County. As shown in the Region G Housing Needs Assessment, the county has an overall housing gap of 5,048 units, with gaps of 638 rental units and 4,410 for-sale units. While a variety of factors influence the decisions of where people ultimately choose to live and where developers choose to develop, it is assumed that individual communities can reasonably capture a “fair share” of the overall county’s housing needs. As such, we have applied the subject market’s current portion of the overall county’s renter and owner households to the county’s housing gap estimates to derive the local community’s estimated housing gaps. However, we recognize that it is possible that development efforts in Bay City could potentially satisfy the overall needs of the county, which were considered in the following demand estimates. Considering the preceding factors, a housing gap range is shown for each income segment in the following table. The low end of this range is reflective of the minimum housing gap/need for each segment based on the city’s current share of the countywide housing stock. Comparatively, the high end of this range is reflective of total county housing gap/need for each segment.

The following table summarizes the rental and for-sale housing gaps by income and affordability levels for Bay City. Details of the methodology and data used to derive the housing gap estimates are provided in Section VIII of the separate Region G Housing Needs Assessment.

Bay City (Bay County), Michigan					
Housing Gap Estimates (2024-2029)					
Percent of AMHI	≤60%	61%-80%	81%-120%	121%+	Total Housing Gap
Household Income*	≤\$50,220	\$50,221-\$66,960	\$66,961-\$100,440	\$100,441+	
Rent Range	≤\$1,256	\$1,257-\$1,674	\$1,675-\$2,511	\$2,512+	
Price Range	≤\$167,400	\$167,401-\$223,200	\$223,201-\$334,800	\$334,801+	
Rental Housing Gap	102 - 228	89 - 198	75 - 167	20 - 45	
For-Sale Housing Gap	0	214 - 765	666 - 2,379	355 - 1,266	1,235 - 4,410

Source: Bowen National Research

AMHI – Area Median Household Income

*Based on HUD limits for Bay County (4-person limit)

As the preceding table illustrates, the projected housing gaps over the next five years encompass a variety of affordability levels for both rental and for-sale housing product. Overall, it is estimated that Bay City has a minimum rental housing gap of 286 units and a minimum for-sale housing gap of 1,235 units. While the local market could outperform these minimum estimates and serve a greater portion of the overall county's housing needs, these housing gap estimates should provide a baseline for establishing priorities within the community.

F. **STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)**

A SWOT analysis often serves as the framework to evaluate an area's competitive position and to develop strategic planning. It considers internal and external factors, as well as current and future potential. Ultimately, such an analysis is intended to identify core strengths, weaknesses, opportunities, and threats that can lead to strategies that can be developed and implemented to address local housing issues.

The following is a summary of key findings from this SWOT analysis for Bay City.

SWOT Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> • 1.2% projected growth in households over the next five years, with notable increases in households aged 65 and older, as well as those between the ages of 35 and 44 • Projected increase in higher income renter and owner households between 2024 and 2029 • 5.2% projected increase in <i>owner</i> households (2024-2029) • Positive domestic and international migration • Notable share (64.3%) of in-migrants are under the age of 35 (can improve natural population change) • Overall affordability of rental and for-sale housing • A generally expanding employment base, with additional expansion projects within the pipeline, will continue to create a positive environment for the local housing market 	<ul style="list-style-type: none"> • Low shares of educational attainment within the city • Low median household income and high poverty level for overall population and population less than 18 years of age • Recent history of natural decrease in population (more deaths than births) • High unemployment rate within the county compared to the state • High shares of substandard <i>owner</i>-occupied housing compared to both the county and state • Very low vacancy rates among multifamily (0.1%) and non-conventional (0.4%) rentals in the city • Limited availability (0.5%) of for-sale housing
Opportunities	Threats
<ul style="list-style-type: none"> • Minimum housing need of 286 rental units (2024-2029) • Minimum housing need of 1,235 for-sale units (2024-2029) • Attract some of the 9,380 commuters coming into the city for work to live in the city • Wait list of nearly 200 households for additional Housing Choice Vouchers in the county demonstrates significant pent-up demand for affordable housing alternatives in the area • Recent improvements in employment metrics and planned job growth at manufacturing facilities can be leveraged to attract additional households • A large number of development opportunities are present in the city • Low availability among both for-sale and rental supply may indicate development opportunities, particularly options for senior households 	<ul style="list-style-type: none"> • 7.5% projected decline in <i>renter</i> households between 2024 and 2029 • The 24.6% increase projected for senior households aged 75 and older in the next five years may result in availability issues for senior-oriented housing • High shares of cost burdened and severe cost burdened households (both renter and owner) compared to the county, which may result in those seeking options outside the city • Lack of housing availability may also result in households seeking options outside the city • City risks losing some of the 9,750+ residents that commute out of the city for employment • Low availability of for-sale housing may contribute to continued increases in for-sale pricing • Aging inventory of housing (both rental and for-sale) may result in reduced housing quality and increased maintenance costs

Bay City experienced notable population decline between 2010 and 2024, a trend that is projected to continue through 2029. While households are projected to increase in the city (1.2%) during the next five years, renter households are projected to decline by 7.5% during this period. Despite relatively affordable housing within the area, there is a high overall poverty rate (24.8%), which is attributed to the low median household income (\$44,733) within the city. However, increases are projected for both renter and owner households earning \$75,000 or more over the next five years. Availability is a notable issue among both rental and for-sale housing alternatives, which may be contributing to increasing housing costs. This also increases the probability of residents seeking housing options outside the city. Currently there are minimum housing gaps of 286 rental units and 1,235 for-sale units in the city, and given the number of in-commuters, economic investments, and housing development projects in the pipeline, additional opportunities to increase the area's household base are plentiful.

III. QUALIFICATIONS

The Company

Bowen National Research employs an expert staff to ensure that each market study includes the highest standards. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has national experience and knowledge to assist in evaluating a variety of product types and markets.



Primary Contact and Report Author

Patrick Bowen, President of Bowen National Research, has conducted numerous housing needs assessments and provided consulting services to city, county and state development entities as it relates to residential development, including affordable and market-rate housing, for both rental and for-sale housing, and retail development opportunities. He has also prepared and supervised thousands of market feasibility studies for all types of real estate products, including housing, retail, office, industrial and mixed-use developments, since 1996. Mr. Bowen has worked closely with

many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida and currently serves as Chairman of the National Council of Housing Market Analysts (NCHMA).

Housing Needs Assessment Experience		
Location	Client	Completion Year
Asheville, NC	City of Asheville Community and Economic Development Department	2020
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2020
Youngstown, OH	Youngstown Neighborhood Development Corporation (YNDC)	2020
Richlands, VA	Town of Richlands, Virginia	2020
Elkin, NC	Elkin Economic Development Department	2020
Grand Rapids, MI	Grand Rapids Area Chamber of Commerce	2020
Morgantown, WV	City of Morgantown	2020
Erwin, TN	Unicoi County Economic Development Board	2020
Ferrum, VA	County of Franklin (Virginia)	2020
Charleston, WV	Charleston Area Alliance	2020
Wilkes County, NC	Wilkes Economic Development Corporation	2020
Oxford, OH	City of Oxford - Community Development Department	2020
New Hanover County, NC	New Hanover County Finance Department	2020
Ann Arbor, MI	Smith Group, Inc.	2020

Housing Needs Assessment Experience (CONTINUED)		
Location	Client	Completion Year
Austin, IN	Austin Redevelopment Commission	2020
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2021
Giddings, TX	Giddings Economic Development Corporation	2021
Georgetown County, SC	Georgetown County	2021
Western North Carolina (18 Counties)	Dogwood Health Trust	2021
Carteret County, NC	Carteret County Economic Development Foundation	2021
Ottawa County, MI	HOUSING NEXT	2021
Dayton, OH	Miami Valley Nonprofit Housing Collaborative	2021
High Country, NC (4 Counties)	NC REALTORS	2022
Evansville, IN	City of Evansville, IN - Department of Metropolitan Development	2022
Barren County, KY	The Barren County Economic Authority	2022
Kirksville, MO	City of Kirksville	2022
Rutherfordton, NC	Town of Rutherfordton	2022
Spindale, NC	Town of Spindale	2022
Wood County, WV	Wood County Development Authority & Parkersburg-Wood County Area Development Corporation	2022
Yancey County, NC	Yancey County	2022
Cherokee County, NC	Economic and Workforce Development, Tri-County Community College	2022
Rowan County, KY	Morehead-Rowan County Economic Development Council	2022
Avery County, NC	Avery County	2022
Muskegon, MI	City of Muskegon	2023
Firelands Region, OH	Firelands Forward	2023
Marshall County, WV	Marshall County Commission	2023
Lebanon County, PA	Lebanon County Coalition to End Homelessness	2023
Northern, MI (10 Counties)	Housing North	2023
Muskegon County, MI	Community Foundation for Muskegon County	2023
Mason County, MI	Mason County Chamber Alliance	2023
Oceana County, MI	Dogwood Community Development	2023
Allegan County, MI	Allegan County Community Foundation	2023
Bowling Green, KY	City of Bowling Green	2023
Fayette County, PA	Fay-Penn Economic Development Council	2023
Tarboro, NC	Town of Tarboro	2023
Southwest Region, WV (10 Counties)	Advantage Valley	2023
Lake County, MI	FiveCap, Inc.	2023
Owensboro, KY	City of Owensboro	2023
Burke County, NC	Burke County	2023
Charleston, WV	Charleston Land Reuse Agency	2024
Huntington, WV	Huntington Municipal Development Authority	2024
Cabarrus, Iredell, Rowan Counties, NC	Cabarrus, Iredell and Rowan County Housing Consortium	2024
Carolina Core Region, NC (21 Counties)	NC Realtors	2024
Shiloh Neighborhood, NC	Dogwood Health Trust	2024
Muhlenberg County, KY	Muhlenberg Economic Growth Alliance	2024
Macon County, NC	Macon County	2024
Statewide Kentucky	Kentucky Housing Corporation	2024
Clarksville, TN	Clarksville Montgomery County Regional Planning Commission	2024
Stone County, MO	Table Rock Lake Chamber of Commerce	2024
Dakota County, MN	Dakota County Community Development Agency	2024

Housing Needs Assessment Experience (CONTINUED)		
Location	Client	Completion Year
Independence County, AR	Batesville Area Chamber of Commerce	2024
Statewide North Carolina	NC Chamber	2024
Northeast, MI (11 Counties)	Target Alpena Development Corporation	2024
Tampa Region, FL (3 Counties)	Greater Tampa REALTORS and Pinellas REALTOR Organization/ Central Pasco REALTOR Organization	2024
Hopkinsville, KY	City of Hopkinsville	2024
New River Gorge Region, WV	New River Gorge Regional Development District	2025
Evansville, IN	City of Evansville, Department of Metropolitan Development	2025
Johnson City, TN	City of Johnson City	2025
Ottawa County, MI	HOUSING NEXT	2025
Grand Rapids (Kent County), MI	HOUSING NEXT	2025

The following individuals provided research and analysis assistance:

Christopher Bunch, Market Analyst, has more than two decades of experience in conducting both site-specific market feasibility studies and broader housing needs assessments. He has conducted on-site market research of a variety of housing product, conducted stakeholder interviews and completed specialized research on housing market attributes including the impact of military personnel, heirs and estates and other unique factors that impact housing needs. He holds a bachelor's degree in geography from Ohio University.

Desireé Johnson is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. Ms. Johnson also coordinates and oversees research staff and activities. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Pat McDavid, Market Analyst, has conducted housing research for housing needs assessments completed throughout the country. Additionally, he is experienced in analyzing demographic and economic data in rural, suburban and metropolitan communities. Mr. McDavid has been a part of the development of market strategies, operational and fiscal performance analysis, and commercial, industrial and government (local, state, and federal) client consultation within the construction and manufacturing industries. He holds a bachelor's degree in educational studies from Western Governors University.

Jody LaCava, Research Specialist, has more than a decade of real estate research experience. She has extensive experience in surveying a variety of housing alternatives, including rental, for-sale, and senior housing. She has experience in conducting on-site research of real estate, evaluating existing housing properties, conducting interviews, and evaluating community services. She has been involved in industry leading case studies, door-to-door resident surveys and special needs housing research.

In-House Researchers – Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices and chambers of commerce, housing authorities and residents.

No subconsultants were used as part of this assessment.