



## **LOSING HOME:** HOUSING INSTABILITY & AVAILABILITY IN DETROIT

*By Jennifer Erb-Downward and Safiya Merchant*

### INTRODUCTION

Housing stability is critical to the prosperity and well-being of cities and their residents. Without stable housing, it has been widely shown that children are more likely to struggle in school,<sup>1</sup> adults are more likely to lose employment,<sup>2</sup> and individuals — both young and old — are more likely to suffer from poor health outcomes.<sup>3</sup> While the negative consequences of housing instability are clear, what is harder to assess is the full extent of instability experienced by residents in communities. This is particularly true in the City of Detroit, where multiple data sources point to high rates of foreclosure, eviction, and housing stock deterioration, but no single estimate exists of the cumulative impact of these factors on Detroit residents or overall housing availability.

This brief seeks to bring together data from the 2017 Detroit Metro Area Communities Study (DMACS)<sup>4</sup> to estimate the population wide experience of housing instability in Detroit prior to the COVID-19 pandemic. Data from the Detroit Blight Removal Task Force,<sup>5</sup> the American Community Survey, and the Detroit's Housing and Revitalization Department are then used to estimate the number of housing units in the city that are uninhabitable, in an effort to get a more accurate picture of the city's housing supply.

### KEY FINDINGS

**Prior to the economic impact of COVID-19, maintaining stable housing was already a significant challenge for many Detroit residents.** In 2017, 13% of residents reported being evicted or losing their housing in the past year. That is the equivalent of roughly 88,382 Detroiters losing their home in just one year alone.<sup>6</sup>

**Families with children under the age of 18 faced the greatest risk of losing their housing.** 16% of households with children reported being evicted in the last year — the equivalent of over 12,000 families including more than 27,000 children.<sup>7</sup>

**There is insufficient habitable housing to meet the needs of Detroit's low-income residents.** The City of Detroit has an estimated 24,000 fewer units of habitable housing than the city's population. This leaves 9% of all households in Detroit with no other options than to leave the city, live in blighted housing,<sup>8</sup> or doubled up with other families.

### THE EXTENT OF HOUSING INSTABILITY IN DETROIT

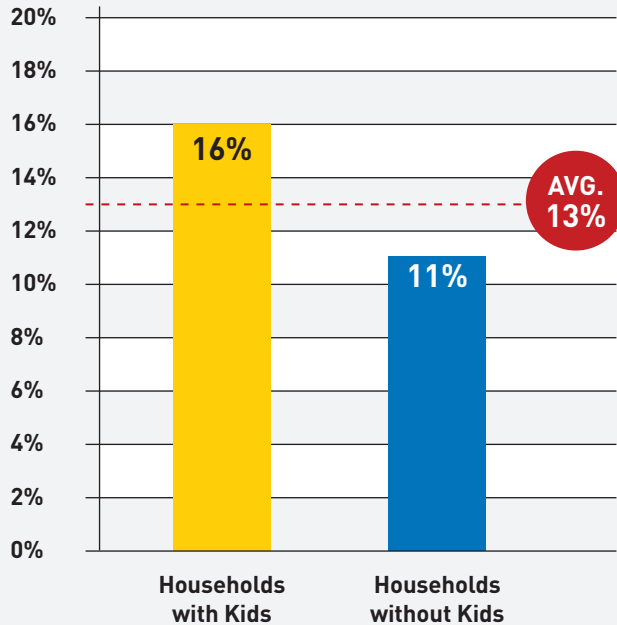
While no single marker of housing instability exists, loss of housing due to foreclosure, eviction, and unlivable housing conditions in Detroit has been widely documented. Between 2005 and 2015, nearly half of all residential properties in the city experienced either tax or mortgage foreclosure, fundamentally altering Detroit's housing market from majority owner to majority renter.<sup>9</sup> Annually, the city's 36th District Court averages roughly 35,000 landlord-tenant eviction cases<sup>10</sup> and over 70,000 residential structures in the city were identified as in need of demolition or intervention due to blight or indicators of future blight in 2013.<sup>11</sup> While each of these factors alone are cause for concern, recent data from the Detroit Metro Area Communities Study\* shows the pervasiveness of housing instability in the lives of Detroit residents prior to the COVID-19 pandemic.

- In 2017, about one out of every eight (13%) of Detroiters reported being evicted or otherwise forced to leave a living arrangement (see figure 1).

\* N=444 Detroit residents. Interviews were self-administered and conducted online as well as using paper and pencil between March and June, 2017. Respondents were recruited via mail from the list of 714 adults who responded to the first wave of the DMACS survey. The margin of sampling error for a random sample survey of this size is 4.7 percentage points at the 95% confidence level. The data have been weighted using a raking procedure by age, education, sex, and race to match Census estimates for the City of Detroit.

**FIGURE 1**

**EVICTED OR OTHERWISE FORCED TO LEAVE A LIVING ARRANGEMENT IN THE LAST YEAR**



This is the equivalent of roughly 88,000 people in one year alone — more than the total population of Michigan’s 10th-largest city.

- The risk of being evicted or otherwise forced to leave a living arrangement is greater for households with children under the age of 18 than for those without (16% vs. 11% respectively). Based on Detroit’s population, this means roughly 27,000 of the city’s children lacked a stable place to call home in 2017, endangering their mental and physical health as well as their education.
- In 2017, over half of all Detroit residents (about 58%) knew someone who had been evicted or forced to leave his or her home in the last year, and for one-third of residents (37%) that someone was a family member, friend, or themselves.<sup>12</sup>

**IS THERE ENOUGH HOUSING IN DETROIT?**

Through the lens of population decline, there has long been the assumption that while Detroit struggles

with poverty, it has plenty of housing. How could this not be the case when the most recent estimates put Detroit’s population at less than half of what it was at its height in the 1950s? The high rates at which Detroit residents report losing their housing, however, calls this assumption into question. If there were a surplus of housing, one might predict relatively low rates of eviction and low rental prices, as landlords would have less leverage in the rental market. Yet in Detroit, we see dramatically high rates of eviction<sup>14</sup> and rising rental prices.<sup>14</sup>

Available data on the number of housing units in the city likewise paint a complicated picture. According to the census, Detroit is home to roughly 266,000 households and has 362,863 housing units with a 27% vacancy rate.<sup>15</sup> This vacancy rate implies substantial housing availability, with more than one-quarter of units unoccupied and a surplus of close to 100,000 units. However, when this data is compared to the on-the-ground data collected by the city’s Blight Removal Taskforce in 2013, a very different picture emerges — one where many of the residential units being counted by the census as vacant are not inhabitable.\* (See figure 2 on page 3)

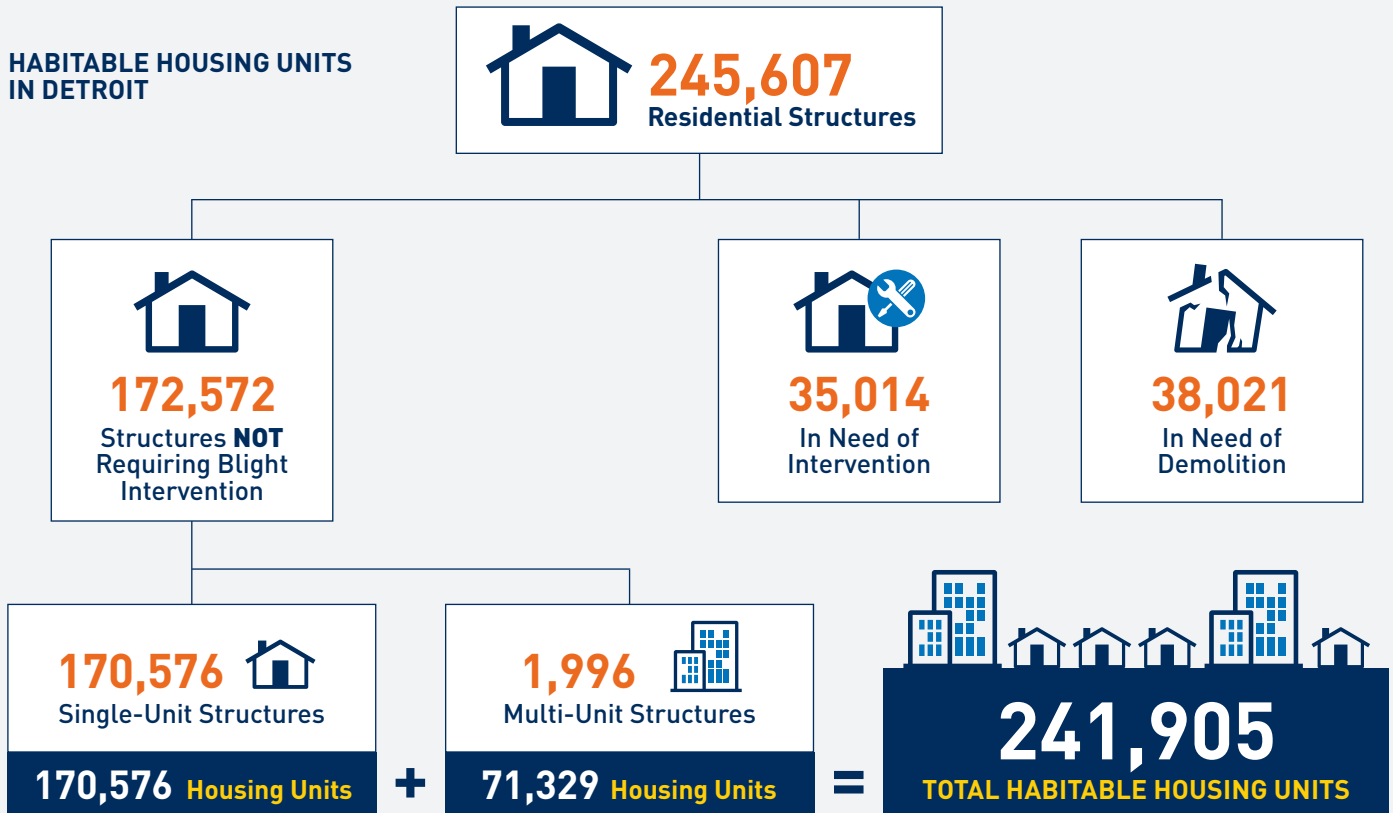
Beginning in November 2013, the Detroit Blight Removal Task Force conducted a comprehensive street survey and review of building records in Detroit to assess the level of blight across city neighborhoods.<sup>16</sup> Through this survey, 245,607 residential structures were identified — 38,021 of which were recommended for removal and 35,014 that had indicators of future blight requiring intervention. Based on this lot-by-lot visual survey and assessment of city records, there were 172,572 residential structures that were not in need of any type of blight intervention.

While the methodology of the Blight Removal Taskforce is useful because it captures information on whether a structure is inhabitable that the census does not, one weakness is that this estimate of the number of residential structures does not take into account whether buildings are multi or single unit. To address this limitation, data from Detroit’s Housing and Revitalization Department on the total number of multi-unit structure can be incorporated in to the calculation. According city records, there are 1,996 multi-unit residential structures containing 71,329 units in the city.<sup>17</sup> Assuming that all residential

\* Not inhabitable is defined here as housing units in need of either demolition or blight intervention. It is likely that many more units in Detroit are not inhabitable due to interior deterioration that could not be captured by the Blight Removal Taskforce. This is therefore a conservative estimate.

FIGURE 2

HABITABLE HOUSING UNITS IN DETROIT



structures that are not multi-unit are single-unit the total number of housing units in Detroit that are inhabitable is roughly 242,000. This is about 120,000 fewer housing units available to residents in the city than the census estimates — the difference between a housing surplus and a housing shortage (266,333 households in Detroit — 241,905 habitable housing units = 24,428 housing unit shortage).

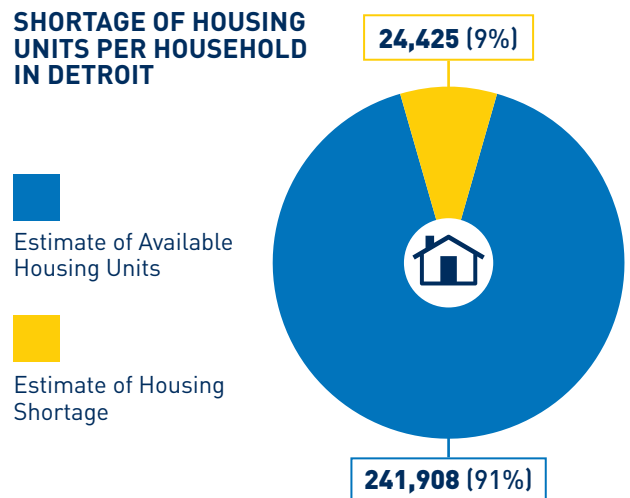
While combining these two datasets is an imperfect measure, it is likely a more accurate estimate of the total housing units available to Detroiters than the census' estimate of units because it accounts for whether or not a unit is inhabitable, not just whether it is vacant. It is widely known that much of the housing stock that Detroiters are living in today is in disrepair.<sup>18</sup> What these data show, however, is that beyond the issue of widespread disrepair, there is a fundamental shortage of housing in Detroit — particularly for low-income residents.

- Detroit is home to roughly 266,000 households but only has an estimated 242,000 housing units

after the impact of blight is taken into account. This is a shortage of roughly 24,000 units — likely contributing to both rising housing costs and a housing market that places tenants at risk for exploitation and eviction.

FIGURE 3

SHORTAGE OF HOUSING UNITS PER HOUSEHOLD IN DETROIT



- Roughly 9% of Detroit households have no other housing option than to leave the city, live doubled-up with other households, or live in blighted housing. Postal data indicates that at least 5,011 residents currently live in blighted housing owned by the city Landbank.<sup>19</sup>

## WHAT DOES THIS MEAN FOR DETROIT?

These data show high levels of housing instability in the City of Detroit even prior to the COVID-19 pandemic. In just one year, more Detroit residents were forced to leave their homes than there are people in Southfield, Michigan — one of Detroit’s larger suburbs. If the city is to achieve its vision for the future, this level of instability cannot continue. While immediate interventions are required to help residents who are at risk of losing their home when the state’s eviction moratorium is lifted, it is also important to consider how the fundamental availability of livable housing is contributing to this ongoing crisis. Data analyzed here suggest that instead of having a surplus of housing, Detroit faces a significant shortage of units — one that is likely further exacerbated by high levels of disrepair in the units that remain available. If this is true, more investment in residential construction that is affordable to low-income residents will be required to stabilize the Detroit’s population.

## POLICY RECOMMENDATIONS

### **IMMEDIATE ACTIONS to Protect Detroit Residents Struggling with the Economic Impact of COVID-19**

- **Extend Detroit’s Moratoria on Evictions.** Detroit’s local moratorium on evictions should be extended to align with the CARES Act (July 25) or 30 days after stay at home orders end, whichever is later. This will provide Detroiters with an opportunity to return to work and will give the city the time it needs to fully implement assistance for residence through available CARES Act funding.<sup>20</sup>
- **Provide a Grace Period for the Payment of Back Rent and Prohibit Evictions or the Application of Late Fees During this Time.** As a result of the statewide closure of all non-essential businesses, even more Detroiters are struggling financially. For many residents, paying rent due in April and May after being unable to work will be impossible. Implementing a grace period in

Detroit as well as the ability to negotiate payment of back rent would stabilize residents while preventing a surge of eviction cases in the courts. Connecticut has already implemented this type of policy providing tenants with an automatic 60-day grace period to pay April rent and an additional 60-day grace period to pay May rent that can be requested. During these grace periods, landlords are not allowed to report late rent payments to credit agencies. Additionally, four states and the District of Columbia have implemented policies preventing late fees for unpaid rent during the state of emergency.<sup>21</sup>

- **Increase Financial Assistance for Renters.** Providing Detroiters with rental assistance now is a vital step to ensuring that the amount of rent owed by tenants does not reach amounts that make repayment impossible. This type of assistance would not only keep tenants in their homes but would also allow landlords to continue to pay their mortgages and other expenses. Local dollars allocated to Detroit through Emergency Solutions Grants, and Community Development Block Grants could be used to support this type of program.<sup>22</sup>

### **MEDIUM-TERM RECOMMENDATIONS to increase housing stability in Detroit**

- **Guarantee Residents Facing Eviction with a Right to Counsel.** Another way for Detroit to reduce housing instability is to provide low-income residents facing eviction with a right to legal counsel. This type of program has been implemented in several cities across the country — including New York City, San Francisco, Newark, Philadelphia, and Cleveland — and could provide alternative solutions to eviction for thousands of residents and landlords. Given the financial impact of COVID-19 on the City of Detroit, a program like this may now only be possible through the collaborative funding by philanthropies and potentially leveraging Community Development Block Grant dollars.<sup>23</sup>
- **Amend MCR 4.201 to Require that all Tenants in Eviction Cases be Served with a Locally Developed Rights and Resource Page.** When tenants are served with an eviction notice, they are often unaware of their rights or what resources may be available to help them remain

in their home. Including a rights and resources page that is locally developed and tailored to the resources available in Detroit would help to ensure due process and equity for tenants and reduce unnecessary evictions. Such a resource could also include critical information for tenants who are evicted, such as how to access emergency shelter and, if the tenant has children, their rights to additional educational supports under the law.

- **Uphold Tenant Right to Withhold Rent.** In Detroit's rental ordinance, landlords must register their properties and obtain a certificate of occupancy, a process that requires property inspections and serves as a way to combat substandard rental housing stock. Although the ordinance allows tenants to place rent payments in escrow if landlords fail to earn a certificate of compliance, the 36th District Court does not always honor tenants' right to withhold rent.<sup>24</sup> As a part of efforts to reduce evictions, Detroit's Housing, Planning and Development Office has announced that it will be revising Detroit's rental ordinances to better support tenants. Evaluating the legal process to ensure the court upholds rights as outlined in the ordinance is a critical to the success of these efforts.

#### **LONG-TERM RECOMMENDATIONS to boost housing supply**

- **Expand Investments in Affordable Housing Development.** The city's commitment to preserve and build 12,000 affordable housing units by 2023 is an important first step to residential infrastructure development, but data here suggests that two times that number of residential units are needed just to address the current shortage. Without sufficient inhabitable housing stock, Detroit will continue to see high levels of housing instability. In order to achieve the scope of new construction needed, innovative financing strategies that ensure affordability for low-income renters and build on cross-sector partnerships between government, philanthropy, and business will be needed.

## CONCLUSION

In Detroit, too many residents — particularly children — do not have a stable place to call home. This is not only an individual problem faced by residents but an issue that underpins Detroit's potential for long-term economic growth and prosperity. Without access to stable housing, Detroit's efforts to strengthen its current workforce and recover from job losses resulting from COVID-19 will be hampered. Research shows that loss of housing is an event that often precipitates loss of employment<sup>25</sup> — a fact that is of great concern given both Detroit's high rates of housing and employment instability.<sup>26</sup> Likewise, ensuring a stable place to call home for Detroit's children is essential to their success in school. Housing instability negatively impacts children's educational outcomes placing them at greater risk for being chronically absent,<sup>27</sup> not meeting grade level standards<sup>28</sup> and dropping out of school.<sup>29</sup> This type of instability is the reality for one out of every six of Detroit's families with children. Without policy and programming changes that prioritize increasing the construction of affordable housing, improving housing quality, and keeping residents in their homes, high levels of housing instability will continue to be the norm and the long-term economic viability of the Motor City will be at risk.

- <sup>1</sup> Galvez, M., and Luna, J. (2014). Homelessness and Housing Instability: The Impact on Education Outcomes. The Urban Institute. Available at: [https://tacomahousing.net/sites/default/files/print\\_pdf/Education/Urban%20Institute%20THA%20Homelessness%20and%20Education%202014-12-22.pdf](https://tacomahousing.net/sites/default/files/print_pdf/Education/Urban%20Institute%20THA%20Homelessness%20and%20Education%202014-12-22.pdf)
- <sup>2</sup> Desmond, M., and Gershenson, C. (2016). Housing and Employment Insecurity Among the Working Poor. *Social Problems*. Available at: <http://scholar.harvard.edu/files/mdesmond/files/desmondgershenson.sp2016.pdf?m=1452638824>
- <sup>3</sup> U.S. Department of Health and Human Services. Healthy People 2020. Retrieved from <https://www.healthypeople.gov/2020/topics-objectives/topic/social-determinants-health/interventions-resources/housing-instability>
- <sup>4</sup> Gerber, E., Morenoff, J., and Smith, C. (2017). The Detroit Metro Area Communities Study: Wave #2, Winter 2017. Topline report, Detroit Metro Area Community Study, The University of Michigan, Ann Arbor, MI. Available at: <https://detroitssurvey.umich.edu/wp-content/uploads/2019/09/Topline-Wave-2-Winter-2017.pdf>
- <sup>5</sup> Glenda Price, Linda Smith, Dan Gilbert. (2014). Every Neighborhood Has A Future...And It Doesn't Include Blight: Detroit Blight Removal Taskforce Plan. Retrieved from <https://www.documentcloud.org/documents/1173946-detroit-blight-removal-task-force-plan-may-2014.html?embed=true&responsive=false&sidebar=true>
- <sup>6</sup> The Detroit Metro Area Communities Survey is a representative sample of Detroit residents. 88,382 is based on 13% of Detroit's population of 679,865 taken from the 2017 American Community Survey 5-Year Population Estimate. US Bureau of the Census (2017). American Community Survey 2017 5-year estimates [Dataset and codebook]. Retrieved from <https://data.census.gov/cedsci/table?q=acs%205%20year%20detroit%20&q=1600000US2622000&tid=ACSDP5Y2017.DP05>
- <sup>7</sup> The Detroit Metro Area Community Survey is a representative sample of Detroit residents. 27,371 is based on 16% of Detroit's population under the age of 18 – 171,070 children. The estimate of 12,474 households with children is based on 16% of the 77,968 households with children under the age of 18 in the 2017 American Community Survey 5-Year Household and Family Estimate. US Bureau of the Census (2017). American Community Survey 2017 5-year estimates [Dataset and codebook]. Retrieved from [https://data.census.gov/cedsci/table?q=1600000US2622000&tid=ACSDP5Y2017.DP05&hidePreview=false&vintage=2017&layer=VT\\_2017\\_160\\_00\\_PY\\_D1&cid=DP05\\_0001E](https://data.census.gov/cedsci/table?q=1600000US2622000&tid=ACSDP5Y2017.DP05&hidePreview=false&vintage=2017&layer=VT_2017_160_00_PY_D1&cid=DP05_0001E)
- <sup>8</sup> Blighted housing is defined as the 73,035 residential structures in Detroit that were identified by the Blight Removal Task Force Plan as requiring intervention (blight and indicators of future blight). Blight (in need of demolition) included buildings: with poor or suggest demo external condition in the MCM survey; fire damage; listed in the Buildings, Safety Engineering, and Environmental Department Dangerous Buildings inventory; open to the elements or trespass; and/or significant dumping. Indicators of future blight include: unoccupied and/or abandoned; Land Bank & city ownership (including reverter clause); Sheriff's Deed; and/or Fannie Mae or Freddie Mac ownership. The Taskforce estimates that 80-90% of structures with indicators of future blight will need to be removed in the near future. Glenda Price, Linda Smith, Dan Gilbert. (2014). Every Neighborhood Has A Future...And It Doesn't Include Blight: Detroit Blight Removal Taskforce Plan. Retrieved from <https://www.documentcloud.org/documents/1173946-detroit-blight-removal-task-force-plan-may-2014.html?embed=true&responsive=false&sidebar=true>
- <sup>9</sup> Cooney, P., and Nothhaft, A. (2019). Stopping the Eviction Machine in Detroit. Policy Brief, Poverty Solutions, The University of Michigan, Ann Arbor, MI. Available at: <https://poverty.umich.edu/files/2019/10/PovertySolutions-EvictionMachine-PolicyBrief-r2-edited.pdf>
- <sup>10</sup> Christine MacDonald. (2017). Persistent evictions threaten Detroit families, neighborhoods. *The Detroit News*, 5 October.
- <sup>11</sup> Glenda Price, Linda Smith, Dan Gilbert. (2014). Every Neighborhood Has A Future...And It Doesn't Include Blight: Detroit Blight Removal Taskforce Plan. Retrieved from <https://www.documentcloud.org/documents/1173946-detroit-blight-removal-task-force-plan-may-2014.html?embed=true&responsive=false&sidebar=true>
- <sup>12</sup> Gerber, E., Morenoff, J., and Smith, C. (2017). The Detroit Metro Area Communities Study: Wave #2, Winter 2017. Topline report, Detroit Metro Area Community Study, The University of Michigan, Ann Arbor, MI. Available at: <https://detroitssurvey.umich.edu/wp-content/uploads/2019/09/Topline-Wave-2-Winter-2017.pdf>
- <sup>13</sup> Christine MacDonald. (2017). Persistent evictions threaten Detroit families, neighborhoods. *The Detroit News*, 5 October.
- <sup>14</sup> Steve Neavling. (2019). Is rent getting too damn high? Detroit's apartment rates spike. *Metro Times*, 6 March.
- <sup>15</sup> US Bureau of the Census (2018). American Community Survey 2018 1-year estimates [Dataset and codebook]. Retrieved from <https://censusreporter.org/profiles/16000US2622000-detroit-mi/>
- <sup>16</sup> Glenda Price, Linda Smith, Dan Gilbert. (2014). Every Neighborhood Has A Future...And It Doesn't Include Blight: Detroit Blight Removal Taskforce Plan. Retrieved from <https://www.documentcloud.org/documents/1173946-detroit-blight-removal-task-force-plan-may-2014.html?embed=true&responsive=false&sidebar=true>
- <sup>17</sup> Detroit's Housing and Revitalization Department. (2019). Number of multi-unit buildings in Detroit and total units [Dataset].
- <sup>18</sup> Urban Institute. (2017). The Detroit Housing Market: Challenges and Innovations for a Path Forward. Retrieved from [https://www.urban.org/sites/default/files/publication/88656/detroit\\_path\\_forward\\_finalized.pdf](https://www.urban.org/sites/default/files/publication/88656/detroit_path_forward_finalized.pdf)
- <sup>19</sup> Landgrid. Nationwide Parcel Data and Mapping Tools [Dataset and codebook]: retrieved from <https://landgrid.com/>
- <sup>20</sup> Dewar, M. (2020). State and federal policy makers need to put measures in place now to prevent a deluge of evictions and spike in homelessness when state and federal eviction moratoria end. Available at: <https://docs.google.com/document/d/1qVKODNi9Dk3Slgd-YHWWQiHvhaA-8jmBn/edit#>
- <sup>21</sup> Eviction Lab. (2020) COVID-19 Housing Policy Scorecard. Retrieved from <https://evictionlab.org/covid-policy-scorecard/>
- <sup>22</sup> Dewar, M. (2020). State and federal policy makers need to put measures in place now to prevent a deluge of evictions and spike in homelessness when state and federal eviction moratoria end. Available at: <https://docs.google.com/document/d/1qVKODNi9Dk3Slgd-YHWWQiHvhaA-8jmBn/edit#>

- <sup>23</sup> Dewar, M. (2020). State and federal policy makers need to put measures in place now to prevent a deluge of evictions and spike in homelessness when state and federal eviction moratoria end. Available at: <https://docs.google.com/document/d/1qVKODNi9Dk3Slgd-YHWWQiHvhaA-8jmBn/edit#>
- <sup>24</sup> Cooney, P., and Nothhaft, A. (2019). Stopping the Eviction Machine in Detroit. Policy Brief, Poverty Solutions, The University of Michigan, Ann Arbor, MI. Available at: <https://poverty.umich.edu/files/2019/10/PovertySolutions-EvictionMachine-PolicyBrief-r2-edited.pdf>
- <sup>25</sup> Desmond, M., and Gershenson, C. (2016). Housing and Employment Insecurity Among the Working Poor. *Social Problems*. Available at: <http://scholar.harvard.edu/files/mdesmond/files/desmondgershenson.sp2016.pdf?m=1452638824>
- <sup>26</sup> Gerber, E., Morenoff, J., and Smith, C. (2017). The Detroit Metro Area Communities Study: Wave #2, Winter 2017. Topline report, Detroit Metro Area Community Study, The University of Michigan, Ann Arbor, MI. Available at: <https://detroitssurvey.umich.edu/wp-content/uploads/2019/09/Topline-Wave-2-Winter-2017.pdf>
- <sup>27</sup> Erb-Downward, J. and Watt, P. (2018). Missing School, Missing a Home: The Link Between Chronic Absenteeism, Economic Instability and Homelessness in Michigan. Available at: <https://poverty.umich.edu/research-publications/policy-briefs/missing-school-missing-a-home/>
- <sup>28</sup> Cowen, J. (2017). Who Are the Homeless? Student Mobility and Achievement in Michigan 2010–2013. *Education Researcher*.
- <sup>29</sup> Erb-Downward, J. Falling Through the Cracks: Graduation and Dropout Rates Among Michigan’s Homeless High School Students. Available at: <https://poverty.umich.edu/research-publications/policy-briefs/falling-through-the-cracks-graduation-and-dropout-rates-among-michigans-homeless-high-school-students/>