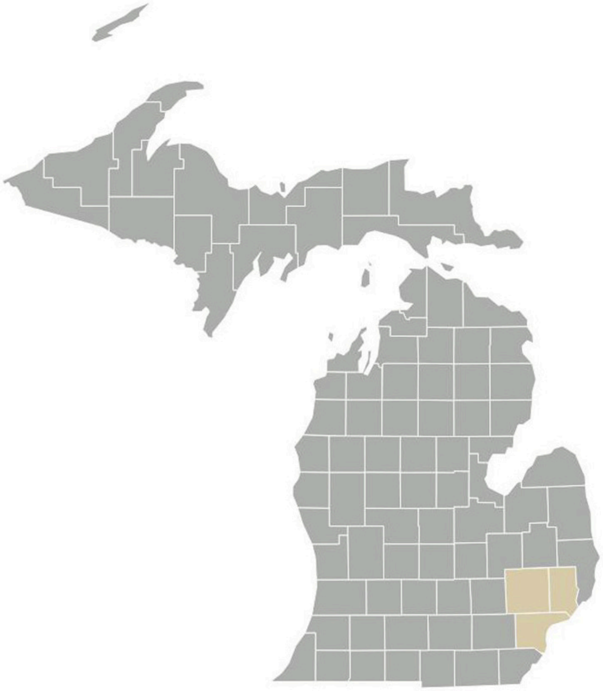
Michigan Poverty & Well Being Map: Metro Detroit Region

The Metro Detroit region includes: Macomb, Oakland, and Wayne counties. Learn more about the map at poverty.umich.edu.

Housing Costs are a Barrier to Economic Well-being in Metro Detroit



The Metro Detroit Region is comparable to statewide measures on many key indicators of economic well-being. Regional poverty, at 14.8%, trails just behind the statewide poverty rate of 13.4%. In addition to those living in poverty, another 41.6% of Metro Detroit households are Asset Limited, Income Constrained, Employed (ALICE), which means they are working and still struggling to afford basic necessities. Statewide, the ALICE rate is 39.7%. However, these comparisons veil significant variation across the region, with Wayne County struggling compared to the rest of the region. Notably, Wayne County has a poverty rate of 22.1%. The disparity is even more pronounced for children, with a poverty rate of 33.2% compared to 17.7% for all of Michigan.

The higher rates of poverty and child poverty in Wayne County are driven by the extremely high rates of poverty in Detroit, which reflects high unemployment, low labor force participation rate, and low incomes in the city. Detroit's poverty rate is 33%, and the child poverty rate is 46.5%, twice as high as the region overall. Detroit's unemployment rate is approximately 4.8 percentage points higher than the statewide average of 5.1%, and the labor force participation rate is approximately 8.1 percentage points lower than the statewide average of 38.7%.[1] Furthermore, the median household income in Detroit is only $39,938, much lower than the statewide average of $72,336 and the regional average of $75,523.[2]

	State	Region
Population	10,077,761	3,931,937
Median Household Income	$72,336	$75,523
Children in Poverty	17.7%	21.7%
Population in Poverty	13.4%	14.8%
ALICE	26.3%	27.0%
ALICE + Poverty	39.7%	41.6%
Households Receiving Food Stamps / SNAP	13.5%	15.6%
Housing Cost Burdened	32.7%	36.5%
Adults Without Insurance	7.1%	7.0%
Single- Parent Households	30.6%	32.7%

Regionally, high housing costs are a central barrier to economic well-being. Statewide, 32.7% of households are housing cost burdened, paying more than 30% of their income on housing costs. The share of households that are burdened by housing costs is 34.5% inMacomb County, 31.6% in Oakland County, and 39% in Wayne County. However, high housing costs have an especially damaging impact on Detroiters. Among Detroit households, 47.4% are housing cost-burdened, compared with 32.7% statewide.[3] When we look at extreme housing cost burden, those who pay 50% or more of their income on housing, the contrast is even more stark. Close to 23% of Detroit households are extremely cost burdened compared to 12.5% in Michigan.[4] High property tax rates, expensive homeowners insurance policies, and the need for extensive repairs on aging properties drive up housing costs in Detroit.

Many Detroiters need support to make housing costs more manageable. Public officials may use their resources and leverage organizations with existing touchpoints in housing assistance to educate homeowners about homeowners insurance and provide financial support. Also, public officials may make taxes more affordable for Detroiters by raising the income threshold for the city's Homeowners Property Exemption (HOPE) or poverty tax exemption, which reduces or eliminates property taxes for homeowners below a certain income threshold.

References

1 American Community Survey, 5-Year Estimates; U.S. Census Bureau. Employment Status for the Population 16 Years and Over, 2024. Prepared by Social Explorer. https://www.socialexplorer.com/data/ACS2024_5yr/metadata?ds=ORG&table=B23025

2 American Community Survey, 5-Year Estimates; U.S. Census Bureau. Median Household Income (In 2024 Inflation Adjusted Dollars), 2024. Prepared by Social Explorer. https://www.socialexplorer.com/data/ACS2024_5yr/metadata?ds=SE&table=A14006

3 American Community Survey, 5-Year Estimates; U.S. Census Bureau. Residents Paying More Than 30% or at Least 50% of Income on Rent, 2024. Social Explorer; U.S. Census Bureau. Residents Paying More Than 30% or at Least 50% of Income on Selected Home Ownership Expenses, 2024. Prepared by Social Explorer. https://www.socialexplorer.com/reports/socialexplorer/en/report/fdd41574-7ebe-11f1-8c6c-e3e451f4226d

4 *Ibid*