

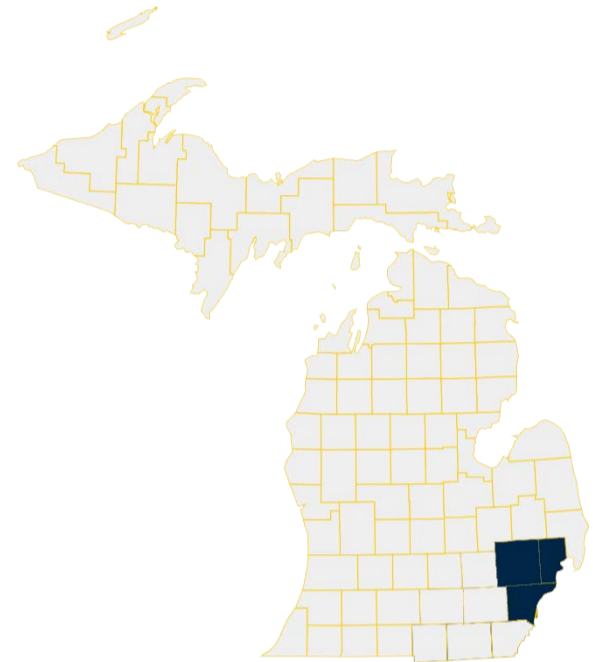
Michigan Poverty & Well-being Map: Detroit Metro

The Detroit Metro region includes: Macomb, Oakland, and Wayne counties.

Learn more about the map at poverty.umich.edu.

Burdened by Cost of Housing

The Detroit Metro region has long struggled with affordable housing. To afford a typical two-bedroom apartment at market rate, individuals in all three counties – Macomb, Oakland, and Wayne – must make an hourly wage of \$20.17, whereas the median hourly wage falls short of this by several dollars. This results in a large number of housing cost-burdened households.¹ The lack of affordable housing – which is defined as costing no more than 30% of a household's income – is even more pronounced when examining renters alone. Over 40% of renting households pay more than 30% of their income on rent. The pandemic and ensuing economic downturn have further complicated the picture of affordable housing. In



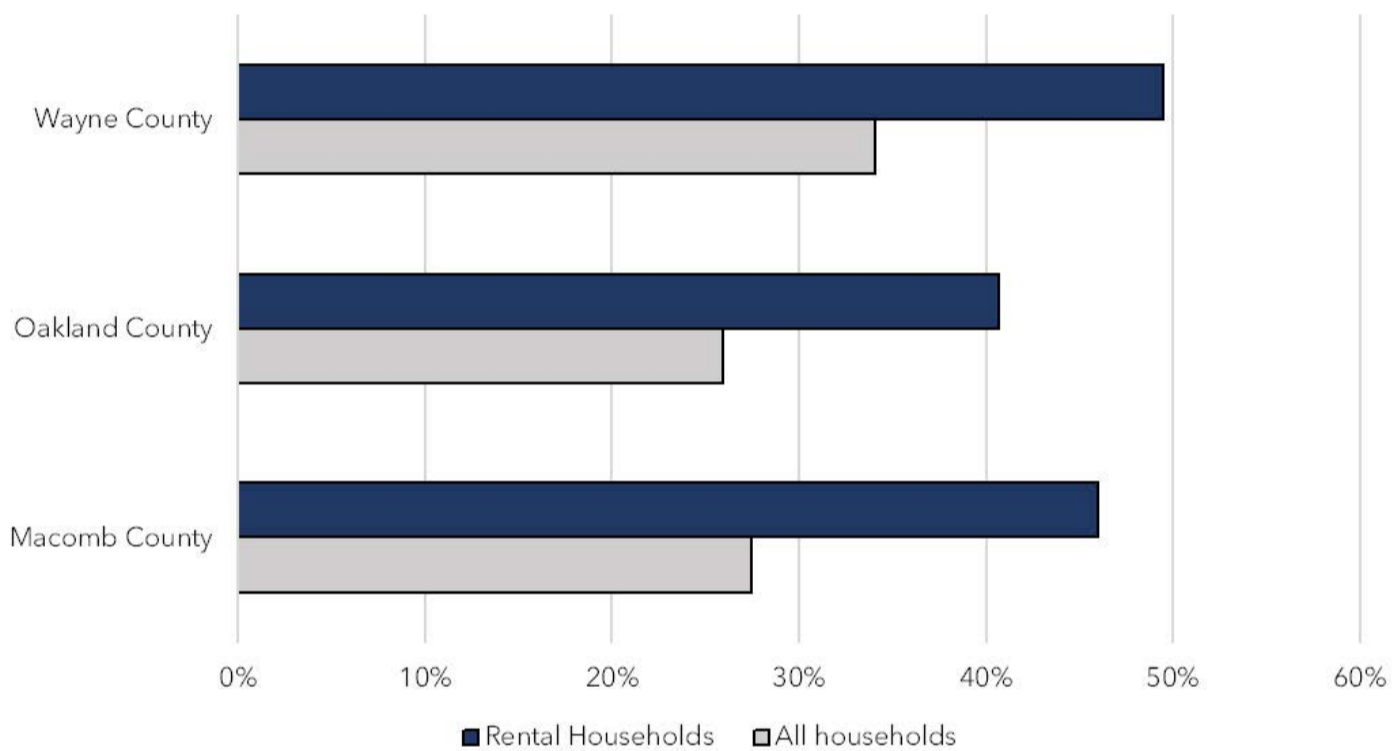
response to COVID-19, the federal and state government has provided millions of dollars for emergency rental assistance but long-term solutions will be necessary to solve the problem.

Housing Choice Vouchers are not adequate to meet the need. Across the state, only 30% of income-eligible families receive housing assistance and waitlists for aid are rarely open.² Additionally, in Detroit, 82% of voucher-assisted families live in low-opportunity neighborhoods, which is consistent with research showing that families with vouchers end up in areas with low opportunity and high poverty rates despite there being more availability of voucher-affordable rentals in high-opportunity areas.³ This anomaly is often caused by local rental discriminatory practices and drives voucher-assisted families away from available units in high-opportunity, low-poverty areas.

The Detroit Metro region must ensure that housing suppliers and landlords follow Fair Housing Act guidelines. Oakland County recently launched its Fair Housing Commission Initiative to prevent source-of-income housing discrimination and help voucher-assisted families access stable and quality housing.⁴ Housing assistance agencies should also implement programs to encourage landlords to accept vouchers and assist families with vouchers to move to areas of high opportunity and low poverty. In the long-term, the region should focus resources in low-opportunity areas to increase incomes, safety, and quality of life, "thereby improving the places where many families using vouchers will continue to want to live."⁵

Longer-term, opportunities to make changes to policy and increase the supply of affordable housing are available through American Rescue Plan Act (ARPA) funding. Gov. Gretchen Whitmer plans to use \$100 million in federal relief funds to support the development of affordable rental homes. Detroit has promised \$7 million of its federal relief dollars on top of a 2020 \$48 million fund to support affordable housing development.⁶ These efforts are a step in the right direction to make the Detroit Metro region affordable for families with low incomes and provide them with opportunities for economic mobility.

Detroit Metro: Percentage of Households Spending More than 30% of Income on Housing Costs⁷



References

- ¹ National Low-Income Housing Coalition. "Out of Reach: The High Cost of Housing, 2021." Accessed on March 21, 2022. https://nlihc.org/sites/default/files/oor/2021/Out-of-Reach_2021.pdf.
- ² Public and Affordable Housing Research Corporation. "How Far Does Rental Assistance Go?" Accessed on March 21, 2022. <https://haigroup.maps.arcgis.com/apps/MapSeries/index.html?appid=55e9818af2c940e38075023b636fa065>.
- ³ Mazzara, Alicia and Knudsen, Brian. "Where Families With Children Use Housing Vouchers: A Comparative Look at the 50 Largest Metropolitan Areas." (Center on Budget and Policy Priorities, January 2019) <https://www.cbpp.org/research/housing/where-families-with-children-use-housing-vouchers>.
- ⁴ Oakland County Times. "County Commissioners Aim to Reduce Housing Voucher Discrimination" Oakland County Times, April 20, 2021. <http://oaklandcounty115.com/2021/04/20/county-commissioners-aim-to-reduce-housing-voucher-discrimination/>.
- ⁵ Mazzara, Alicia and Knudsen, Brian. "Where Families With Children Use Housing Vouchers: A Comparative Look at the 50 Largest Metropolitan Areas."
- ⁶ Rahman, Nushrat. "Michigan has serious lack of affordable housing – and crisis could get worse soon." The Detroit Free Press, July 29, 2021. <https://www.freep.com/story/news/local/michigan/2021/07/29/michigan-eviction-moratorium-ends/8012908002/>.
- ⁷ U.S. Census Bureau. American Community Survey, 2019 and 2010 American Community Survey 5-Year Estimates, Tables B18002 and B10040.