

Michigan Poverty & Well Being Map: Southwest Region

The Southwest region includes: Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren counties. Learn more about the map at <u>poverty.umich.edu</u>.

Many Southwest Michigan Residents Are Above the Poverty Line But Still Struggling

Overall, the Southwest region matches state averages for nearly all measures of economic well-being, the exception being median income, which is about 8% lower than the state median. However, there are clearly pockets of the region where families are struggling. Berrien County has a poverty rate 3% higher than the state and region overall, and rates of child poverty in both Berrien and Calhoun counties are higher than the state. Additionally, while the region has a slightly higher percentage of households that are Asset Limited, Income Constrained, Employed (ALICE) than the state, three counties - Calhoun, Berrien, and Branch - have even more ALICE households who are above the poverty line but still struggle to make ends meet. When combined with the higher poverty rates in these areas, close to 41% of households in these counties are struggling financially. Understanding why these counties have larger proportions of struggling households is key to improving outcomes and economic well-being for all in the region.

According to the Opportunity Atlas, a data tool that analyzes children's outcomes in adulthood, Calhoun County is a place of low opportunity.¹ Zooming in further, there are concentrated areas of extremely low opportunity around Albion and Battle Creek. In Albion and Battle Creek, half of all households are either poor or ALICE with 37% of households paying 30% or more on their rent. These hardships are driven by median incomes that are significantly lower than the county overall: about \$36,900 in Albion and \$45,300 in Battle Creek, versus \$55,639 for Calhoun County overall.² Education can be the key to economic mobility, but schools in these cities struggle. Over the past decade, the



	State	Region
Population	10,062,512	782,437
Median Income	\$63,202	\$58,017
Below Poverty Level (<18)	17.6%	18.2%
Below Poverty Level	13.0%	13.9%
ALICE	25.9%	27.0%
ALICE + Poverty Rate	39.0%	41.0%
Receiving Food Stamps/SNAP	12.6%	11.9%
Housing Cost Burdened	31.3%	30.5%
Without Health Insurance	7.1%	8.0%
Single Parent Households	25.2%	26.0%

Albion Public Schools have been annexed into the Marshall Public Schools, which seems to have brought improvement in educational outcomes. Currently, 36.1% of high schoolers met college readiness benchmarks on the SAT, and there are reports of increased high school completion rates for students who were previously in the Albion schools.³ However, 89% of fourth graders were not proficient in reading at the Marshall elementary school located in Albion versus 58% of Marshall students overall.⁴ Educational outcomes are even worse in Battle Creek with fewer than 5% of students meeting the standards for college readiness. Similarly, 83% of third graders were not proficient in reading in the Battle Creek schools.⁵ Improving the schools would likely have a substantial impact on economic well-being for future generations.

In Berrien County, low rates of economic well-being are driven by concentrated poverty in Benton Harbor. Benton Harbor has extremely high rates of poverty with close to 44% of residents living in poverty, nearly half of whom are living in deep poverty with incomes that are less than 50% of the Federal Poverty Line.⁶ Additionally, Benton Harbor suffered from a lead-contaminated water supply for years. Despite signs pointing toward improvements in safety, it's projected that residents in Benton Harbor will face increased water bills.⁷ Ensuring that the poorest residents maintain access to affordable water will be important to ensure positive health outcomes and financial security. It appears that the city will try to capitalize on the updated water system as foundation for redevelopment.⁸ This is among many efforts underway to improve the schools, housing, and the community overall.⁹ County, regional, and state support in these efforts will be important to ensure plans come to fruition.

Branch County has rates of poverty similar to the state overall, but it has a large proportion of households that fall between the poverty line and the ALICE threshold. This points to a lack of well-paying jobs in the area. Recently, the largest city in the county, Coldwater, has taken steps to change this. In 2021, Coldwater was selected by the Michigan Economic Development Corporation (MEDC) of the Michigan Main Street Program to receive five years of technical assistance from the MEDC with a focus on revitalization strategies designed to attract investments, economic growth, and job creation to their central business districts. While it is early in the process, there are signs that this will bring more job opportunities and pull residents to the community.

References

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- 3 Hepp, Brooks. "<u>Graduation rates for Albion students skyrocketed after annexation by Marshall schools.</u>" Battle Creek Enquirer, February 6, 2020.
- 4 MI School Data. "Grades 3-8 State Testing (Includes PSAT Data) Proficiency, 2021-22". State of Michigan. https://www.mischooldata.org/grades-3-8-state-testing-includes-psat-data-proficiency/
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- 6 Social Explorer. "American Community Survey (ACS) 2017--2021 (5-Year Estimates)"
- 7 Sukhanovskaya, Vlada. "In Benton Harbor, lead lines are gone but water remains a luxury." Bridge Michigan, August 22, 2023.
- 8 Almanza, Alex. "Benton Harbor revitalization plan calls for doubling population by 2040." WNDU, July 13, 2023.
- 9 "Workshop to explore improvement opportunities in Benton Harbor." 94.9 WSJM, December 5, 2023.
- "Benton Harbor Area Schools enters partnership with state to improve academic performance." WSBT 22, November 30, 2022.
- 10 Measel, Jim. "<u>City of Coldwater among three new cities for Michigan Main Street Program.</u>" WTVB, October 28, 2021.