

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.

High Housing Costs Burden Metro Detroit Residents

Metro Detroit is the most populated area of the state, home to close to 4 million people and one of largest metropolitan economies in the United States. The region is home to Oakland County, which has the second highest median income in the state, and the region is seen as one of the wealthiest areas in Michigan. However, despite these strengths, about 26% of residents in the region are below the ALICE threshold, meaning they are Asset Limited, Income Constrained, Employed but struggling to afford the basic cost of living. An additional 14% of Metro Detroit residents are poor, which means 40% of the population in the region struggles to make ends meet. Additionally, about 34% of residents are paying more than 30% of their income on housing costs and are considered housing cost burdened, a trend that is likely to continue given that Metro Detroit saw some of the biggest increases in housing prices in the nation last year and rents continue to rise.¹



While it is tempting to attribute these statistics to the impact of a few poorer cities in the region such as Pontiac and Detroit on the overall totals, residents in many communities are struggling to afford housing, despite having low rates of poverty and incomes that are at or above the state median. For example, in Keego Harbor, where median income is about \$63,100 and only 4% of the population is poor, 44% of residents are housing cost burdened. Similarly, in Sterling Heights, where median income is \$70,211, 37.5% of all residents are housing cost burdened, with 46% of renters paying more than 30% of their income on rent. In some places with high median incomes like Plymouth and West Bloomfield, cost burden is low for homeowners, but over 50% of renters are paying more than 30%

	State	Region
Population	10,062,512	3,940,887
Median Income	\$63,202	\$65,603
Below Poverty Level (<18)	17.6%	20.0%
Below Poverty Level	13.0%	14.0%
ALICE	25.9%	25.9%
ALICE + Poverty Rate	39.0%	39.9%
Receiving Food Stamps/SNAP	12.6%	14.3%
Housing Cost Burdened	31.3%	33.9%
Without Health Insurance	7.1%	7.0%
Single Parent Households	25.2%	28.8%

of their income on rent. In other places, high home prices are driving housing cost burdens for owners. For example, residents of the City of Northville have a median income of over \$100,000 a year, but 44% of all residents are housing cost burdened with an even greater percentage of homeowners facing this challenge.

These statistics reflect high rents and home values in the region. Median rent for Oakland County is the second highest in the state and median home value is the fourth highest. While many residents in the region see high levels of housing cost burden, low-income households are hit especially hard. The National Low Income Housing Coalition (NLIHC) estimates that the Fair Market Rent for a two-bedroom apartment in the region costs \$1,084, meaning a household's annual income would need to be \$43,360 or an hourly wage of \$20.85 for this to be affordable- i.e. cost less than 30% of income- which is over two times minimum wage.²

Additionally, finding an apartment in the Detroit Metro region is extremely challenging for those with very low incomes. NLIHC estimates that there is a deficit of 95,995 units of available and affordable rental units for households earning less than 30% of the Area Median Income (AMI).³

In 2022, the City of Detroit announced a comprehensive \$204 million affordable housing plan leveraging American Rescue Plan Act (ARPA) funding and adding to existing affordable housing initiatives, such as the program administered through the Detroit Future Fund. Efforts to build new affordable housing in Oakland County, Macomb County, and the rest of Wayne County are much less robust. Oakland County recently announced it was allocating \$1 million to affordable rental housing and spent \$5 million of its ARPA dollars on a Housing Trust Fund. Macomb County has seen a number of affordable housing units come online across the county.⁴ However, this doesn't translate into a significant number of units. Programs like Michigan State Housing Development Authority's Missing Middle Housing Program and the Michigan Homeowner Assistance Fund, which have aimed to address needs of lower-income, working households, are one way to address housing cost burden faced by ALICE households. Additionally, connecting these households to existing programs - like interest free loans offered to lower-income households in Oakland County and the Homestead Property Tax Credit available to homeowners and renters whose household resources are less than or equal to \$67,300 - could help make housing more affordable to households in the region.⁵

References

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- Frank, Annalise. "[Rent in metro Detroit is still rising.](#)" Axios Detroit, February 8, 2023.
- 2 National Low Income Housing Coalition. "How Much Do You Need to Earn to Afford a Modest Apartment in Your State?" [2024]. <https://nlihc.org/oor>
- 3 National Low Income Housing Coalition. "No State Has an Adequate Supply of Affordable Rental Housing for the Lowest-Income Renters". <https://nlihc.org/gap>
- 4 Ruble, Kayla. "[\\$1 million investment aims to boost affordable rental housing in Oakland County.](#)" The Detroit News, November 28, 2022.
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- Cook, Jameson. "[Affordable apartments coming to Eastpointe.](#)" Macomb Daily, January 9, 2024.
- Hotts, Mitch. "[Affordable housing development in Mount Clemens plans to open in October.](#)" Macomb Daily, July 18, 2023.
- 5 Homeowners must also have a home with a taxable value that is less than or equal to \$154,400.