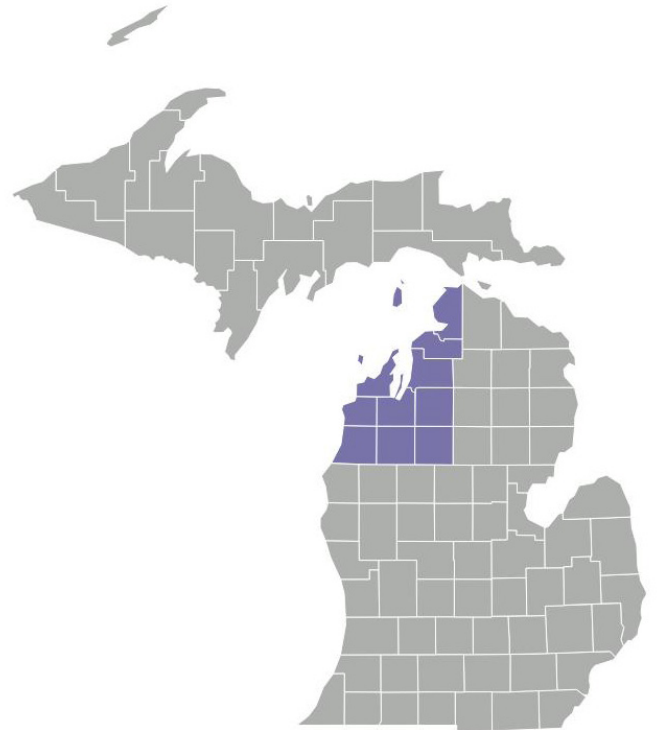


# Michigan Poverty & Well Being Map: Northwest Region

The Northwest region includes: Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford counties. Learn more about the map at [poverty.umich.edu](http://poverty.umich.edu).

## Tight Housing Market Puts Cost Burden on Renters in Northwest Michigan

Shouldering housing costs is a struggle for residents in the Northwest region, especially for renters. About 44% of renters are paying more than 30% of their income on rent, whereas 27% of homeowners face the same burden for homeownership expenses. The differences are especially stark when looking at the proportion with severe housing burden, which is defined as paying 50% of income or more on housing. About 20% of renters face severe housing burden while only 7% of owners do.<sup>1</sup> Additionally, some counties have even larger differences in the proportion of renters versus owners struggling with housing costs; in Charlevoix, Grand Traverse, and Wexford counties, the proportion of renters paying more than 30% on housing costs is nearly twice as high as owners.<sup>2</sup> And the disparities are even larger when looking at the severe housing cost burden in these counties; three times as many renters are severely burdened compared to owners.



Recently, Housing North released a Housing Needs Assessment on affordable housing in the region.<sup>3</sup> The tone of the report starts positively - highlighting the strong growth of higher-income households. However, it then calls attention to many of the issues that underlie the affordable housing crisis seen in the statistics above. While high-income rental households are projected to grow more than lower-income rental households, close to 75% of rental households have incomes below \$60,000 and about 40% have incomes below \$30,000. This means the bulk of rental housing units will continue to be occupied by low-income households, and affordable units are in short supply. Vacancy rates for rental housing are 1% in the region overall, with most counties reporting zero vacant rental units.

	State	Region
<b>Population</b>	10,062,512	309,563
<b>Median Income</b>	\$63,202	\$62,334
<b>Below Poverty Level (&lt;18)</b>	17.6%	15.0%
<b>Below Poverty Level</b>	13.0%	10.1%
<b>ALICE</b>	25.9%	29.1%
<b>ALICE + Poverty Rate</b>	39.0%	39.2%
<b>Receiving Food Stamps/SNAP</b>	12.6%	9.2%
<b>Housing Cost Burdened</b>	31.3%	30.3%
<b>Without Health Insurance</b>	7.1%	7.4%
<b>Single Parent Households</b>	25.2%	19.5%

Consequently, not only are there months-long waiting lists for market-rate rentals, but years-long waiting lists for subsidized housing in the region. Rental housing is scarce and rental housing for low-income households is even scarcer.

About 60% of homeowners have incomes above \$60,000, and the growth in homeownership will be among these higher-income households. Thus the share of owners with low incomes will become smaller and smaller and, as housing prices rise, these households will move into the rental market and put more stress on the overburdened rental market. Driving these trends is a gap between wages in the region and the cost of housing identified in the report. This disparity contributes to the high proportion of Asset Limited, Income Constrained, Employed (ALICE) households in the region.<sup>4</sup> While the proportion of ALICE households in the region is not much higher than the state as a whole (29.11% compared to 25.93%), some counties within the region have significantly higher rates of ALICE households, who are above the poverty line but struggling to afford the basic cost of living. Leelanau County has the highest rate of ALICE households in the state, 39.98%. The lack of affordable housing in the region likely contributes to the challenges to making ends meet. Given the lack of affordable housing, low-income residents in the region might be unable to maintain stable housing and afford necessities such as quality food and health care. Addressing housing needs in the region are a critical first step to ensuring economic well-being for residents in the region.

## References

- 1 Social Explorer. "American Community Survey (ACS) 2017-2021 (5-Year Estimates) [https://www.socialexplorer.com/tables/ACS2021\\_5yr/R13464585](https://www.socialexplorer.com/tables/ACS2021_5yr/R13464585)
- 2 Social Explorer. "American Community Survey (ACS) 2017-2021 (5-Year Estimates) [https://www.socialexplorer.com/tables/ACS2021\\_5yr/R13464585](https://www.socialexplorer.com/tables/ACS2021_5yr/R13464585)
- 3 Bowen National Research. "Housing Needs Assessment Northern Michigan." Housing North. [2023]. <https://static1.squarespace.com/static/61768dc8a236c639b8fe44ec/t/649c3611a9ae9c791c30a16a/1687959077783/RS+Northern%2C+MI+22-463+%28Housing+Needs+Assessment%29.pdf>
- 4 ALICE households are above the federal poverty line but still struggle to afford the basic costs of living.