



## ISSUE BRIEF

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# USING AMERICAN RESCUE PLAN FUNDS TO MEET DETROITERS' HOME REPAIR NEEDS

## OVERVIEW

This report is part of a series of reports highlighting findings from the most recent survey of the Detroit Metro Area Communities Study (DMACS). The survey was fielded between June 2 and July 9, 2021, and captures the views of a representative sample of 1,898 Detroiters. [Other reports in this series](#) focused on findings related to the COVID-19 pandemic as well as residents' experiences with crime and perspectives on policing. This report focuses on the issue of housing quality in Detroit and the need for home repairs among renters and owners in the city. Results have been weighted to reflect the population of the City of Detroit.

[See full results from DMACS surveys here.](#)



## KEY FINDINGS

- Nearly 38,000 households in Detroit lived in inadequate housing—housing with major issues with exposed wires or electrical problems, broken furnace or heating problems, or lack of hot or running water—in the past year.
- Sixteen percent of households making less than \$30,000 per year, and 15% of households earning between \$30,000 and \$60,000 per year were living in inadequate housing.
- While the vast majority of higher-income individuals living in inadequate housing undertook home repairs, only 33% of low-income individuals did.
- Renters (16%) were more likely to live in inadequate housing than homeowners (12%).
- Households with children (18%) and residents of color (14%) are among the groups more likely to be living in housing classified as inadequate.
- The most commonly reported home maintenance issues were related to plumbing (39%). About one-third of Detroit residents reported problems with mice, rats, roaches, and other pests (34%); structural problems with their porches (33%); and/or unsafe or damaged trees (31%).

## INTRODUCTION

In June 2021, Detroit received the first of two disbursements of funding—which will ultimately total \$826 million—from the federal American Rescue Plan Act (ARPA). The funding is intended, in part, to aid local governments and communities hit hard by the financial toll of the COVID-19 pandemic. [When soliciting input from residents](#) on how best to spend ARPA funds, the City found that Detroiters' top priority was investing in neighborhoods, including funding home repairs for seniors, disabled, and low-income households.<sup>1</sup> In response, the [Duggan administration announced plans](#) to invest the first \$400 million in ARPA funds directly into Detroit's neighborhoods, launching the \$30 million [Renew Detroit](#) program that will provide home repair grants to low-income senior citizens and homeowners with disabilities.<sup>2</sup>

Evidence suggests such investments are greatly needed. [Past research](#) conservatively estimates that 24,000 homes in Detroit may be of inadequate quality, meaning they are substandard accommodations for habitation based on the condition of their maintenance, electrical wiring, heating, or plumbing.<sup>3</sup> Low-income residents, residents of color, and renters are especially likely to live in substandard conditions, which can have major implications for their physical, emotional, and financial health.<sup>4</sup> Using ARPA funds to address home repair needs could not only address these inequities and ensure a safer home for residents but also fills a critical funding gap. Few existing programs direct funds to home repair and these programs are often over-subscribed, are out of financial reach for many low-income homeowners, provide too little funding to cover major repairs, and are generally inaccessible for renter households.<sup>5,6</sup>

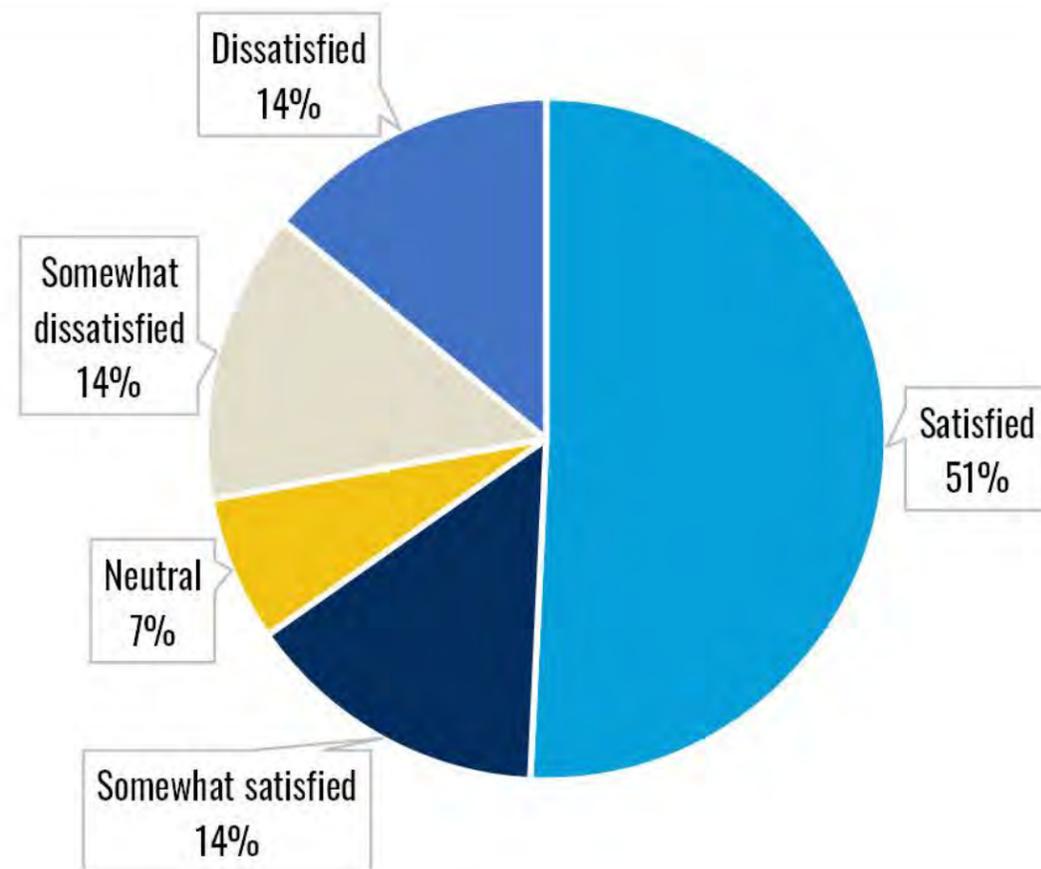
This report examines Detroiters' satisfaction with their home conditions and the demand for home repairs. It finds that the need for home repair may be even more widespread than previously estimated, suggesting that nearly 38,000 households—or roughly 91,000 Detroiters—live in inadequate housing conditions, that deferred maintenance is common, and that landlords whose tenants live in substandard quality housing are less likely to respond to requests for repairs. The report also suggests that while the Renew Detroit program is an important first step towards ameliorating the repair crisis for select residents, demand far exceeds the 750 homes annually slotted for home repair funds.<sup>7</sup> More assistance is needed among renters and households with children who are less likely to fit the criteria for home repair grants but who experience some of the greatest needs for improved housing conditions.

## JUST HALF OF DETROITERS ARE SATISFIED WITH THEIR HOME CONDITIONS

- Half (51%) of Detroiters report they are very or mostly satisfied with the condition of their home while 14% of residents are mostly or very dissatisfied with the condition of their home.

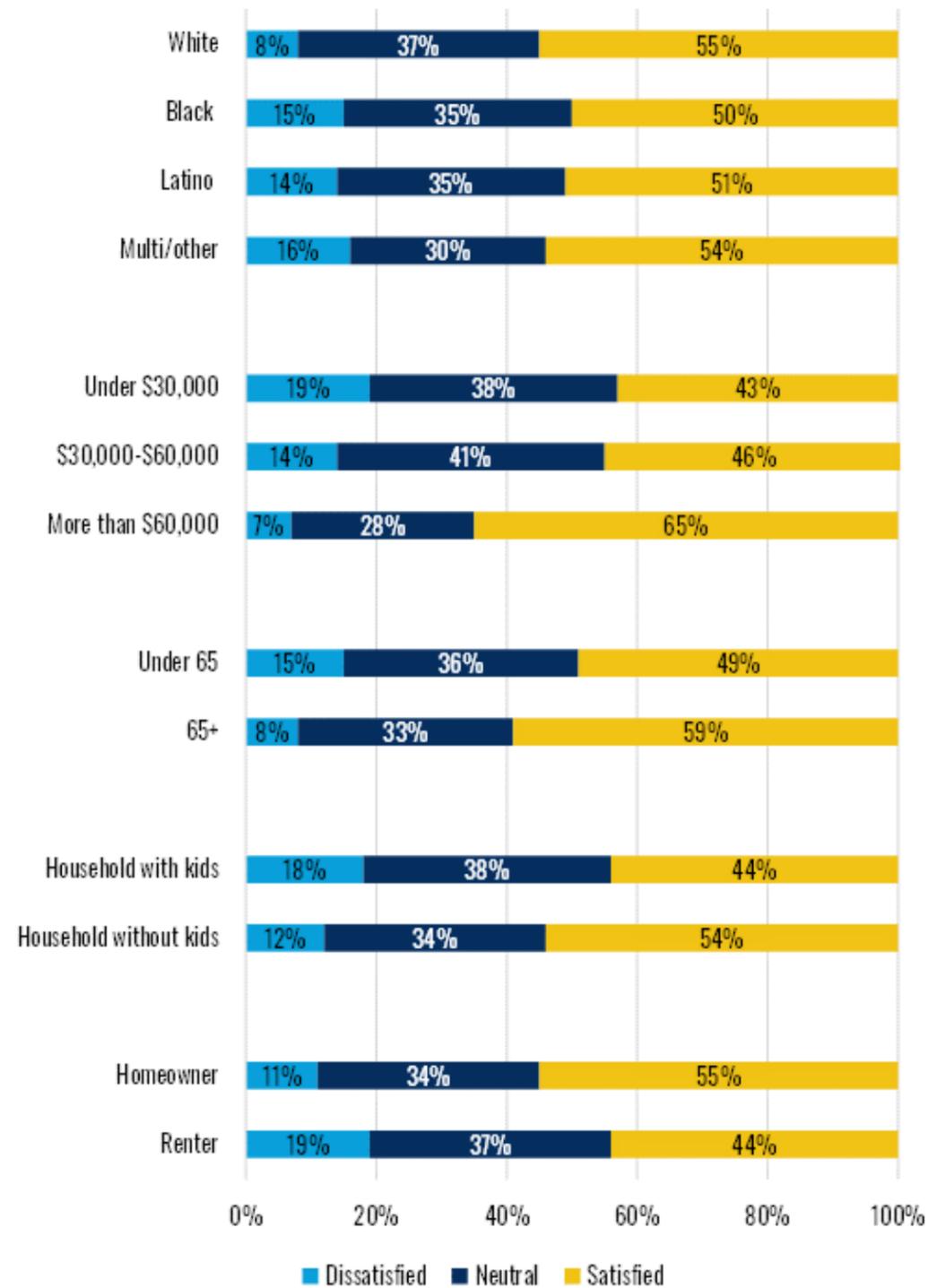
FIGURE 1

DETROITERS' SATISFACTION WITH HOME QUALITY



- Satisfaction with housing conditions varies considerably among subgroups:
  - White residents are half as likely as residents of color to express dissatisfaction with their housing conditions. One in six Black residents report that they are dissatisfied with the condition of their housing.<sup>8</sup>
  - Low-income residents (those in households earning less than \$30,000 annually<sup>9</sup>) also report substantially lower levels of satisfaction with their housing conditions compared to wealthier residents. Nearly 20% of those earning \$30,000 or less are dissatisfied with their housing conditions compared to 7% of residents earning more than \$60,000.
  - Younger residents (those under the age of 65) are twice as likely to report they are dissatisfied with the condition of their homes than seniors.
  - Residents in households with children are more likely to report being dissatisfied with their housing conditions compared to those living without children.
  - Renters are twice as likely as homeowners to be dissatisfied with their housing conditions. Nearly 20% of renters are dissatisfied with their housing conditions, and 11% of homeowners are similarly dissatisfied with the conditions of their homes.
- Satisfaction with one's housing is strongly associated with desire to move. Residents who are not satisfied with the condition of their home are twice as likely (72%) to say they want to move compared to those who are satisfied with their housing conditions (39%).
- Detroiters who are dissatisfied with their housing conditions are more likely to live near other blighted properties. Forty-two percent of dissatisfied residents live in neighborhoods where they say blighted and abandoned homes, stores, and lots are "a big problem" in their neighborhoods, compared to 25% of residents who are more satisfied with their housing conditions.

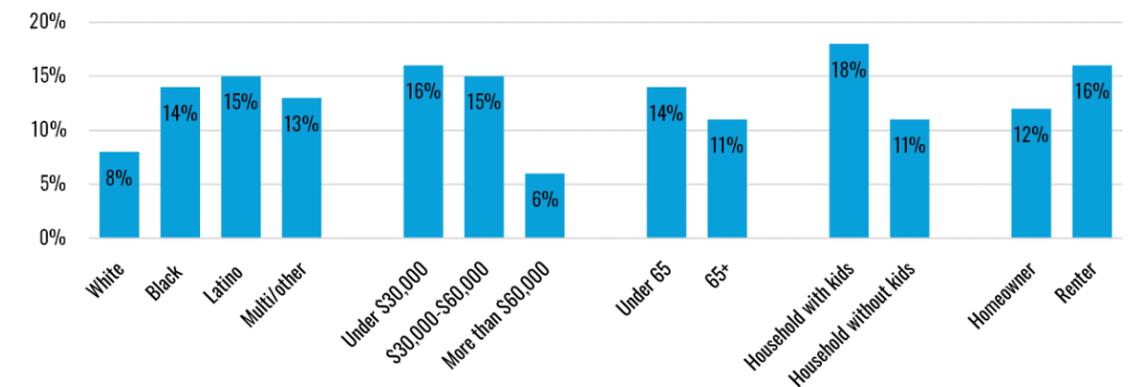
**FIGURE 2**  
SATISFACTION WITH HOME CONDITION BY SUBGROUP



## 37,630 HOUSEHOLDS LIVE IN INADEQUATE HOUSING CONDITIONS

- Just 19% of residents report experiencing no major or minor problems with the condition of their home in the past year.
- Eighty-one percent of Detroiters say they have had at least one problem with the condition of their home in the past year, and 43% report having at least one **major** home repair need.<sup>10</sup>
- Thirteen percent of Detroiters report living in housing that can be considered in inadequate condition—housing in which exposed wires or electrical problems, broken furnace or heating problems, or lack of hot or running water were a major issue in the past year.<sup>11</sup> By comparison, 3.2% of households in the Detroit Metro Area had inadequate housing conditions according to the 2019 American Housing Survey.<sup>12</sup>
- Based on DMACS estimates, 37,630 households—15,336 owner-occupied households and 22,294 renter-occupied households—in Detroit may be living in inadequate housing.<sup>13</sup> This is roughly equal to 90,690 Detroit residents living in substandard conditions.<sup>14</sup>

**FIGURE 3**  
INADEQUATE HOUSING AMONG DETROITERS



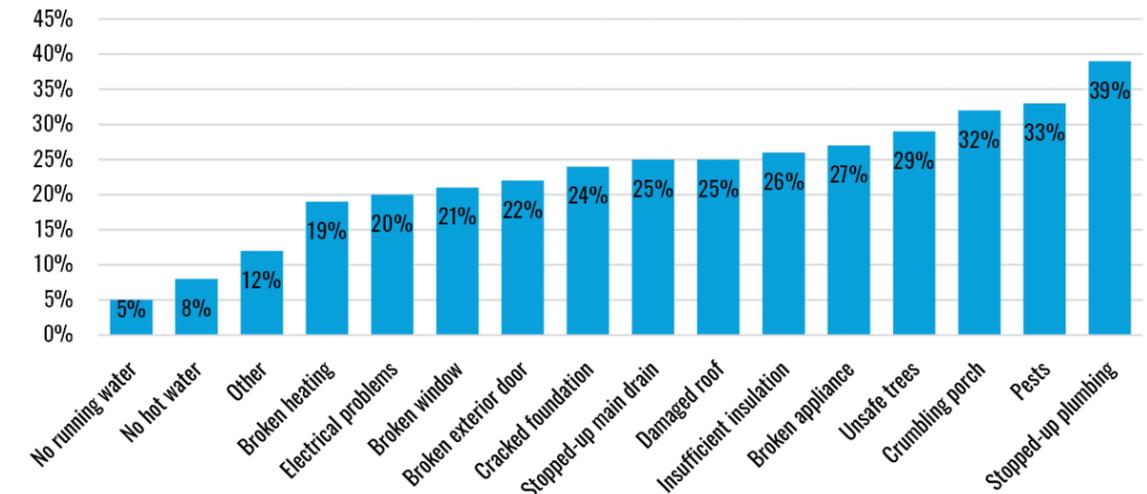
- White Detroiters are half as likely (8%) as residents of color (14%) to live in inadequate housing conditions.
- Similarly, low- and moderate-income residents are more than twice as likely as upper-income residents to live with inadequate housing conditions.
- Almost 1 in 5 households with children (18%) live in inadequate housing conditions.
- Sixteen percent of renters and 12% of homeowners live in inadequate housing conditions.
- Sixty-eight percent of Detroiters living in inadequate housing report they have considered moving in the past year compared to 53% of those living in adequate housing conditions.
  - Serious home repair needs may tether homeowners to poor quality housing more so than renters. Just 50% of homeowners living in inadequate housing conditions report having considered moving, compared to 87% of renters living in similarly poor housing conditions.
- Residents living in inadequate housing conditions are more likely to report living near other blighted properties. Forty-one percent of residents living in inadequate housing conditions report blighted and abandoned homes, stores, and lots are “a big problem” in their neighborhoods, compared to 25% of residents living in better housing conditions.

## ON AVERAGE, DETROITERS REPORT 3.6 PROBLEMS WITH THEIR HOUSING CONDITIONS

- Detroiters’ most commonly reported home maintenance issues were related to stopped-up plumbing (39%).
  - One resident describing the condition of their home said, “The electric wiring is old and it’s bad and the pipes leak inside the walls and you constantly smell mold.”
- One-third of residents reported issues with mice, rats, roaches, and other pests (33%); structural problems with their porches (32%); and unsafe or damaged trees (29%).
- One-quarter of residents report having damaged roofs (25%), stopped up main drains, (25%) and insufficient insulation. (26%)
- Lack of running or hot water were the least commonly reported problems, but still affect roughly 1 in 20 residents.

**FIGURE 4**

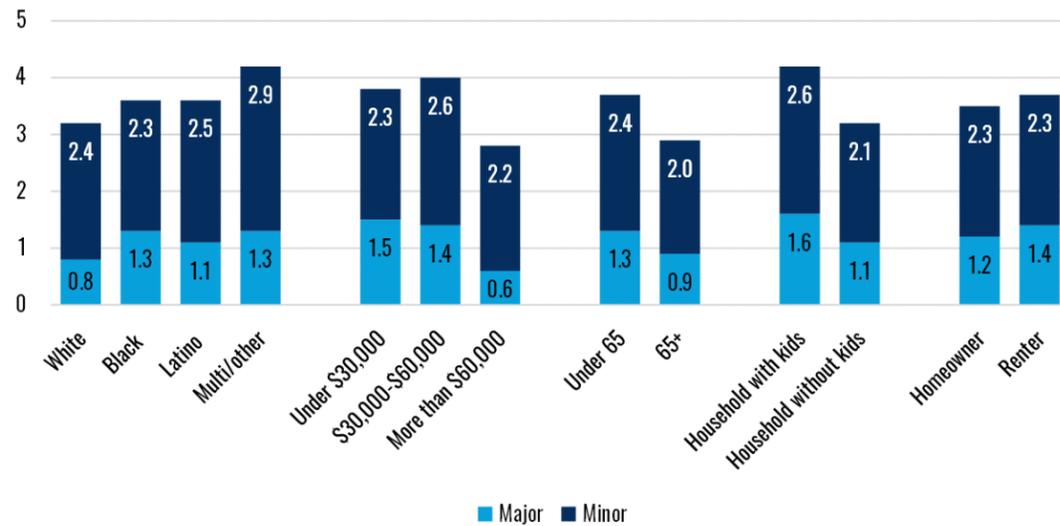
**FREQUENCY OF DETROITERS' REPORTED HOME PROBLEMS**



- Renters were significantly more likely to report problems with pests and running or hot water while homeowners were more likely to report problems like porch disrepair and damaged trees.
- The average resident reported 2.3 minor problems with their housing conditions and 1.3 major problems with their housing conditions.
- White residents report significantly fewer major housing condition issues than residents of color.
- Higher-income Detroiters also report significantly fewer housing problems than those with low- or moderate-incomes.
- Seniors report significantly fewer housing problems than younger residents.
- Households with kids report they have had nearly two major problems with their housing conditions and three minor problems with their housing conditions in the past year.

**FIGURE 5**

**MEAN NUMBER OF HOUSING ISSUES BY SUBGROUP**



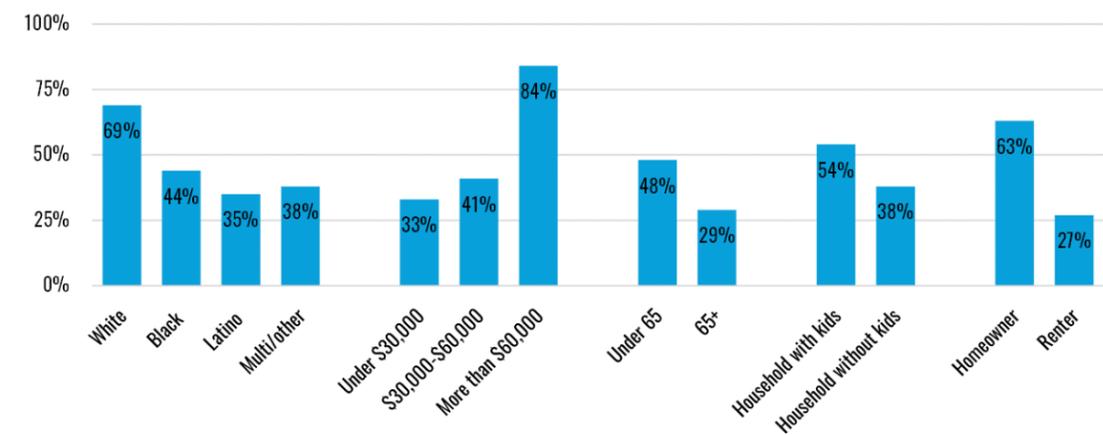
- Despite the prevalence of housing issues, just 5% of residents report being cited for a property code violation.
- Renters and owners were equally likely to be cited for code violations.
- Households with children are four times more likely (8%) to report being cited for a code violation than other households (2%).

## HOME REPAIR MAY BE LEAST AVAILABLE TO RESIDENTS WHO NEED IT MOST

- One-quarter of Detroiters report that in the past year they have undertaken major repairs to their homes.<sup>15</sup>
- Slightly less than half (45%) of residents living in inadequate housing conditions report undertaking a major home repair in the past year, compared with 23% of those not living in substandard housing conditions.

**FIGURE 6**

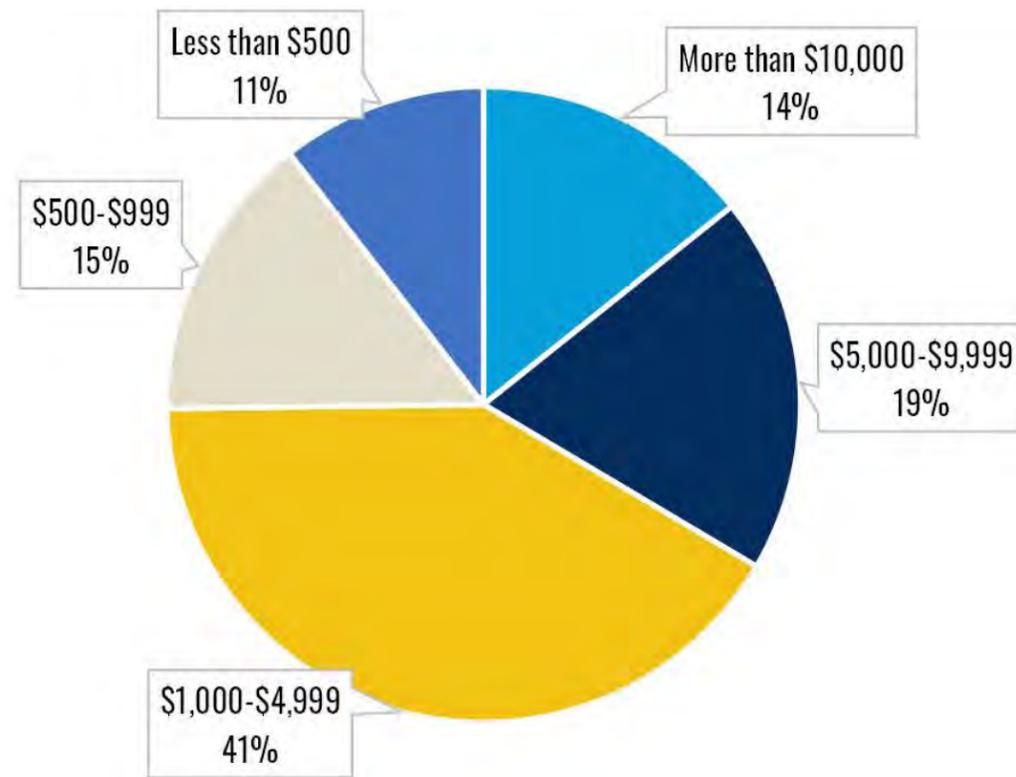
**PERCENT OF RESIDENTS IN INADEQUATE HOUSING WHO HAVE UNDERTAKEN MAJOR HOME REPAIRS**



- Among residents living in inadequate housing conditions, White Detroiters were significantly more likely to undertake major repairs than residents of color. Sixty-nine percent of White residents undertook a major home repair, compared to 44% of Black residents and 35% of Latino residents living in similarly poor conditions.
- The vast majority (84%) of higher-income residents living in inadequate housing conditions undertook major repairs compared to just 33% of low-income residents.
- Seniors living in inadequate housing conditions were less likely to make major repairs to their homes than younger residents.
- Similarly, homeowners in inadequate housing conditions were twice as likely to conduct major repairs on their homes compared to renters living in similar conditions.
- Among residents who made a major repair to their home, the median home repair cost between \$1,000 and \$5,000. Just 10% of residents spent less than \$500 on a repair while 20% spent between \$5,000 and \$9,999 and 14% spent \$10,000 or more.
  - Multiple survey respondents noted that financial limitations kept them from making needed repairs on their homes. One said, “Trying to get financial assistance to address structural concerns to remain in the home has been difficult.”
  - Another resident expressed their need for financial assistance, saying, “I need a roof on my house terribly but I do not have the money to pay for it! I already have leaks and I’m afraid the ceiling in the bathroom is about to fall down! How can a poor, disabled, elderly woman try to remain in their Detroit home when there’s absolutely no cash to pay for the repairs? I’m sure I’ll need well over \$13,000 to remove and replace the roofs on the house and garage. How can I get the help I need?”

**FIGURE 7**

**AMOUNT SPENT ON MAJOR HOME REPAIRS**

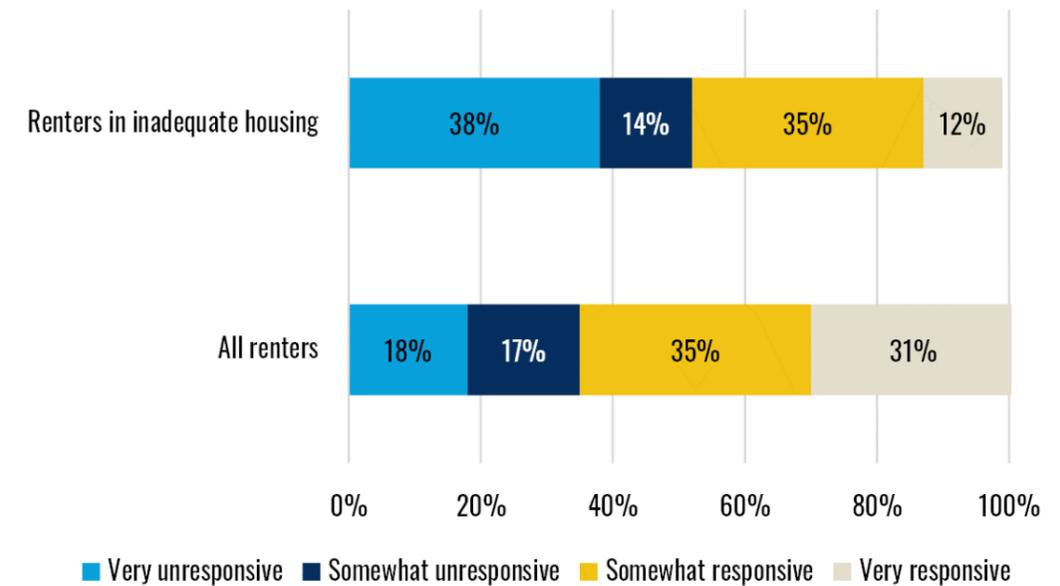


**MOST LANDLORDS ARE RESPONSIVE TO REQUESTS FOR REPAIRS, BUT NOT FOR RENTERS IN INADEQUATE HOUSING**

- Nearly two-thirds (64%) of renters say they have requested that their landlord make repairs to their home in the past year.
- Among renters living in inadequate housing conditions, 81% report they requested their landlord make home repairs in the past year.
- Renters who made requests for repairs to their landlords reported a significantly higher number of home repair issues (4.6) compared to those who had not made repair requests (2.0).
- Of renters who had made requests for repairs, 65% say their landlord was somewhat or very responsive while 18% say their landlord was very unresponsive.

**FIGURE 8**

**LANDLORD RESPONSIVENESS TO RENTER REQUESTS FOR REPAIRS**



- Despite the general responsiveness of landlords, some residents report having to go to great lengths to get repairs addressed. One told DMACS, “One time the bathroom ceiling collapsed due to a leak in the radiator system. We had to complain to [the] Mayors [sic] office. Only then [apartment] management responded and fixed [the] heating and ceiling. As of today, still the ceiling hasn't [been] paint[ed] after [being] fixed.”
- Renters living in inadequate housing report their landlords are less responsive to requests for repairs than other renters. Nearly 40% of renters living in inadequate housing report their landlords were very unresponsive to requests for repairs compared to 18% of renters overall.
  - Residents are aware of the poor conditions permitted by some landlords. Referring to their housing, one described their landlord as “a very bad slum lord [sic],” while another reported, “I have pest[s] in my roof and my landlord refused to fix the problem.”
- Renter households with kids also report less responsiveness from landlords than renters without kids.

## ENDNOTES

1 Data on resident priorities were collected by the City of Detroit through surveys and community meetings and reflect the views of 1,152 households. See additional information on the ARPA survey at <https://detroitmi.gov/webapp/arpa-survey-results>.

2 The Renew Detroit program was announced on Sept. 30, 2021, and will spend up to \$17 million to repair approximately 500 homes per year. The program will be rolled out in two phases, with the first phase focused on replacing 1,000 roofs and the second phase focused on broader repairs to another 500 homes in the following year. Participation in the program is limited to homeowners who are 62 years old or older or homeowners with a disability. Program participants must have been approved for a property tax exemption through the Homeowner Property Exemption (HOPE) and must not have received a home repair grant from the city of \$10,000 or more in the past 10 years. Eligible homeowners will be selected based on a point system that includes length of ownership, number of people in the home, level of their HOPE tax exemption, and whether they already are on a list for similar repairs with Wayne Metro or the city's Senior Emergency Home Repair (SEHR) program. See additional information on the program at <https://detroitmi.gov/government/mayors-office/american-rescue-plan-act/renew-detroit>

3 [Ruggiero, Rivera, and Cooney \(2020\)](#) find that if the City of Detroit had the same rate of inadequate housing—as defined by the American Housing Survey—as the Detroit-Dearborn-Warren Metropolitan Statistical Area accounting for the race and tenure type of residents, approximately 24,119 households would live in inadequate housing. The authors note that this is likely an underestimate of the need for home repair in Detroit given that the city's socioeconomic characteristics and housing stock suggest that housing in Detroit may be in poorer condition than elsewhere in the metropolitan area.

4 [Ruggiero, Rivera, and Cooney \(2020\)](#)

5 [Ruggiero, Rivera, and Cooney \(2020\)](#)

6 [Eisenberg, Wakayama, and Cooney \(2021\)](#) evaluated the Make It Home Repair Program and found that the small sum grants addressed half of participating homeowners' major repair needs, but that the program was out of reach for very low-income residents and didn't address the needs of renters.

7 [In announcing the Renew Detroit program](#), the Duggan administration estimated that funding for Renew Detroit will repair approximately 500 homes per year. Combining this program and the 200-250 annual home repairs funded through Community Development Block Grants for senior emergency home repair, the total number of anticipated annual repairs is around 750 per year.

8 This report uses the following ethnorracial categories: "Latino" refers to any respondent who identifies as being of "Hispanic, Latino, or Spanish origin." "White" and "Black" refer to respondents who selected only those respective categories (and no other ethnorracial categories) and who do not identify as Latino. Respondents who identified using other ethnorracial categories, who did not identify with any of the ethnorracial categories, or who identified using multiple ethnorracial categories were coded as "Multi/Other".

9 2019 American Communities Survey 1-year estimates show that the median household income in Detroit is \$33,965. Thus roughly half of Detroit households would be considered low-income based on the \$30,000 threshold.

10 DMACS captures residents' subjective assessments of the severity of problems with their housing conditions. In the survey, residents were asked "In the home in which you currently live, have you experienced any of these problems within the past year?" Response options included "No"; "Yes, a minor problem"; "Yes, a major problem"; and "Don't know." The nature of these problems and what residents consider a minor or major problem is not captured in the data. As a result, the data may under or overcount the need for home repair based on respondents' self-reports.

11 The American Housing Survey (AHS) assesses the quality of housing stock and its characteristics in response to Title V of the 1970 Housing Act. In addition to providing detailed information about the quality of housing units in select metropolitan areas, the AHS also categorizes housing units as severely inadequate, moderately inadequate or adequate. The AHS uses two methods for defining a unit as severely inadequate or moderately inadequate.

- Severely Inadequate Method 1: The unit meets one of the following four conditions: (1) no electricity used, (2) exposed wiring without working electrical plugs in every room and the fuses were blown more than twice in the last three months, (3) unit was cold for 24 hours or more and the heating equipment broke down more than twice, lasting longer than six hours, or (4) unit has one of the following bathroom problems: no hot and cold running water, no full bathroom, shared plumbing facilities with occupants of another housing unit.
- Severely Inadequate Method 2: The unit meets five of the following six conditions: (1) outside water leaks in the last 12 months, (2) inside water leaks in the last 12 months, (3) holes in the floor, (4) open cracks wider than a dime, (5) area of peeling paint larger than 8x11, or (6) rats seen in the unit in the last 12 months.
- Moderately Inadequate Method 1: The unit has three or four of the conditions listed in "Severely Inadequate Method 2" but has not been designated as Severely Inadequate using Method 1.
- Moderately Inadequate Method 2: The unit meets one of the following three conditions: (1) more than two toilet breakdowns in the last three months lasting longer than six hours; (2) the main heating equipment is unvented room heaters burning kerosene, gas, or oil; or (3) unit meets one of the four kitchen conditions: no kitchen sink, no working refrigerator, no working cooking equipment, or unit does not have exclusive use of kitchen.

DMACS data does not capture identical points of information about housing quality as the AHS. To develop a measure of inadequate housing that approximates severely inadequate housing as defined by Method 1 on the AHS, we consider any resident who says they experienced exposed wires or other electrical problems, a broken furnace or heating system, no hot water, or no running water as a major problem in the past year to be living in inadequate conditions.

12 [2019 American Housing Survey](#) estimates for the Detroit-Dearborn-Warren MSA are based on surveys with approximately 1,710 households. Of those, 16.1 were deemed severely inadequate and 39.7 were deemed moderately inadequate.

13 To estimate the scale of inadequate housing in Detroit, we first calculate the percent of homeowner households living in inadequate housing conditions (see note 10) by multiplying by the number of owner-occupied housing units in the city according to the 2019 American Communities Survey 1-year estimates (127,801) with the DMACS survey estimates of the rate of homeowners living in inadequate housing (12%). We then calculate the percent of renters living in inadequate housing conditions by multiplying by the number of renter-occupied housing units in the city (139,338) with the DMACS survey estimates of the rate of renter households living in inadequate housing (16%). We get our overall estimate by summing these estimates. In this calculation, we assume the percent of renters in inadequate housing is equal to the percent of renter households in inadequate housing.

14 We can similarly estimate the number of residents living in inadequate housing in Detroit. Individual level estimates are calculated by multiplying by the number of homeowner householders in the city according to the 2019 American Communities Survey 1-year estimates (326,608) with the DMACS survey estimates of the rate of homeowners living in inadequate housing (12%) and multiplying the number of renter householders in the city (321,863) with the DMACS survey estimates of the rate of renters living in inadequate housing (16%). The sum of these calculations is 90,690.

15 The survey asked all respondents, "In the past year, did you conduct any major repairs on your home?" Though a separate question asked if one's landlord was responsive to repair requests, it is unclear if renters' response to the question about conducting major repairs captures repairs made only by the tenant or if some respondents also included repairs made by their landlord.

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## FOR MORE INFORMATION

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