



Opportunities for the next mayoral administration to grow Detroit's middle class

The 2025 mayoral election occurs at a pivotal moment for Detroit. The city has seen investments and positive trends over the past decade. The next mayoral administration must seize the opportunity to build on this momentum while facing the stark realities of the city's budget, economic competitiveness, and neighborhood vitality.

City revenue will be front and center over the next few years. Over \$820 million in funding from the American Rescue Plan Act (ARPA) that has supported numerous City programs over the past several years, is coming to an end, and federal funding is uncertain. The City also faces looming debt obligations, and without significant new revenue, it will struggle to meet these commitments while sustaining the vital programs that drive its prosperity.

Bold action, strategic planning, and creative thinking are imperative to ensure long-term fiscal stability and continued investment in Detroit's future. This will require building the city's tax base while also finding additional revenue streams to advance initiatives that will sustain and grow the middle-class in Detroit.

New revenue should not necessarily come from already heavily taxed people and businesses in the city. The future as a thriving, resilient, and economically vibrant city will depend on the ability to grow the middle class and attract new high-growth businesses to the city.

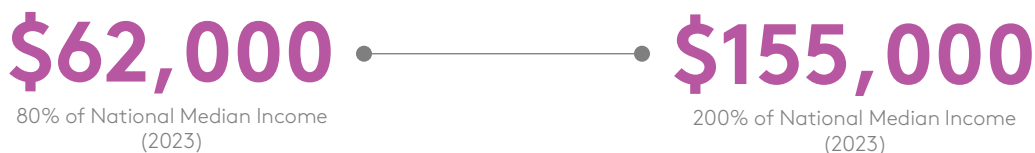
This will mean centering strategies that focus on increasing the incomes and wealth of Detroiters to grow the middle class from within and attracting new-middle class residents. This document outlines three key areas for focus.

Key opportunities to grow Detroit's middle class

- Middle-class neighborhoods
- Wealth generation for Detroiters
- Climate-resilient infrastructure

What is the middle class?

What it means to be middle class can be more than just a dollar value. However, to measure it and assess progress, it's helpful to have a clear definition. Detroit Future City defines the middle class as households with incomes between 80% and 200% of the national median household income.



Underlying principles shaping this tool

Detroit should commit to being a middle-class city

City leadership should commit to building a middle-class city. This means having a city that can grow household income and wealth through good-paying jobs, attract middle-class households, and retain Detroit households as their incomes rise.

Attracting and retaining the middle-class will be key to growing the population and tax base

The City will need to invest in strategies that can attract and retain middle-class households. The investments must live alongside policies that avoid displacement of legacy Detroiters and culture.

Decision-making should be data- and community-informed

Decision-making and policy development should be informed and shaped by data, research, and the lived experience of residents who bring valuable expertise.

The City must work in close partnership with others

This work cannot be done alone. As the City's relationship with the federal government shifts, the City will need to work in partnership with philanthropic, nonprofit, community-based groups, and others to achieve this work. It must also leverage state and federal resources to bring maximum investment to the city.

Detroit context



Total Population in 2023

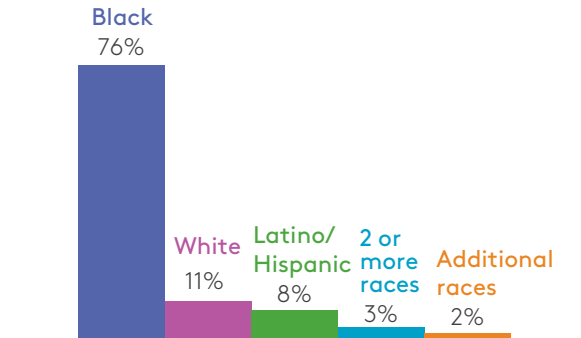
633,218

U.S. Census Bureau (2023) Population Estimates

Detroit saw its population increase in 2023 for the first time in more than 60 years, a change in the right direction. However, the city still has seen a notable loss of 58,650 residents since 2013.

Since 2013, the largest loss in population is among Black residents, with 72,000 fewer Black residents in the city as the Black population in the region has grown.

Detroit is a **majority Black city**



U.S. Census Bureau (2023) American Community Survey 1-year estimates



Incomes remain low

\$38,000

Incomes in the city remain half that of the region. Only 26% of Detroit's households are middle class, compared to 39% in the region.

DFC analysis of U.S. Census Bureau (2023) American Community Survey 1-year estimates

Middle-class households required to be on par with the region

Middle-class households in Detroit
(2023)

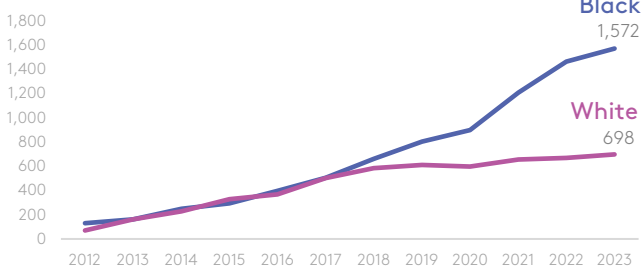
32,400

66,300



Mortgages continue to rise, driven by Black borrowers

Home purchase loans in Detroit, by race, 2012-2023



Source: Detroit Future City analysis of Home Mortgage Disclosure Act Data

Share of Detroiters with a bachelor's degree or higher

19%

U.S. Census Bureau (2023) American Community Survey 1-year estimates

Detroit's vacant land
18 square miles

DFC analysis (2024)

Policy priorities for middle-class neighborhoods

Invest in building middle-class neighborhoods

- Identify and invest in areas adjacent to middle-class neighborhoods to leverage their momentum.
- Continue to create neighborhood amenities by supporting and attracting businesses, investing in quality public spaces, and increasing safety.
- Develop incentives and mixed-financial capital stacks to expand investments in existing middle-class neighborhoods.

Provide high quality educational opportunities to attract and retain families with children

- Work with Detroit Public Schools Community District and charter schools to support efforts to improve education outcomes for Detroit's students.
- Invest in city services and partnerships to provide wraparound support for students.

Evaluate and identify new funding sources for American Rescue Plan Act funded programs

- Evaluate which ARPA-funded programs have been most effective and identify ways to maintain funding for them in the absence of ARPA dollars.

Improve housing diversity, quality, and stability

- Increase investments in home repair, energy efficiency, and long-term housing preservation programs.
- Evaluate and streamline the development process to make development in the city easier.
- Strengthen enforcement of rental ordinances and provide supports for landlords to improve rental housing.

Increase access to affordable homeownership

- Support policies and programs that increase access to homeownership.
- Continue to expand down-payment assistance and homebuyer education programs to promote long-term financial stability.

Improve neighborhood safety

- Address crime by continuing to invest in community partnerships like ShotStoppers and utilizing data to improve neighborhood safety strategies.
- Design roads and enforce traffic laws to improve pedestrian and non-motorized safety.

Policy priorities for wealth generation for Detroiters

Attract and grow jobs and industries that pay middle-class wages

- Target investments and innovative funding mechanisms to attract/grow industries with high concentrations of middle-wage jobs and occupations that are growing and pay middle-class wages.
- Focus attraction efforts on industries that have a high share of Black workers in growth occupations.
- Align educational pathways and college majors to meet the demands of growing industries.

Increase access to middle-wage jobs

- Identify and create pathways for Detroiters without four-year degrees to enter growth occupations.
- Increase awareness of growth occupations for youth and adult workers.
- Increase access to wraparound services.
- Evaluate hiring practices to remove barriers and attract high-quality candidates.

Improve educational outcomes to prepare Detroiters for good jobs

- Prioritize and invest in strategies that will result in an increase in the number of Detroiters with bachelor's degrees.
- Continue to invest in the enrollment and completion of career and technical education programs.
- Provide training and educational support for existing workers to move into growth occupations.

Increase capital and support for small businesses

- Coordinate and direct affordable capital to Black- and Brown-owned businesses to close gaps in entrepreneurship.

Rectify and prevent heirs' properties

- Work collaboratively to sustain programs that provide will- and estate-planning services.
- Evaluate policies at the city and state level that impact the ability of heirs' property to receive critical city resources like property tax exemption and home repair funds.

Policy priorities for climate resilient infrastructure

Leverage the city's 18 square miles of vacant land to create open-space amenities

- Evaluate and identify areas within the City where medium- and large-scale uses of open space can occur by right.
- Develop a clear and understandable policy and process for disposition of publicly owned land for use as open space.
- Continue to invest in a parks and greenways system to create high-quality neighborhood assets.
- Increase investment and resources to support the creation of open space.
- Increase investment in our city's urban forest (parks, streets, open space, etc.) to expand and maintain tree canopy as a critical piece of infrastructure.

Reduce power outages and improve reliability

- Work to change state law and policy to not only allow but promote the adoption of community solar.
- Continue to invest in opportunities for renewable energy generation.
- Work with DTE to continue to upgrade the power grid.

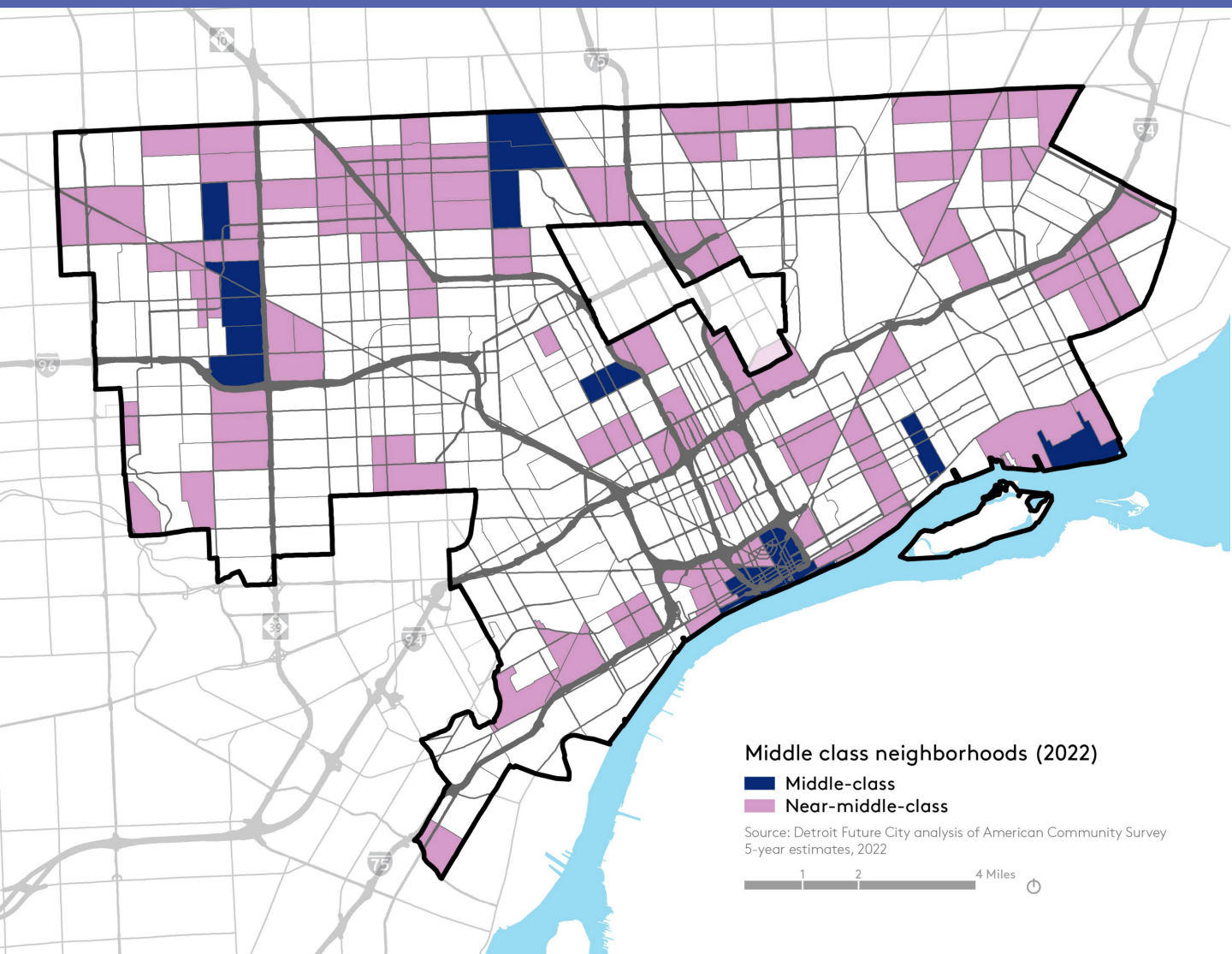
Continue to invest in infrastructure to prevent flooding

- Continue to invest in the renewal and maintenance of Detroit's stormwater infrastructure to prevent neighborhood flooding.
- Integrate green infrastructure into neighborhood development, street redesigns and greenway projects.
- Support infrastructure improvements to facilitate new development.

Invest in improvements to mobility options for residents

- Increase funding and coordination to improve transit system access and reliability.
- Invest in streetscape improvements to promote neighborhood walkability.

Middle-class neighborhoods in Detroit



Detroit Future City defines middle-class neighborhoods as census tracts where more than 50% of households are middle or upper middle class.



Resources from DFC

- [Making the Middle Class: Leveraging Detroit's Neighborhoods to Build a Middle-Class City](#)
- [State of Micro and Small Business in the Detroit Region](#)
- [Black Homebuyer Demand: An Analysis of Black Homebuyer Mortgage Applications in Metro Detroit From 2012 to 2021](#)
- [Keeping Your Family Home: Addressing the Challenges of Inherited Properties in Detroit](#)
- [State of Economic Equity in Detroit](#)
- [Achieving an Integrated Open Space Network in Detroit](#)

To learn more about these recommendations, check out



Detroit Future City's research

About DFC

Detroit Future City (DFC) is a community supported nonprofit organization founded in 2015 to catalyze implementation of the Detroit Strategic Framework, a 50-year vision for the City of Detroit developed with input from over 100,000 Detroiters. Through the shared vision of the Detroit Strategic Framework, DFC is committed to improving quality of life for all Detroiters.

Our goal is a more equitable and sustainable city that works for all. We achieve this goal by providing accessible information to Detroiters, informing and guiding decision-makers' initiatives and projects, and convening a broad range of stakeholders to better coordinate and align their work.