RESEARCH REPORT

Miami and the State of Low- and Middle-Income Housing

Strategies to Preserve Affordability and Opportunities for the Future

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Executive Summary

Miami and Miami-Dade County have experienced rapid population growth and development in recent years, particularly in the city's booming downtown. The influx of new residents and development of extensive market-rate and high-end units have led to rising housing costs for many households. This is especially true for low- and middle-income (LMI) households (i.e., families who make between 50 and 120 percent of the area median income), who make too much for subsidies and too little to pay market prices. This report examines the state of LMI housing in Miami through a data-rich analysis of population and housing market changes from 2000 to 2015. Through a typology, we identify which neighborhoods are changing the most for LMI residents and which ones most need to create and preserve LMI housing. Finally, informed by our meetings with stakeholders, we identify policy and programmatic tools that could make a difference for LMI housing affordability in Miami and Miami-Dade County.

Population and housing stock trends indicate that Miami-Dade County grew tremendously from 2000 to 2015, especially in the city of Miami. Miami's downtown area has gone through rapid transformation, as have other neighborhoods, such as Edgewater and Wynwood. The following findings describe where Miami's LMI families live and how their housing has changed:

- Opa-locka, as well as Miami neighborhoods Allapattah, Liberty City, Little Haiti, Little Havana, and Overtown, are areas where more than 8 in 10 households are very low income and low- to middle-income. These neighborhoods have high proportions of renters and below-average rent relative to the rest of the area. In these neighborhoods, creating and preserving affordable housing for LMI families remains feasible and much needed.

- Renter cost burdens have increased all over the county and city. In 2000, 27 percent of LMI renter households were cost burdened (i.e., spent more than 30 percent of their income on housing costs). By 2015, three-quarters of LMI renter households in Miami were cost burdened. In Coral Way, Downtown, Edgewater, and West Flagler, more than 8 in 10 LMI renters were cost burdened. The most dramatic shift may be in Wynwood, where just 15 percent of LMI renter households were cost burdened in 2000, which increased to 74 percent by 2015.

- Downtown, Edgewater, and Wynwood saw tremendous development of new housing units, with new units dominating by 2015, in contrast to a majority pre-1980 stock in 2000. This

reflects tremendous development in these areas, which is replacing older and previously affordable housing with newer and more expensive units, leaving less housing for LMI families.

- Allapattah, which is near Downtown, Edgewater, and Wynwood, may be on the precipice of tremendous change and gentrification. The Miami arts community has extended beyond Wynwood, and land and buildings are being purchased to establish art galleries in Allapattah. Homeowners report being approached directly by real estate investors to purchase their homes, and area renters are concerned they may be at risk of displacement. Without prioritization from county or city leadership, Allapattah may be at risk of losing its Dominican community heritage, multigenerational LMI families, and affordable housing.

In meetings with housing stakeholders in Miami, we heard about barriers to LMI affordable housing, as well as tremendous opportunities for programmatic and policy solutions. Key points include the following:

- Developers seem to have tremendous sway over the affordable housing discourse. A recent effort to create a mandatory inclusionary zoning regulation was tabled, in part because of insufficient awareness of the larger benefits to the community among developer-friendly politicians. Some stakeholders discussed a possible need for greater public awareness about why preserving and creating affordable housing for LMI households is important for the community, as well as benefits of other policy solutions, such as community land banking. To secure affordable housing and to meet developers' needs, the county and city should enhance developer-based incentives in a manner that quality, affordable housing is created and retained. Structuring tax benefits as an annuity would encourage developers to be invested in the long-term success of the affordable housing they build. More expedient permitting approvals and fewer parking requirements for new developments would increase supply. Restructuring property taxes to help LMI homeowners deal with increasing property values and appraisals in gentrifying neighborhoods would allow more LMI families to stay in place.

- Community groups are often absent from the affordable housing discussion, but should be integrated into the process. Community groups offer insights into what residents want and can educate the public about why affordable housing projects benefit the whole area. Similarly, philanthropies and nonprofits could be public conveners and catalysts for community-led initiatives surrounding economic and neighborhood development. For example, area nonprofits, philanthropies, and community organizations could organize a bank consortium to assist mom-and-pop landlords. The consortium could help landlords work with banks to finance

often-deferred property maintenance, enhancing the preservation of area affordable housing. Furthermore, community groups and other nonprofits could help inform current LMI renters about how to transition into homeownership.

- Public transportation was raised repeatedly as both a barrier to and an opportunity for LMI affordable housing development. Without sufficient public transportation in LMI neighborhoods, the combined housing and transportation costs pose a tremendous burden to LMI families. But with new public transportation developments on the horizon, including plans to expand the current network with six new lines, there could be an opportunity to develop affordable housing at transportation sites. City-county land set-asides on Department of Transportation property or adjacent to transportation hubs could offer potential for making Miami more affordable and accessible to LMI families.

- Finally, Allapattah residents want to build their own entrepreneurial skills and the acumen of the community. This is true across many areas of Miami and suggests that an important link in the housing affordability puzzle is increasing residents' earning potential. Better supporting residents' entrepreneurial drive, including current business owners and mom-and-pop landlords, would enhance LMI families' incomes and would better preserve the affordable housing supply. By educating landlords on how to maintain and expand their businesses and on the importance of preserving affordable housing, more housing options for LMI families could be secured.

Miami and the State of Low- and Middle-Income Housing

Introduction

Miami is undergoing a renaissance in its housing and economy. Accompanying such change and growth, however, is a history of challenges for low- and middle-income (LMI) residents, as well as heightened concerns about preserving and developing affordable housing. Renters, in particular, are vulnerable in Miami, with rents on the rise in many neighborhoods and a housing stock that is not keeping pace with the demand for affordable units. Although Miami's lowest-income renters are eligible for federal housing subsidies, other LMI families make too much to qualify for subsidies and too little to afford rising housing prices. Consequently, there is a need to understand the state of LMI housing in Miami's neighborhoods and to identify opportunities to bolster affordable housing and strengthen communities.

This report explores the state of LMI housing in Miami within the city's neighborhoods and among the additional municipalities of Miami-Dade County.[1] By focusing on households making between 50 and 120 percent of the area median income (AMI), or about $24,050 to $57,720 a year,[2] this report highlights households who may be especially challenged by Miami's rising housing costs. Furthermore, this report describes Miami's LMI households and affordable housing within a neighborhood context, reflecting how the community, developers, and planners think about these issues.

The report has two key components. First, a data-rich analysis of demographic, economic, and housing trends is presented across Miami's municipalities and neighborhoods to identify where the most potential exists for maintaining and creating affordable housing for LMI households. Second, insights from meetings with stakeholders involved in housing and community development in Miami-Dade County are summarized to best identify the direction the city and its residents should move toward on these issues. Through integrating rigorous neighborhood-level data and the guidance and policy needs of those working directly in the community, we can identify strategies to preserve the economic diversity of Miami's residents and to ensure that all may benefit from the city's prosperity.

BOX 1

LMI Households within the Continuum of Affordable Housing Choices and Strategies

Continuum of Affordable Housing Choices & Strategies

INCOME	TARGET POPULATION	EXAMPLE STRATEGIES
<30% AMI	Extremely low income (homeless or at risk of homelessness)	Emergency shelters & rapid re-housing Permanent supportive housing Housing for persons with special needs Rental assistance Public housing, Housing Choice Vouchers, & Project-based rental assistance
30 – 50% AMI	Very low income	Rental Assistance Public housing Housing Choice Vouchers Project-based rental assistance Tax credits for development of affordable housing
50 – 120% AMI	Low to moderate income	Homeownership assistance Down payment assistance Homeownership counseling Tax credits for developing affordable housing Density bonuses Inclusionary zoning
> 120% AMI	Moderate to upper income	Varying city, state, and federal tax credits

A continuum of affordable housing options and strategies align with family income levels defined in relation to the area median income. Municipalities generally pursue a range of policy and programmatic options to meet families' needs across the income spectrum. The strategies listed above are only a sample of the options and best practices municipalities use.

This report focuses on the needs of low- to middle-income (LMI) families who earn too much to qualify for publicly subsidized rental assistance, but not enough to afford much of the market-rate housing available. For LMI families, municipalities typically pursue strategies that expand their access to affordable rental and owner-occupied workforce housing or assist them with homeownership. The strategies municipalities pursue for LMI families vary by place and local context. These context-specific policy and program options are the focus of this report.

A Brief History of Housing in Miami Neighborhoods

Miami was officially incorporated as a city in 1896, and most of its housing development occurred during the 20th century. Miami came of age alongside federal housing policy, the creation of public housing, and practices such as exclusionary zoning and redlining and the forced relocation of black residents for development projects such as the creation of the federal highway system.[3] Other dynamics, such as the influx of Cuban, Haitian, and Central American immigrants over the second half of the 20th century and the city's attractiveness to foreign real estate investors and other high-end buyers, have also marked Miami's housing history (Keenan 2005). A richer picture of Miami's affordable housing issues for LMI households emerges by understanding the history of housing policy and development across neighborhoods and municipalities.

In the early 20th century, racial segregation defined the residential patterns of Miami's neighborhoods. The Overtown neighborhood was created via a "color line" to house black residents and to exclude them from living in the city center. In the early 20th century, Overtown was heavily populated and poorly supported by the city in terms of roads, public schools, sanitation, plumbing, and electricity. In response to Overtown's poor conditions, a public housing development was created in the Liberty City neighborhood for black Miamians. Overtown and Liberty City were further linked in the 1950s, when planners constructed I-95 through the middle of Overtown, which forced residents to relocate, and many went to Liberty City.[4] Today, these two historically black neighborhoods are home to many LMI households. The city's history of residential segregation persists: Miami remains characterized by high rates of geographic segregation by race and ethnicity (HOPE 2015).

Miami's history as a destination for immigrants is also important for understanding residential patterns. Over half of Miami's residents are foreign born and diverse by country of origin (HOPE 2015). In the 1960s, refugees from Cuba settled in the Little Havana neighborhood. Immigrants from Haiti and Central America arrived in the 1980s and settled in neighborhoods such as Little Haiti and Allapattah (Fowler 2014; HOPE 2015; Keenan 2005). In addition to cultural and language barriers, the tens of thousands of immigrants who come to Miami each year are extremely low income, resulting in overcrowding in many housing units (Keenan 2005). Consequently, affordable housing for LMI households in Miami has to be considered within the context of language barriers, cultural sensitivities, and the limited resources new immigrants have when they arrive. These factors have important implications for equal access to housing information, gentrification, and displacement (Fowler 2014), as well as how Miami's funds for affordable housing are used to assist diverse and resource-constrained populations (Keenan 2005).

Another consideration in Miami's history of housing affordability for LMI households is the onslaught of investor-purchased real estate and speculation before the Great Recession and housing bubble. In the 2000s, investor speculation contributed to overbuilding in Miami, resulting in an oversupply of housing units and a vacancy rate of 21 percent from 2010 to 2014, nearly 10 percentage points above the national average.[5] From 2000 to 2006, just before the housing crisis, investor home purchases constituted 19 percent of sales and contributed to rising home prices (HUD and Treasury 2012). Some investor speculation in Miami in the precrisis years was driven by foreign investments, building up a supply of owned housing units that remained unoccupied (Keenan 2005). Because of investor speculation and overbuilding (especially downtown condominiums), rental prices rose and expedited gentrification in neighborhoods traditionally affordable for LMI residents. While additional condo units created more housing stock, the units primarily met the interests of high-income residents, not LMI residents in need of affordable housing (DCED 2015).

Following the housing crisis, Miami experienced severe challenges, including the nation's highest rates of mortgages at risk of foreclosure, as well as one of the nation's longest foreclosure processes (HUD and Treasury 2012). This affected Miami's LMI homeowners in two ways. First, many LMI homeowners experienced housing distress, particularly because of defaults from the subprime lending crisis and then from the aftermath of rising unemployment. Second, because of the housing crisis, access to credit tightened (HUD and Treasury 2012), which affects LMI prospective homeowners' abilities to purchase homes. Because of these factors, more middle-income residents entered the rental market looking for low-cost rentals (DCED 2015), and renters across the city have faced declining vacancy rates, a tighter supply of rental units, and rising rents (HUD and Treasury 2012). Another competing market force was foreign real estate investors primarily paying for property in cash. In 2012, Miami was the only US city projected to have double-digit increases in home values (DCED 2015). These and others forces contributed to declining housing affordability, leaving 62 percent of Miami's renter households cost burdened and increasing hardship for LMI homeowners.

Because of recent housing market changes, some neighborhoods have experienced tremendous change. One such neighborhood is Wynwood, a historically working-class and Puerto Rican neighborhood that was once a thriving industrial and factory area (DCED 2015).[6] For the past decade, Wynwood has experienced gentrification because of its arts scene and a new commercial and housing development called Midtown (DCED 2015).[7] As developers' interest in the area grew and Midtown was constructed, long-standing businesses and residents were excluded from plans, and neighborhood community-based organizations were promised support that did not necessarily materialize.[8] In the mid-2000s and upon Midtown's construction, property taxes, rent, and evictions increased, as unaffordable condos were built and more affluent residents moved to the neighborhood.[9] Wynwood is

now considered to be "at the intersection of contemporary culture and urban revitalization" and is advertised as having a mix of high-rise condos, "industrial chic lofts," and old-fashioned community festivals (DCED 2015). Edgewater, next to Wynwood, has blossomed as well, because of its coastal location and upzoning.[10] Many incumbent LMI residents can no longer afford to stay, a pattern emerging across Miami.

Community groups and the Miami-Dade County government have called recent attention to the tremendous need for affordable housing. Miami-Dade County just committed over $48 million to renovate the Liberty Square public housing development, which will add 1,572 housing units, 757 of which are public housing, with the remainder being privately held affordable and mixed-income rentals and homes. Despite this investment, the affordable housing crisis in Miami will persist: rents increased 62 percent in the last decade, and most residents are cost burdened. Community groups, such as Housing Opportunities for All (HOPE), Miami Homes for All, and the South Florida Community Development Coalition, have conducted research and submitted recommendations to stakeholders to increase the availability of affordable housing. Such recommendations include calls to expand the inclusionary zoning policy and local Affordable Housing Trust Fund programs; to generate more mixed-income, mixed-use housing; and to establish new funding for extremely low income people (HOPE 2015; Miami Homes for All 2016). To address the lack of affordable housing and discriminatory housing practices, Miami-Dade County has provided incentives to developers to rehabilitate and build more affordable housing units. The county also funded a Fair Housing Education and Outreach initiative and implemented the Workforce Housing Program in October 2015 to expand affordable housing to middle-income families (HOPE 2015). At the federal level, the new Affirmatively Furthering Fair Housing rule provides tools to help localities pursue the goals set forth by the Fair Housing Act of 1968.[13] Even so, more work needs to be done to support those most affected by Miami's affordability gap.[14]

The history of housing in Miami-Dade County demonstrates that the diversity of its population and neighborhoods fueled its growth. But without preserving this diversity, particularly among LMI households and among the racial and ethnic populations who have had a historic presence in the city, Miami may soon look different.

Defining Miami's Neighborhoods

Neighborhoods often reflect shared community identity across cities—boundaries understood by residents—but not often quantified in official data sources. This report presents data at the neighborhood level, using geographic information system boundaries from the real estate source Zillow to aggregate census tract–level data into the corresponding neighborhoods.[a] Analyses in this report are broken out for neighborhoods wherever permitted with the data available. Figure 1 shows 13 neighborhoods in the city of Miami and 29 municipalities in the remaining area of Miami-Dade County.[b]

[a] Neighborhood analyses by Florida International University are available at "Neighborhood Changes," Florida International University, Green School of International and Public Affairs, The Metropolitan Center, accessed March 15, 2017, https://metropolitan.fiu.edu/research/periodic-publications/neigborhood-changes/. Neighborhood designations by the real estate company Zillow are available at "Zillow Neighborhood Boundaries," Zillow, accessed March 15, 2017, http://www.zillow.com/howto/api/neighborhood-boundaries.htm. The crosswalk in the appendix demonstrates which census tracts correspond with which neighborhood designations for Miami-Dade County.
[b] Several municipalities were excluded from this analysis during the creation of municipality-level tabulations because of their small size.

FIGURE 1

Municipalities in Miami-Dade County and Miami's Neighborhoods
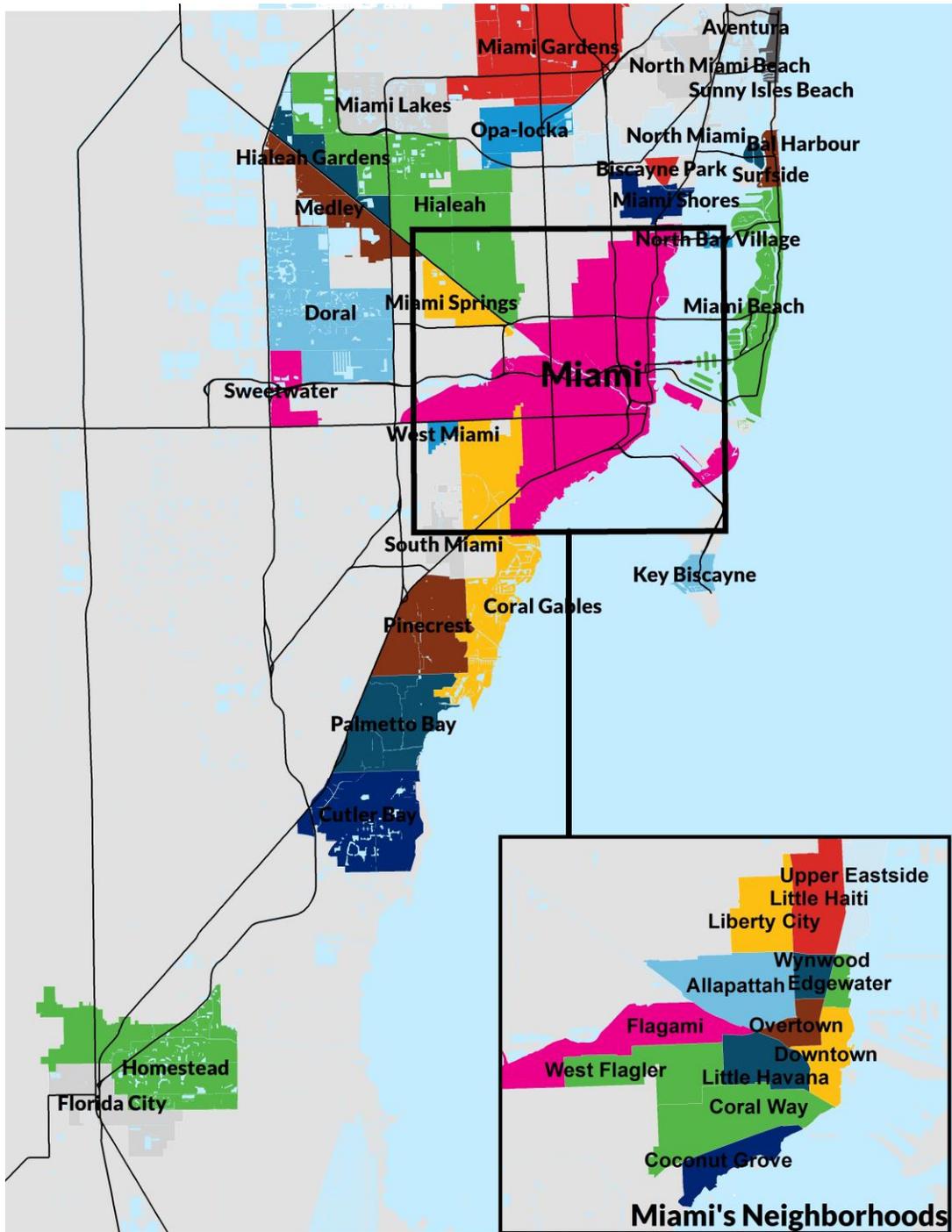
Changing Demographics in Miami's Neighborhoods

People drive diversity and development in any city. Understanding population dynamics is critical for identifying LMI housing opportunities. To understand Miami's neighborhoods and Miami-Dade County's municipalities, we describe both the populations living in them and how these areas have recently changed. In this analysis, we rely on data from the 2000 Decennial Census and the American Community Survey's five-year sample from 2011 to 2015 for localized data (referenced as "2015" in this report). As these data show, Miami neighborhoods remain partitioned by race and ethnicity, but are changing with respect to who lives in them.

Population and Households

Miami's neighborhoods and surrounding municipalities in Miami-Dade County have undergone considerable changes. In 2000, 362,470 people lived in Miami, and 2,253,362 people lived in Miami-Dade County.[15] By the 2011–15 American Community Survey, Miami's population was 424,632, and the population for Miami-Dade County was 2,639,042.[16] Households grew 17 percent in Miami alone from 2000 to 2015, an additional indicator of the considerable growth (appendix table A.1).

This growth was most prominent in Miami, which experienced the largest absolute population growth, adding over 63,000 residents from 2000 to 2015. Hialeah Gardens and Homestead grew the most in percentage terms at 74 and 76 percent, respectively. Within Miami's neighborhoods, Downtown's population increased 193 percent. Edgewater and Wynwood grew, 42 and 41 percent, respectively. Meanwhile, Overtown and Upper Eastside lost population between 2000 and 2015 (appendix table A.1).

Neighborhoods and municipalities across Miami-Dade County that had population booms had increased households. This was most notable in downtown Miami, which had a 261 percent increase in households from 2000 to 2015, reflecting an apartment and condominium building boom.

Key Demographics: Race, Ethnicity, and Age

Miami-Dade is characterized by a diverse population, and its neighborhoods tend to reflect residential clustering by race and ethnicity and among younger and older households. In 2015, 71 percent of Miami residents identified as Hispanic, and 16 percent identified as black. Over 9 in 10 residents of Hialeah,

Hialeah Gardens, Sweetwater, and West Miami were Hispanic (figure 2 and appendix table A.2). Seven in 10 residents of Miami Gardens identified as black. Such racial divisions exist within the city's neighborhoods, too. Allapattah, Coral Way, Flagami, Little Havana, and West Flagler were over 80 percent Hispanic, while Liberty City, Little Haiti, and Overtown were predominately black (figure 3 and appendix table A.2).

Other demographic information (e.g., age of household members) suggests where families with young children and older residents live in Miami-Dade County, both of which have implications for housing stock and affordability. In 2000, about one-third of Miami households had at least one child under age 18, and one-third had at least one person over age 65 (appendix table A.3). Except in Downtown and West Miami, the share of households in the city and county with a resident age 65 or older changed little between 2000 and 2015. In contrast, the share of households in Miami with a member under age 18 declined notably in many neighborhoods and municipalities. Over 4 in 10 households in Hialeah Gardens, Homestead, Miami Shores, and Pinecrest had children in 2015, but most neighborhoods and municipalities had notable declines since 2000. Inside Miami, one-third or more of households in Little Haiti and Liberty City in 2015 had children under age 18, but this represents a decline of 10 percentage points or more since 2000. Areas with large numbers of families need housing with multiple bedrooms, a consideration for future affordable housing.

FIGURE 2

Hispanic Population in Miami-Dade County Neighborhoods and Municipalities
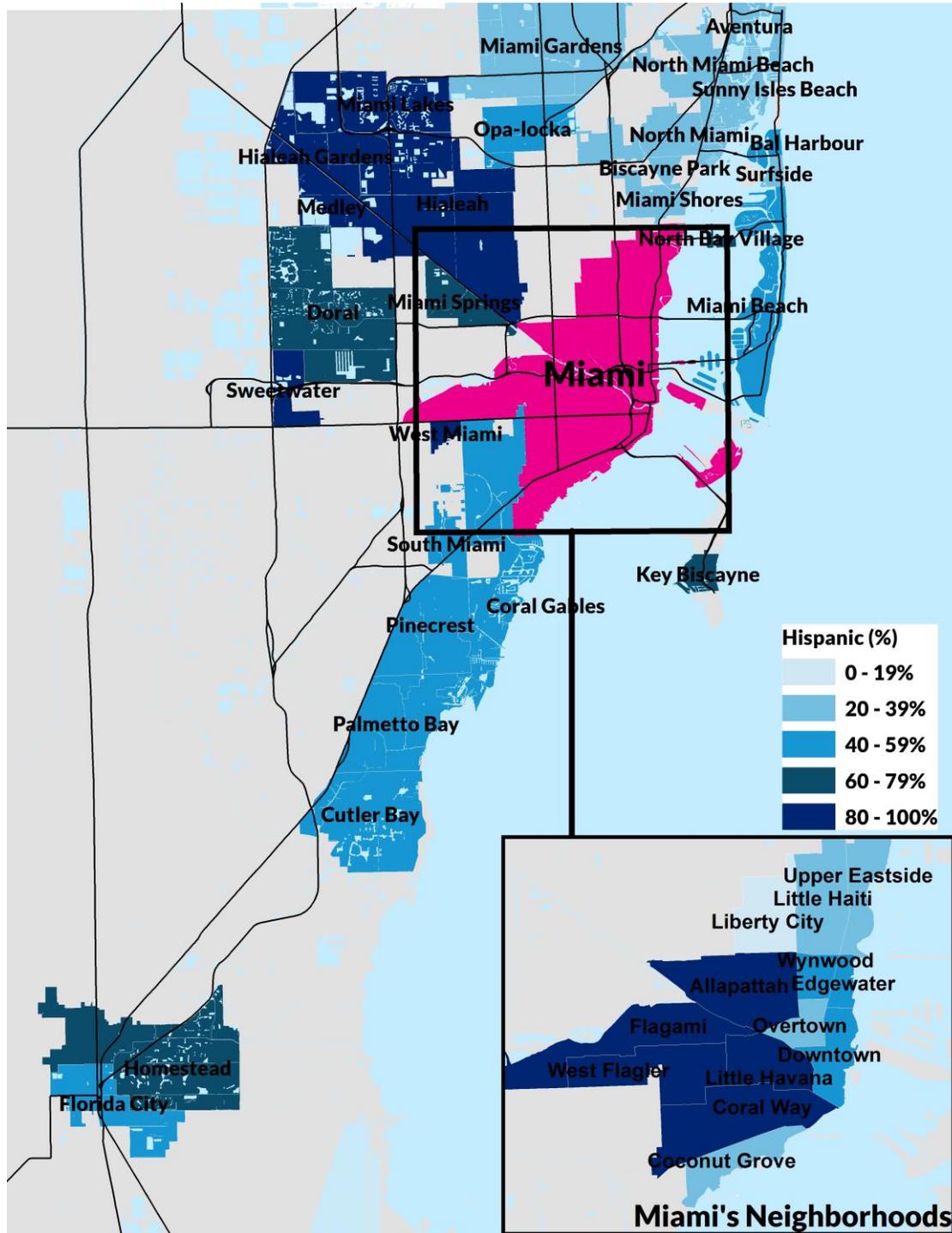
Source: Urban Institute tabulations of 2011–15 American Community Survey data.

FIGURE 3

Non-Hispanic Black Population in Miami-Dade County Neighborhoods and Municipalities

Source: Urban Institute tabulations of 2011–15 American Community Survey data.
Note: NH = non-Hispanic.

LMI Households: Who Are They, Where Are They Concentrated, and How Have They Changed?

Amid an influx of new arrivals and increased high-end development, where do LMI households (i.e., those who earn 50 to 120 percent of the Miami-Dade AMI) live, and how have neighborhood income distributions changed (appendix table A.4)? Certain municipalities and neighborhoods have more LMI and very low income (VLI) residents than others (figure 4).[17] Eighty-three percent of households in Opa-locka are either VLI or LMI. In Miami, over three-quarters of households in Allapattah, Flagami, Liberty City, Little Haiti, Little Havana, and Overtown were either VLI or LMI households. These neighborhoods need interventions that expand and preserve the supply of affordable housing units and that increase incomes. Compare this with Downtown, Edgewater, and Wynwood, which had notable drops in VLI and LMI households between 2000 and 2015 (down 24, 11, and 19 percentage points, respectively). In Downtown and Edgewater, it may be too late to counter market forces and maintain income diversity and affordable housing.

Not surprisingly, many municipalities with high percentages of VLI and LMI residents have high poverty rates. At least 4 in 10 households in Liberty City, Little Haiti, Opa-locka, Overtown, and Wynwood were in poverty in 2015 (appendix table A.5).

Who lives in the average LMI household? The average LMI household head is around age 50, prime working age, and the average household size is 2.58 people. Very low income household heads were on average six years older than LMI heads and seven years older than high-income heads. Very low income households tended to be smaller than LMI households, and LMI households were only slightly smaller than high-income households (table 1). Heads of VLI and LMI households were largely clustered in the service, retail, cleaning, and construction sectors. The most common occupation for household heads for both groups is maids and housekeeping cleaners. High-income heads were more commonly in managerial or professional occupations (table 2).

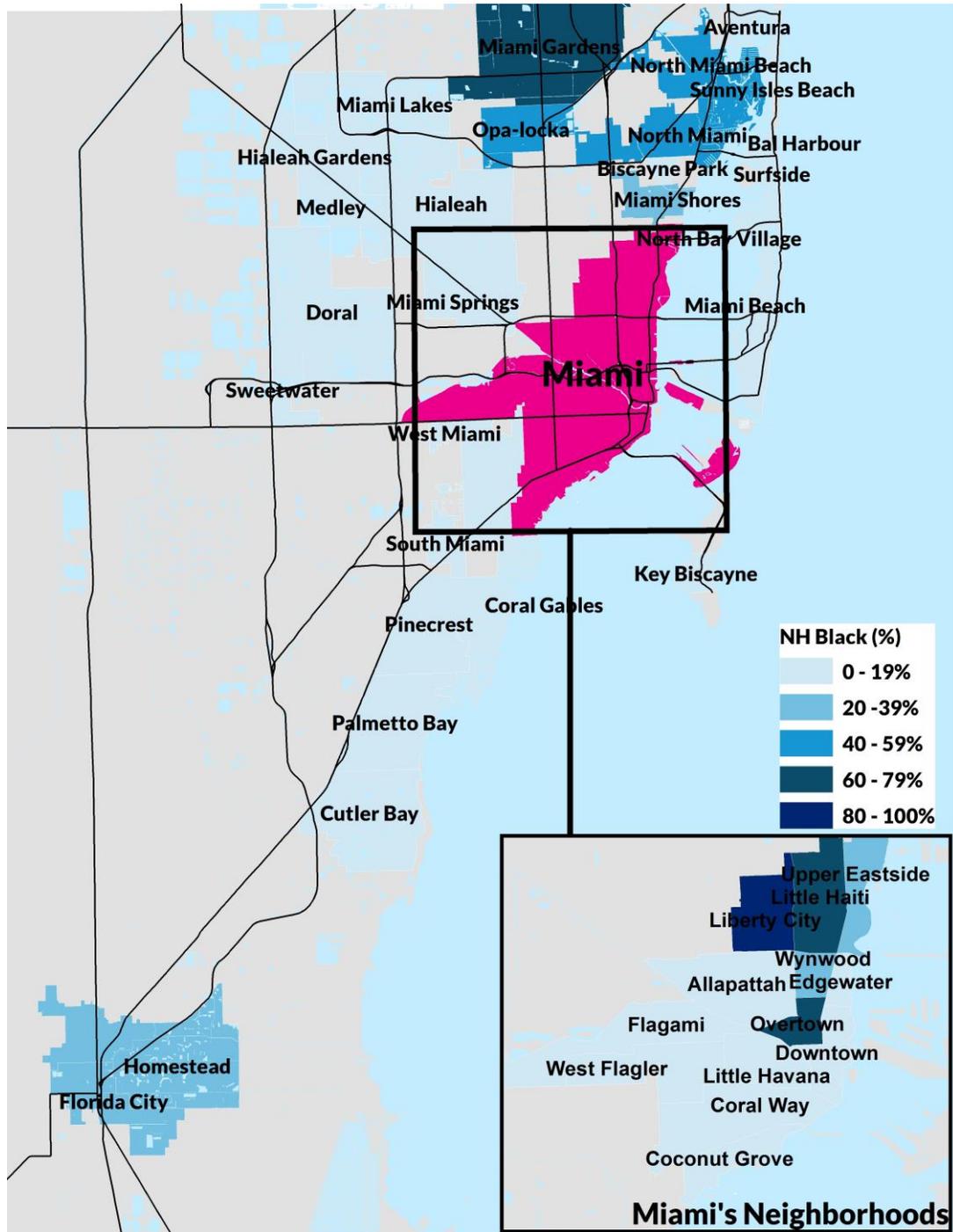FIGURE 4

Share of Very Low Income or Low-Income Households in Miami-Dade County Neighborhoods and Municipalities, 2011–15
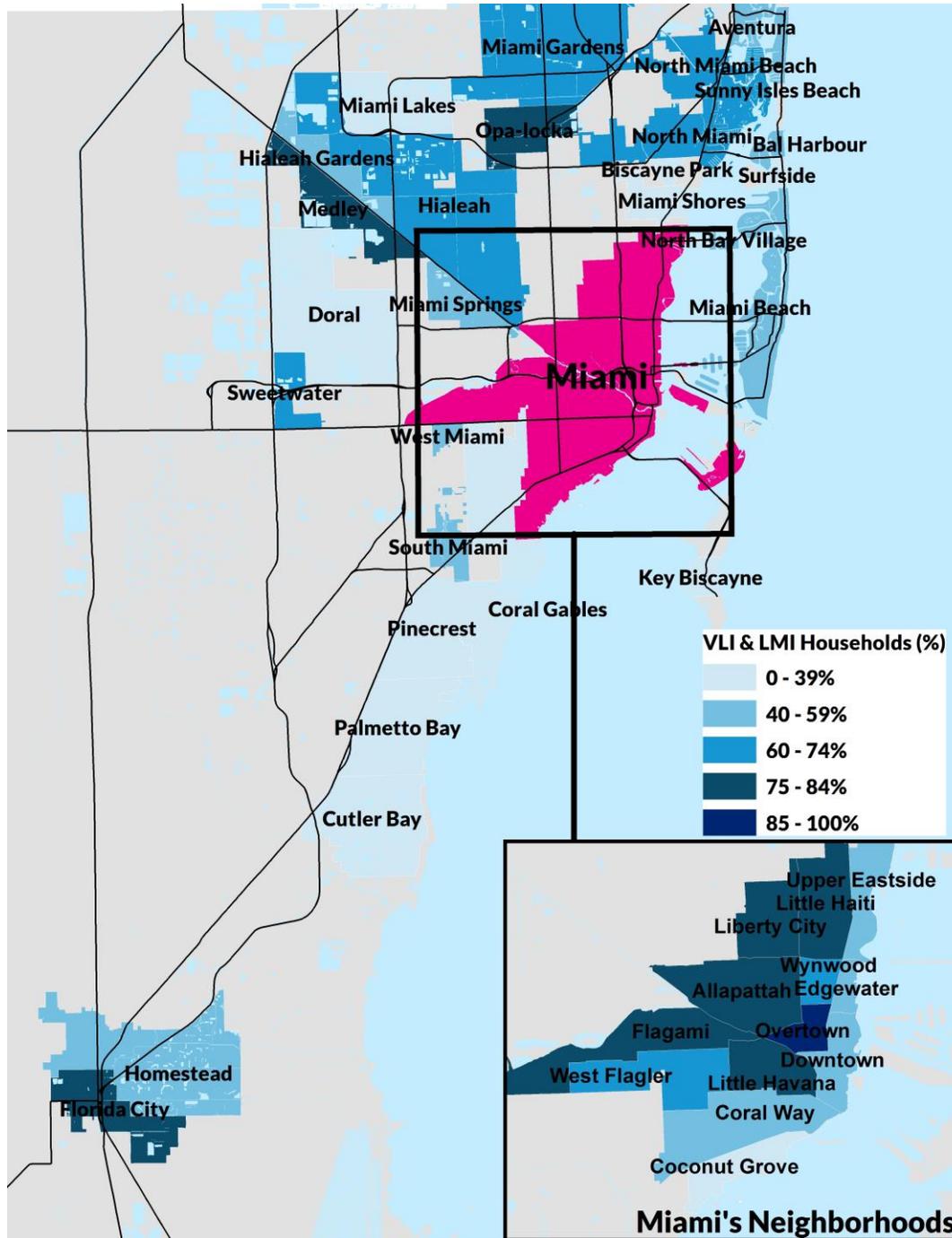
Source: Urban Institute tabulations of 2011–15 American Community Survey data.
Notes: LMI = low and middle income. VLI = very low income.

TABLE 1

Selected Characteristics by Income Group, Miami-Dade County

	Very low income (<50 percent AMI)	Low to middle income (50 to 120 percent AMI)	High income (>120 percent AMI)
Average age of household head	56.9	50.9	49.9
Household size	1.89	2.58	3.01

Source: Urban Institute tabulations of 2011–15 American Community Survey Public Use Microdata Sample.

Note: AMI = area median income.

TABLE 2

Top 10 Reported Occupations for Head of Household by Income Group, Miami-Dade County

	Count	Share of total (%)
VLI head of household		
Maids and housekeeping cleaners	8,159	6.9
Unemployed and last worked 5 years ago or earlier or never	4,669	3.9
Cashiers	3,856	3.3
Retail salespersons	3,467	2.9
Janitors and building cleaners	3,040	2.6
Construction laborers	2,848	2.4
Driver/sales workers and truck drivers	2,706	2.3
Nursing, psychiatric, and home health aides	2,429	2.1
Waiters and waitresses	2,193	1.9
Cooks	1,990	1.7
LMI head of household		
Maids and housekeeping cleaners	7,490	2.9
Driver/sales workers and truck drivers	7,122	2.8
Janitors and building cleaners	6,482	2.5
Retail salespersons	5,984	2.4
Nursing, psychiatric, and home health aides	5,845	2.3
Secretaries and administrative assistants	5,761	2.3
Construction laborers	4,622	1.8
First-line supervisors of retail sales workers	4,372	1.7
Cashiers	4,602	1.8
Customer service representatives	3,971	1.6
High-income head of household		
Miscellaneous managers	14,534	3.7
Elementary and middle school teachers	10,289	2.6
First-line supervisors of retail sales workers	8,954	2.3
Registered nurses	8,708	2.2
Secretaries and administrative assistants	7,327	1.9
Driver/sales workers and truck drivers	7,320	1.9
Accountants and auditors	6,897	1.8
Chief executives and legislators	6,879	1.8
First-line supervisors of nonretail sales workers	6,265	1.6
Retail salespersons	6,389	1.6

Source: Urban Institute tabulations of 2011–15 American Community Survey Public Use Microdata Sample.

Notes: LMI = low and middle income. VLI = very low income.

Renters and Homeowners

Miami is a city of renters. Compared with all other municipalities in Miami-Dade County, the city of Miami had the highest share of renter-occupied housing units. Only Sweetwater, with 70 percent renter households, is close to the city's rates. Sixty-nine percent of Miami's occupied units were inhabited by renters in 2015, up from 65 percent in 2000 (figure 5 and appendix table A.6).

In some Miami neighborhoods, over three-quarters of households were renters in 2015. This includes Allapattah (80 percent), Downtown (76 percent), Little Haiti (77 percent), Little Havana (87 percent), Overtown (85 percent), and Wynwood (79 percent). Renters are particularly vulnerable to price increases in the housing market and are not positioned to accumulate wealth through homeownership, which has long-term implications for asset building and financial security. Downtown had a 7 percentage point drop in renter-occupied housing units between 2000 and 2015. Much of this change is because of extensive development.

FIGURE 5

Share of Renter-Occupied Households in Miami-Dade County Neighborhoods and Municipalities
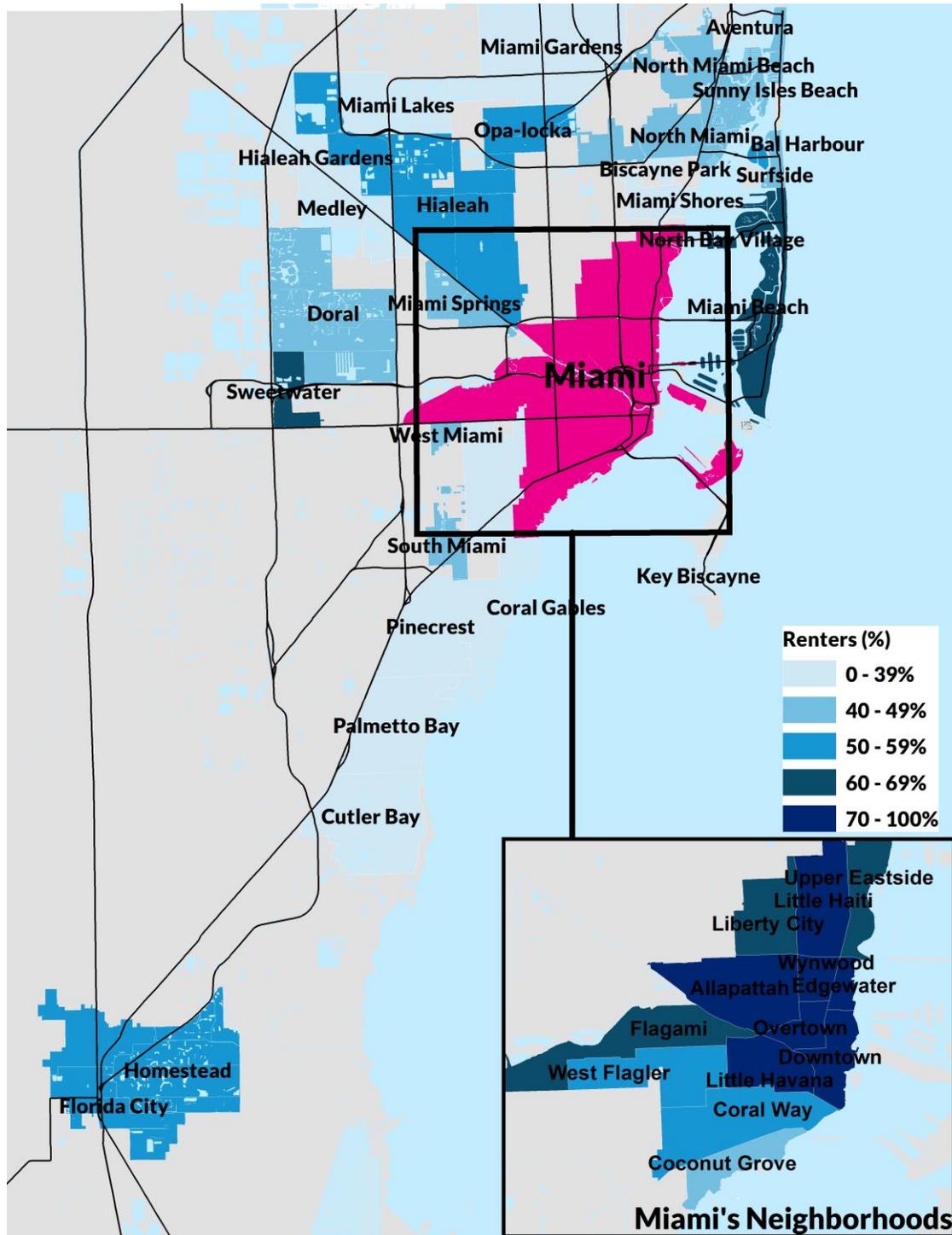
Source: Urban Institute tabulations of 2011–15 American Community Survey data.

Housing Units

Naturally occurring affordable housing (NOAH) units are below market rate—without relying on public subsidies for their affordability—and are important for meeting LMI families' needs. NOAH opportunities tend to be located in neighborhoods and municipalities that have older housing stock or available apartments at prices LMI households can afford. There have been notable decreases in Miami's stock of small multifamily structures (i.e., those containing two to nine units), which tend to characterize NOAH in older neighborhoods (DCED 2015). This section looks at the housing stock across Miami-Dade County's neighborhoods and municipalities, including the availability, age, and price of rental units, as well as property values, to understand change in affordable housing.

Changing Housing Stock

Miami saw many changes in its supply of housing between 2000 and 2015. Several surrounding municipalities in Miami-Dade County saw sizable increases in the total number of housing units (appendix table B.1). The housing stock in Aventura, Hialeah Gardens, Homestead, Opa-locka, South Miami, and Sunny Isles Beach all grew at least 50 percent.

Miami's stock grew nearly 30 percent from 2000 to 2015. Nearly 19,000 units were added in Downtown alone, accounting for about 43 percent of Miami's new housing units. Downtown had nearly four times more housing units at the end of 2015 than it had in 2000. Meanwhile, Edgewater's and Wynwood's housing stock increased 65 and 56 percent, respectively. These changes align with recent development in these neighborhoods and are not present in all Miami's neighborhoods. Overtown and Upper Eastside had reductions in their housing stock, which may explain population decline in both neighborhoods.

NOAH neighborhoods are generally characterized by older housing stock, as units in older structures are typically more affordable, in part because their quality and condition may be lower. In this analysis, we consider housing units built before 1980 to be "older stock." As of 2015, several Miami-Dade municipalities had extensive pre-1980 housing stock, including Hialeah, Miami Gardens, Miami Springs, North Miami Beach, Opa-locka, Palmetto Bay, Pinecrest, Sweetwater, and West Miami. In these locations, over three-quarters of housing units in 2015 were built before 1980 (appendix table B.2). In Miami Springs and Opa-locka, most rentals were priced at less than $1,000 a month (appendix table B.3).

Nearly half of Miami's rental units were built before 1980, but this varies across neighborhoods. In 2000, 87 percent of units in Wynwood were built before 1980. By 2015, just 26 percent were pre-1980, indicating the neighborhood's recent development pressures (appendix table B.2). The share of units in this neighborhood with rents under $1,000 a month dropped from 96 to 58 percent between 2000 and 2015 (appendix table B.3).

The Miami neighborhoods Allapattah and Wynwood had considerable shifts from single-family units to multifamily housing units from 2000 to 2015. The share of single-unit dwellings decreased from 43 percent to 31 percent in Allapattah and from 38 to 20 percent in Wynwood (appendix table B.4). Single-family housing units have historically been larger units more appropriate for families, including LMI families. New development is promising for historically underinvested neighborhoods, but in tight rental markets, the result can be reductions in available and affordable housing, especially housing for families. In LMI neighborhoods that are still affordable, ensuring that some of the new units built are appropriate for current families will be important in stemming displacement.

Renter Cost Burden

Most LMI households are renter households in Miami-Dade County, and certain municipalities and neighborhoods have higher shares of affordable and older rental housing units.[18] But is such housing truly affordable to LMI households in Miami, and are LMI families burdened by housing costs? This section describes how renter households, and LMI households in particular, are faring with respect to housing cost burden. A household is cost burdened if it spends 30 percent or more of household income on housing.

Among renter households in 2015, over 6 in 10 were cost burdened in the county and city (appendix table A.7). Renters across all income groups had similar rates of housing cost burden in Miami and Miami-Dade County (figure 6). Nearly 8 in 10 VLI renters (below 50 percent of AMI) in the city and county were considered housing cost burdened. Three-quarters or more of LMI renters (50 to 120 percent of AMI) were also housing cost burdened.

FIGURE 6

Cost-Burdened Renter Households in Miami-Dade County and Miami
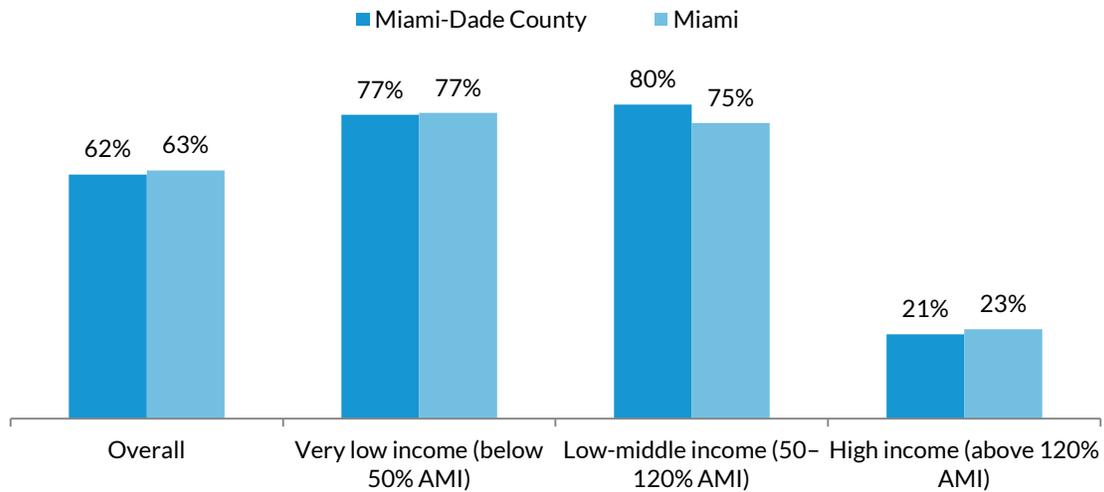
Source: Urban Institute tabulations of 2011–15 American Community Survey data.
Note: AMI = area median income.

Figure 7 shows changes in the rates of housing cost burden between 2000 and 2015 for renter households in Miami-Dade County and the city of Miami. The rates of housing cost burden increased for renters in neighborhoods across the income spectrum. The county saw a 15 percentage point increase in the rental housing cost burden rate, and the city saw a 14 percentage point increase. This increase was particularly dramatic for LMI renters, where rates increased from 36 percent to 80 percent in Miami-Dade County and from 27 percent to 75 percent in Miami. Low- and middle-income households have experienced a considerable tightening in the availability of affordable rental units, a trend unlikely to change without interventions.

FIGURE 7

Renter Households by Cost Burden in 2000 and 2015, Miami-Dade County and Miami
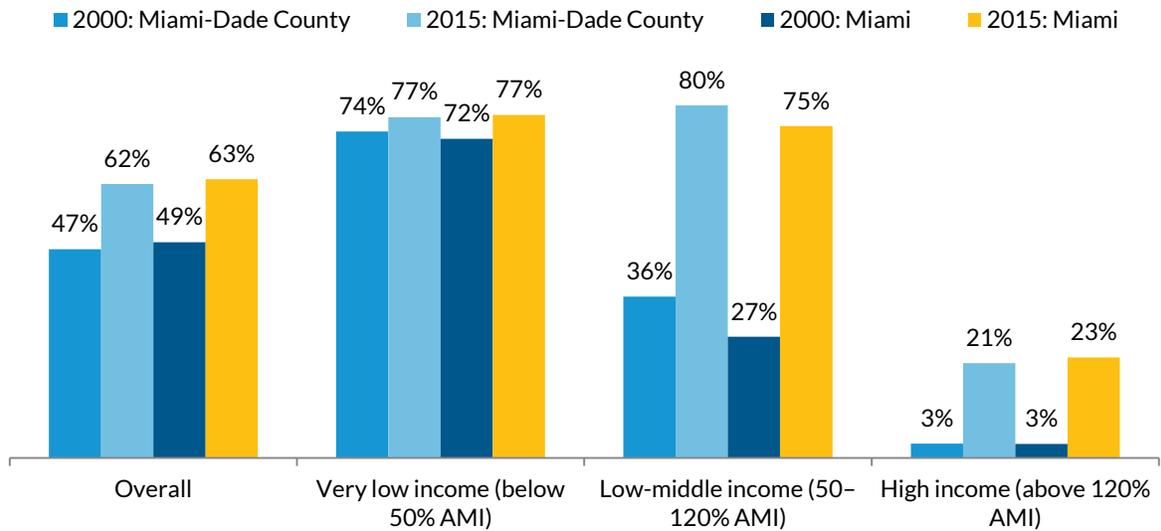
Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.
Note: AMI = area median income.

Lending Activity

The Great Recession had a substantial impact on lending activity in Miami and Miami-Dade County. Home Mortgage Disclosure Act data on home purchase loans originated between 2007 and 2015 reveal a 40 percent drop in the number of loans issued in Miami and a 54 percent drop in Miami-Dade County. This decline was dramatic for low-income neighborhoods (neighborhood income less than 50 percent metropolitan statistical area median). There was a 78 percent decline in loans issued in low-income communities in the city and an 86 percent decline in low-income communities in the county. Lending recovery from the lowest point in 2010 has primarily been driven by loans issued in middle- and upper-income neighborhoods (figures 8 and 9), but 2015 shows some signs that this is changing in moderate-income neighborhoods.

Only upper-income neighborhoods in Miami, which saw a 318 percent increase in lending, experienced loan growth between 2007 and 2015. In contrast, the county experienced a 39 percent decline in lending in upper-income neighborhoods. Fifty-one percent of loans issued in Miami-Dade County in 2015 went to upper-income neighborhoods (up from 38 percent in 2007). In comparison, just

14 percent of loans issued in Miami-Dade County in 2015 went to homes in LMI neighborhoods (down from 22 percent in 2007).

The analyses in figures 8 and 9 do not include loans for multifamily units (i.e., properties with more than five units) because the number of dwelling units on the property is not specified, making it impossible to determine if it is a small or large multifamily development (Bureau of Consumer Financial Protection 2015). But for both the city and the county, multifamily housing units were a small share of originated loans. In Miami-Dade County, multifamily housing accounted for less than 1 percent of loans originated each year from 2007 to 2015. In Miami, the multifamily share was between 1 and 2.5 percent each year.

Home Purchase Loans Originated by Neighborhood AMI Group, Miami-Dade County
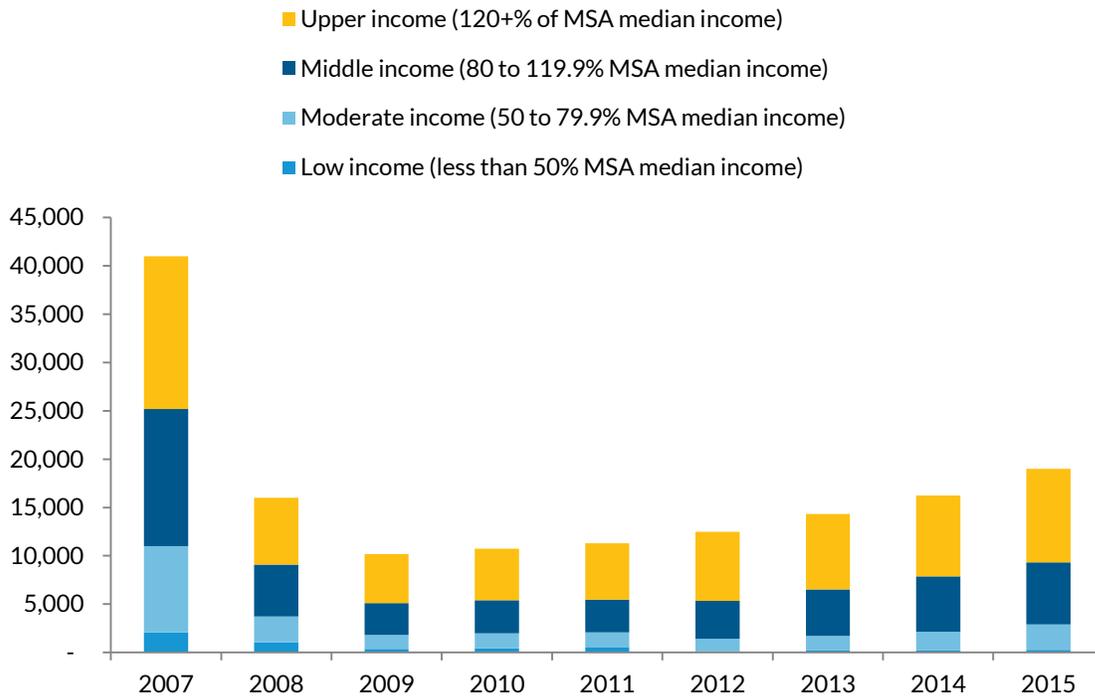
- Upper income (120+% of MSA median income)
- Middle income (80 to 119.9% MSA median income)
- Moderate income (50 to 79.9% MSA median income)
- Low income (less than 50% MSA median income)

Source: Urban Institute tabulations of Home Mortgage Disclosure Act data, 2007–15.
Note: AMI = area median income. MSA = metropolitan statistical area. The figure includes one- to four-unit family dwellings and manufactured housing. Multifamily housing units, which account for less than 1 percent of loans originated each year, are excluded from the analysis.

FIGURE 9

Home Purchase Loans Originated by Neighborhood AMI Group, City of Miami
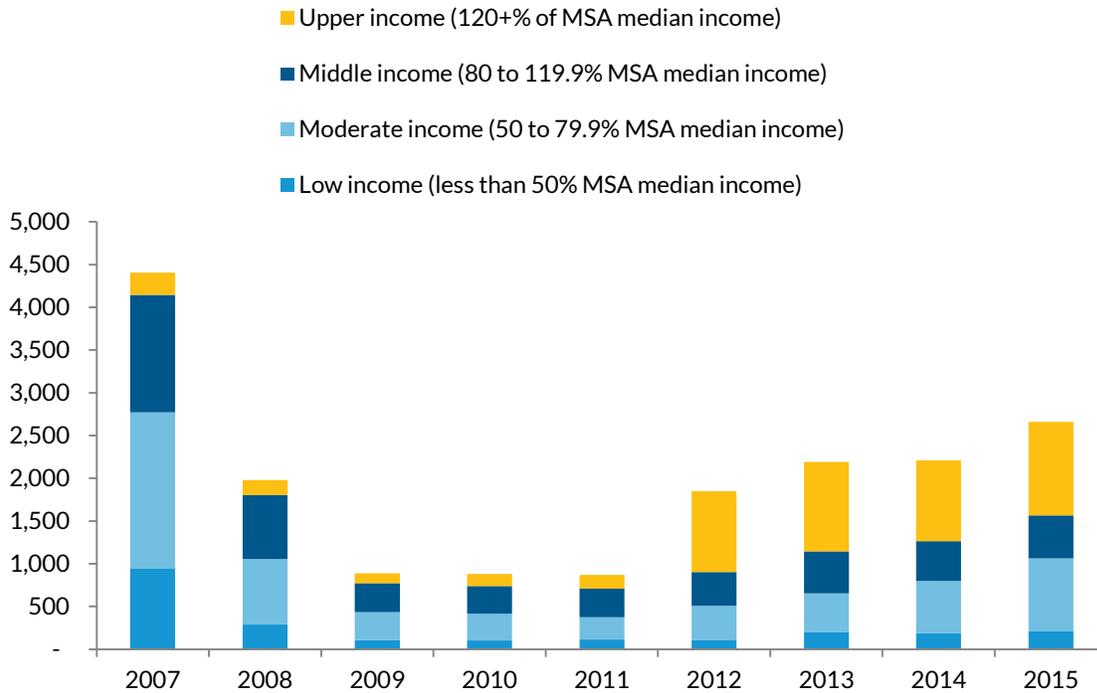
Source: Urban Institute tabulations of Home Mortgage Disclosure Act data, 2007–15.
Note: AMI = area median income. MSA = metropolitan statistical area. The figure includes one- to four-unit family dwellings and manufactured housing. Multifamily housing units, which account for 1 to 2.5 percent of loans originated each year, are excluded from the analysis.

Neighborhood Change Typology: Understanding Opportunities for Preserving and Creating LMI Housing

Understanding population change, housing dynamics, and affordable housing stock across Miami's neighborhoods helps determine the best opportunities to preserve LMI housing. The changing demographics of various neighborhoods, housing stock, and lending markets suggest that some areas are ripe for protecting NOAH, other areas may be too developed, and other areas receive too little investment. This section presents data from a typology created to identify neighborhoods where affordable housing needs can best be addressed, so residents across the income distribution can continue to live in and contribute to Miami's diverse community.[19] We focus on Miami neighborhoods in

this section because of the dramatic development that has occurred since 2000 that is burdening LMI households.

Composite Index

To understand how these neighborhoods have changed in the past decade, we created a composite index that accounts for resident economic success, housing accessibility, and changes within neighborhoods that might affect LMI households. We based our index on the Kirwan Institute's Opportunity Index and tailored it to assess factors affecting LMI households more directly.[20] Our composite index uses eight indicators of residents' economic success and housing market health in concert to understand how neighborhoods have changed (table 3). Residents' economic success is indicated by a low unemployment rate, low poverty rate, shorter commute time, and an entropy index for residential income mix (which measures how well integrated a neighborhood is among people of all income levels, with a special focus on how well represented LMI households are).[21] Neighborhood housing market health is indicated by higher property values, lower vacancy rates, lower housing cost burdens, and higher homeownership rates.

In constructing these indexes, we used data from the 2000 Decennial Census and the 2011–15 American Community Survey. In characterizing neighborhoods, we looked at the "match" between residents' economic success and the area's housing market health. The neighborhoods we identify for LMI affordable housing interventions are not the highest ranking in either component index. For example, a neighborhood that ranks high on economic success and housing market health may already be inaccessible to LMI households. In contrast, neighborhoods that rank in the middle and below may present opportunities for LMI-specific community development or preservation.

TABLE 3

Neighborhood Change Composite Indexes

Resident economic success index	Housing market health index
Unemployment rate	Property value (median home value)
Poverty rate	Vacancy rate
Percentage with 45-minute commute or longer	Percentage cost burdened in renting or owning
Entropy index for resident income mix	Homeownership rate

Neighborhood Rankings

The composite index analysis indicates that resident economic success and housing market health trend together for most neighborhoods (table 4 and figures 10 and 11). In the overall rankings in 2011–15, Coconut Grove, Coral Way, Edgewater, and Upper Eastside were in the top third of neighborhoods for resident economic success and housing market health. Downtown just missed being in this tier of neighborhoods, having risen in rankings since 2000 because it has attracted high-income residents, putting it second overall in the economic success rankings. Edgewater was the success story in the top third of neighborhoods, having jumped in the rankings because of improvements in both resident economic success—high-income residents moved in—and its housing market health. While this top-tier cohort of Miami neighborhoods has fared better than others, its growth and success may be pricing out residents by not including enough LMI-friendly development. Inclusionary zoning could stymie the rapid displacement of LMI and VLI families, but developers have not been provided sufficient incentives, and Miami-Dade's current political climate does not favor passing mandatory inclusionary zoning.

The component indexes of resident economic success and housing market health also trend together for neighborhoods ranking at or near the bottom. Liberty City and Overtown had the lowest rankings, owing largely to residents' economic challenges. Although housing in these neighborhoods may be accessible to LMI families, other interventions, such as workforce development programs, may be more urgently needed. Meanwhile, Wynwood had a tremendous influx of high-income residents, and its residential economic success ranking moved from the bottom to the middle. Wynwood was not ranked higher because of significant challenges in its housing market. Rising rents and property values are burdensome to the low-income residents who remain in this rapidly gentrifying neighborhood. In the other low-ranked neighborhoods (Little Haiti, Liberty City, and Overtown) residents' economic struggles have changed little since 2000, suggesting that interventions should improve economic prospects and affordable housing in tandem.

FIGURE 10

Miami Neighborhood Composite Scores, 2000
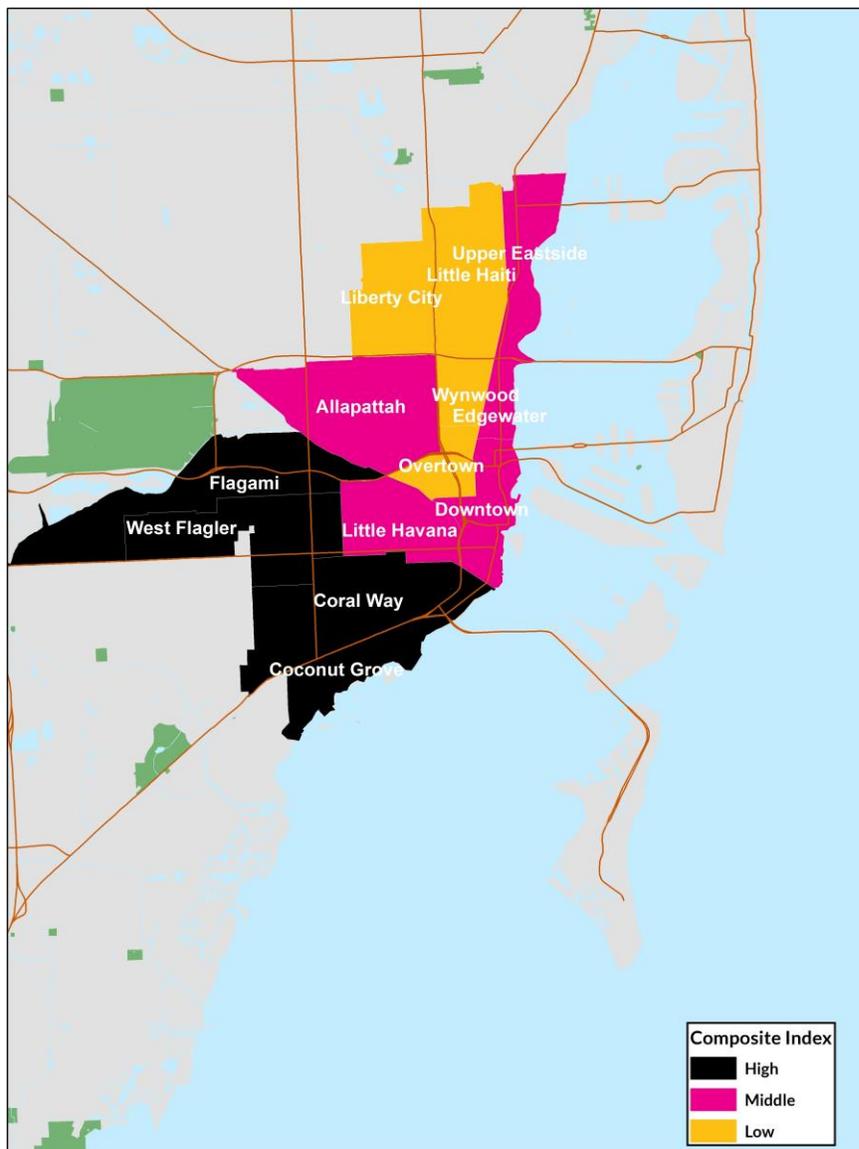
Source: Urban Institute tabulations of 2000 Decennial Census data.

FIGURE 11
Miami Neighborhood Composite Scores, 2015
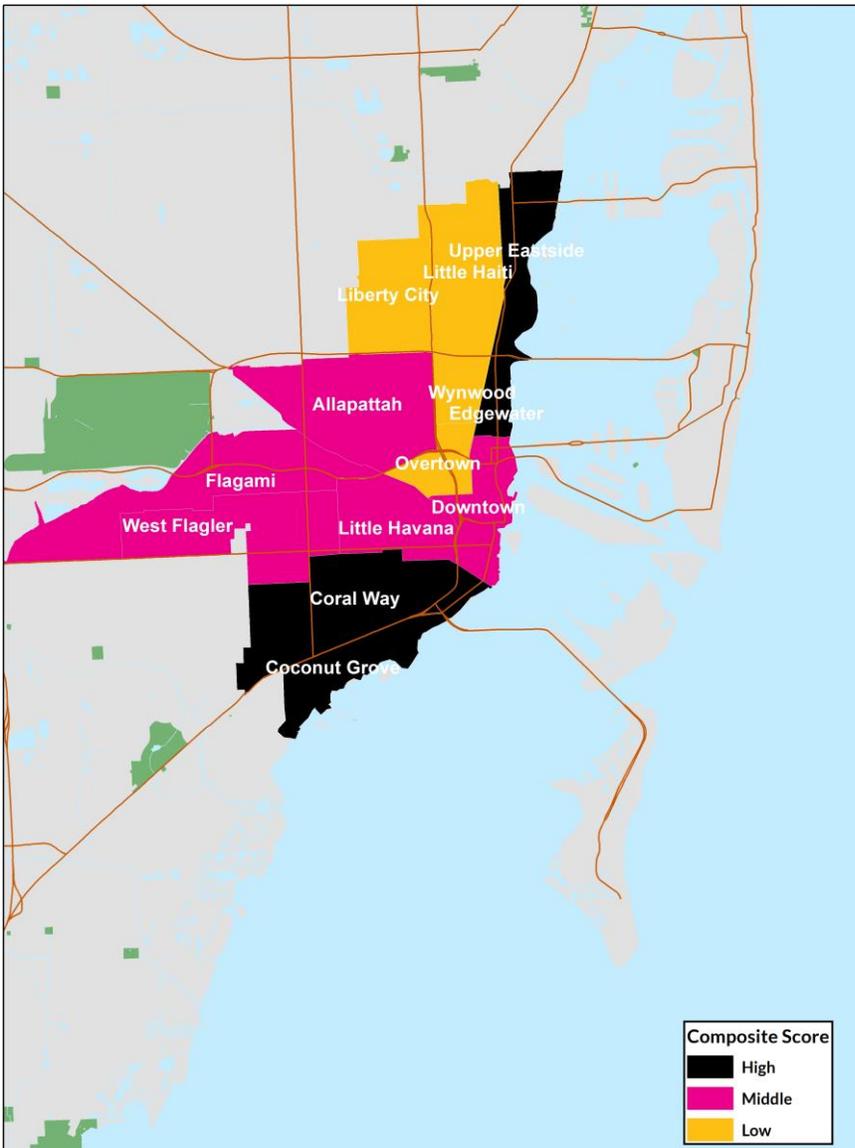
Source: Urban Institute tabulations of 2011–15 American Community Survey data.

The middle-ranked neighborhoods are perhaps most central to Miami's challenges with providing affordable housing to LMI households. Three neighborhoods—Allapattah, Flagami, and West Flagler— have dropped in our composite ranking since 2000 (table 4). These declines are reflected in both component indexes, meaning that compared with the situation in 2000, residents in 2015 are struggling economically and having trouble keeping pace with housing burdens. Downtown is an outlier in this group, as resident economic success has improved as the housing market has improved. In the coming

years, Downtown may rise even higher in the rankings. Downtown's rapid gentrification is propelling it higher in the rankings, while residents' struggles in other neighborhoods suggest that interventions targeted to help residents with housing and economic success are needed to keep them from slipping further.

TABLE 4

Neighborhood Change Typology Rankings

Neighborhood	Overall ranking (2000)	Overall ranking (2015)	Overall change (2000–15)	RES (2000)	RES (2015)	RES change (2000 to 2015)	HMH (2000)	HMH (2015)	HMH change (2000–15)
Coconut Grove	1	1	0	1	1	0	1	1	0
Coral Way	2	2	0	2	4	-2	2	3	-1
Upper Eastside	5	3	2	5	6	-1	4	2	2
Edgewater	7	4	3	7	3	4	7	4	3
Downtown	8	5	3	8	2	6	10	6	4
West Flagler	3	6	-3	3	7	-4	3	5	-2
Flagami	4	7	-3	4	5	-1	5	7	-2
Allapattah	6	8	-2	6	9	-3	6	8	-2
Little Havana	9	9	0	9	10	-1	9	12	-3
Little Haiti	11	10	1	10	11	-1	11	9	2
Wynwood	12	11	1	13	8	5	12	13	-1
Liberty City	10	12	-2	11	12	-1	8	10	-2
Overtown	13	13	0	12	13	-1	13	11	2

Source: Urban Institute analysis of 2000 Decennial Census and 2011–15 American Community Survey data.
Notes: HMH = housing market health. RES = resident economic success.

To understand the forces contributing to neighborhood changes across Miami, we will dive in to each component index.

Resident Economic Success Index

The economic success index measures whether residents are struggling in the economy and whether the neighborhood reflects income diversity. The index comprises neighborhood unemployment rates, poverty rates, the percentage of residents with commutes longer than 45 minutes, and an entropy index, that measures the neighborhood's income mix with a focus on LMI households.

The level of resident economic success in most Miami neighborhoods has been relatively stable at the top and bottom, with the exception of Downtown, Edgewater, and Wynwood (table 5). These neighborhoods had remarkable population shifts from 2000 to 2015, such that unemployment and

poverty rates dropped considerably (appendix table C.1 and figures 12 and 13). The unemployment rate decreased 13 percent in Wynwood, and the poverty rate decreased 16 percent in Downtown from 2000 to 2015. The downside of these shifts is that Edgewater and Downtown became less economically mixed to the exclusion of LMI families (see the entropy index in appendix table C.2).

Coconut Grove residents had the most economic success in both 2000 and 2015, with comparatively lower levels of unemployment and poverty than lower-ranking neighborhoods and shorter commute times than other neighborhoods (appendix tables C.1 and C.2 and figures 12 and 13). Coconut Grove residents' income mix decreased since 2000 and is now the city's least economically mixed neighborhood (appendix table C.2). It remains the neighborhood with the highest median income (table 5).

Neighborhoods ranking low in resident economic success in 2000—including Liberty City, Little Haiti, and Overtown—remained at or near the bottom in 2015. These low rankings are driven by higher unemployment and poverty rates. Over half of Overtown's households were in poverty in 2015 (appendix table C.1 and figures 12 and 13). Workers in Liberty City and Overtown had the longest average commutes to their jobs relative to other neighborhoods. In these two neighborhoods, families also had the lowest median incomes ($23,511 in Liberty City and $14,937 in Overtown in 2015), which indicates that the quality of jobs—not just their existence or proximity to housing—is a top concern. These three neighborhoods moved closer to parity in income mix by 2015 (appendix table C.2), suggesting high-income residents moved in as prices rose across the spectrum of housing.

Neighborhoods ranked in the middle for resident economic success—Allapattah and West Flagler— reflect residents' economic struggles since 2000. Unemployment rates have not changed, but the poverty rate has ticked up slightly (appendix table C.1 and figures 12 and 13). Meanwhile, commute times have increased more than in similar neighborhoods, suggesting that residents are traveling farther for employment (appendix table C.2). This implies that these neighborhoods may benefit from economic development efforts to help residents stay afloat.

TABLE 5

Neighborhood Median Family Income: 2000 to 2015

Neighborhood	Median family income 2000 ($)	Median family income 2015 ($)	Change in median family income ($)
Coconut Grove	122,223.30	88,903.31	-33,319.98
Coral Way	48,988.34	43,344.86	-5,643.48
Upper Eastside	47,084.50	46,594.88	-489.62
Edgewater	30,771.24	61,725.54	30,954.30
Downtown	29,313.43	59,535.88	30,222.45
West Flagler	42,259.16	29,607.29	-12,651.88
Flagami	44,542.66	26,985.98	-17,556.68
Allapattah	31,250.63	22,995.00	-8,255.63
Little Havana	28,921.95	21,099.05	-7,822.90
Little Haiti	30,769.75	24,511.08	-6,258.67
Wynwood	23,923.75	31,256.26	7,332.51
Liberty City	27,229.29	23,511.38	-3,717.91
Overtown	20,674.25	14,937.42	-5,736.83

Source: Urban Institute analysis of 2000 Decennial Census and 2011–15 American Community Survey data.

Notes: Median income in 2000 was inflation adjusted to 2015 constant dollars.

FIGURE 12

Miami Unemployment Rate, 2000
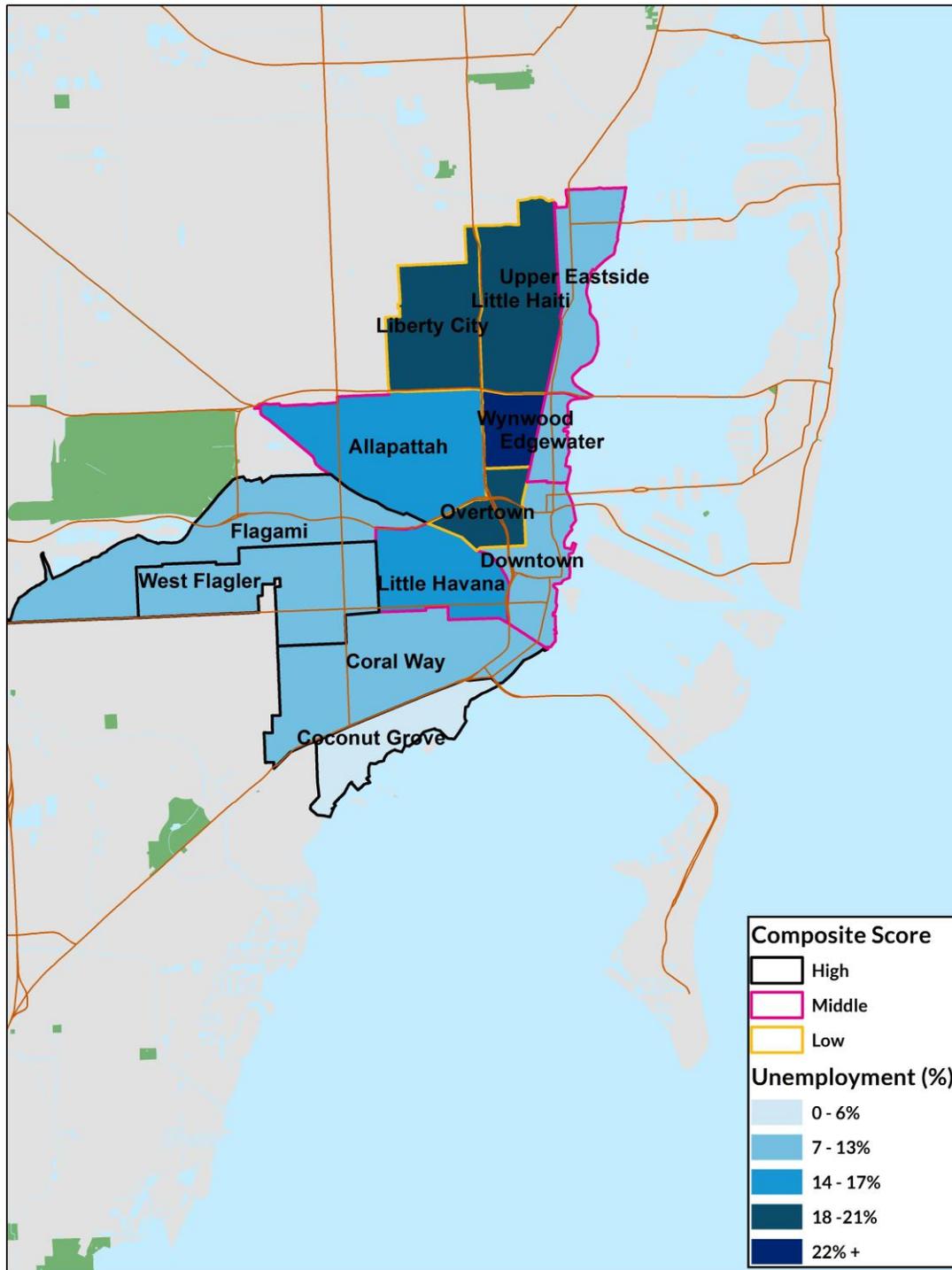
Source: Urban Institute tabulations of 2000 Decennial Census data.

FIGURE 13

Miami Unemployment Rate, 2015
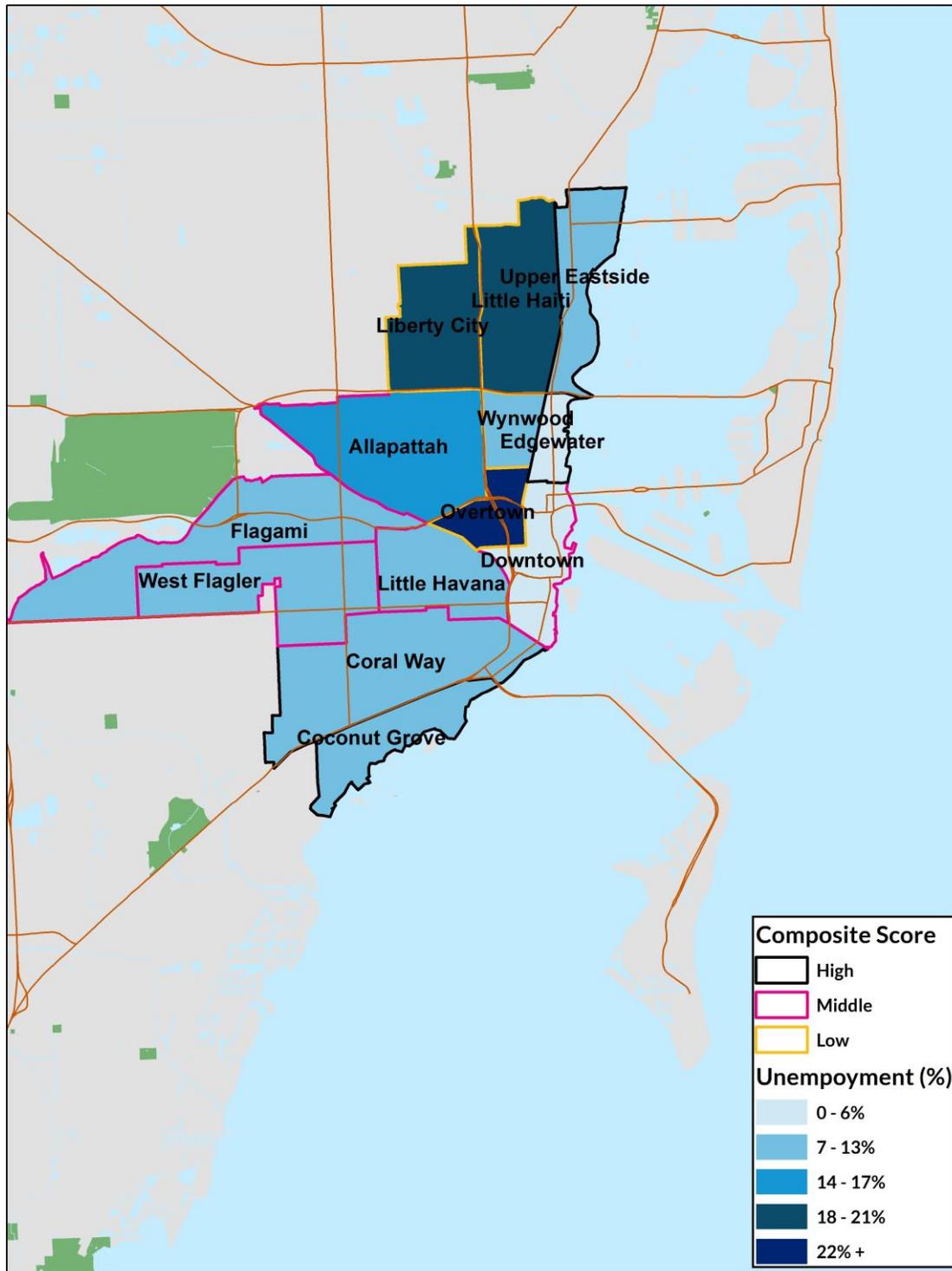
Source: Urban Institute tabulations of 2011–15 American Community Survey data.

Housing Market Health Index

The housing market health index assesses the accessibility of the neighborhood's housing market using neighborhood property values, vacancy rates, the percentage of residents cost burdened in renting or owning, and the homeownership rate. Most neighborhoods have undergone considerable change in housing market health since 2000. The exceptions are neighborhoods with the least accessible housing markets for LMI families, including Coconut Grove, Coral Way, Downtown, Edgewater, and Upper Eastside. These neighborhoods had the highest property values in 2015; the median was $250,000 or higher. The median value of a home in Coconut Grove in 2015 was the highest among all the neighborhoods at $559,450. Coconut Grove also had the highest homeownership rate of all the neighborhoods at over half of all residents owning (appendix tables C.3 and C.4). Other neighborhoods have seen few changes since 2000, including Allapattah, Flagami, and Liberty City, where values have increased less than $15,000 over 15 years (figures 14 and 15). Cost burden was highest in Wynwood, with 62 percent of residents burdened by housing costs (appendix table C.4).

Neighborhoods most accessible to LMI families are those whose residents are less economically successful, but this is changing. Little Havana, Overtown, and Wynwood saw an increase in homeownership between 2000 and 2015 (appendix table C.4). Although homeownership rates in these neighborhoods are still low, the increases suggest the neighborhoods have become more desirable. The entropy index shows the income mix in these neighborhoods has become more diverse over the 15-year period as high-income residents have moved in (appendix table C.2). These findings suggest these neighborhoods have been among the most accessible to LMI families in search of affordable housing, but will likely require intervention to uphold this accessibility. The data on Wynwood show a neighborhood in rapid transition, with more economically successful residents moving into the area and potentially displacing longtime residents, who are increasingly cost burdened by the changes (appendix table C.4).

FIGURE 14

Miami Median Home Values, 2000

In 2015 dollars
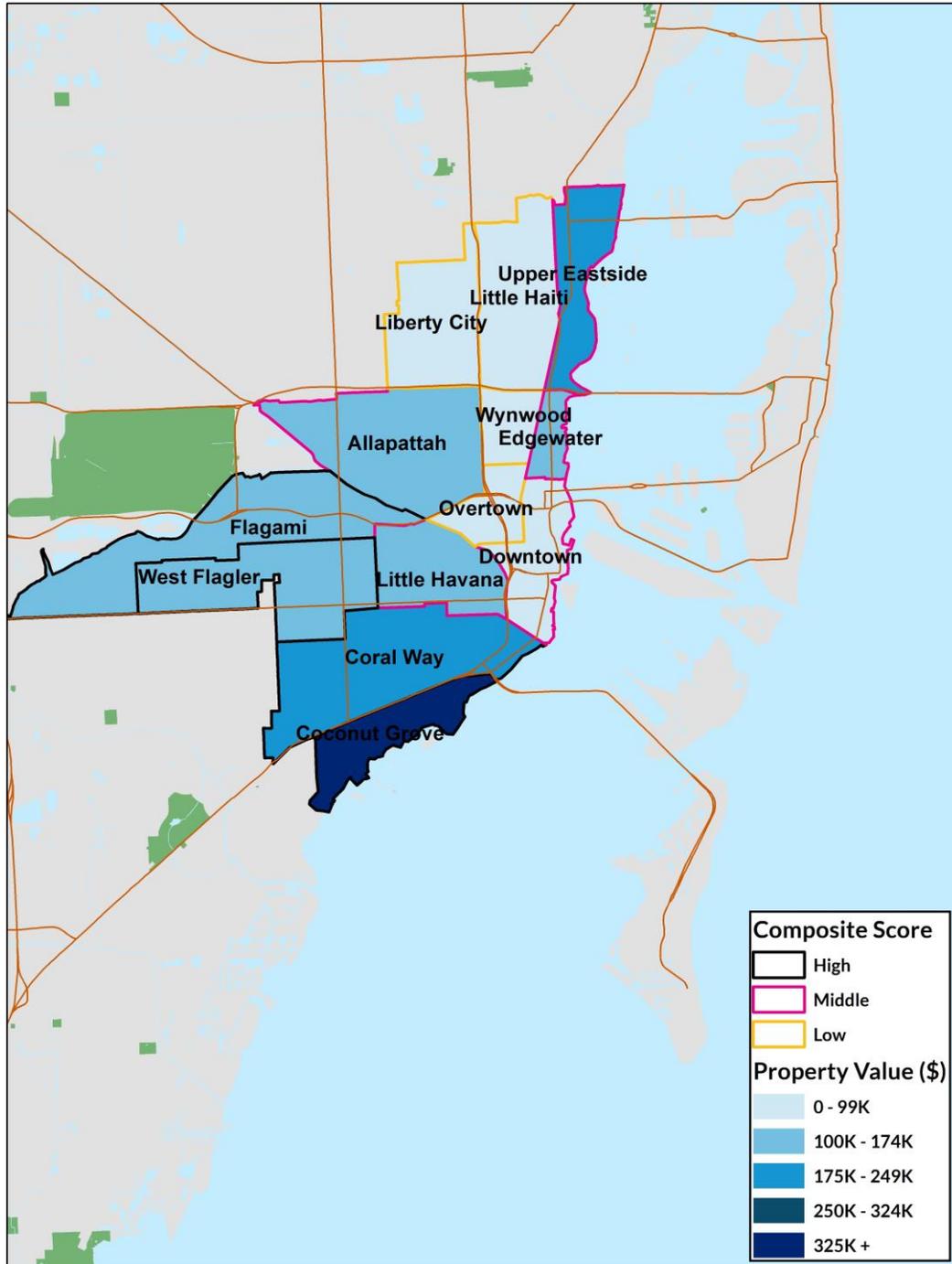
Source: Urban Institute tabulations of 2000 Decennial Census data.

FIGURE 15

Miami Median Home Values, 2015

In 2015 dollars
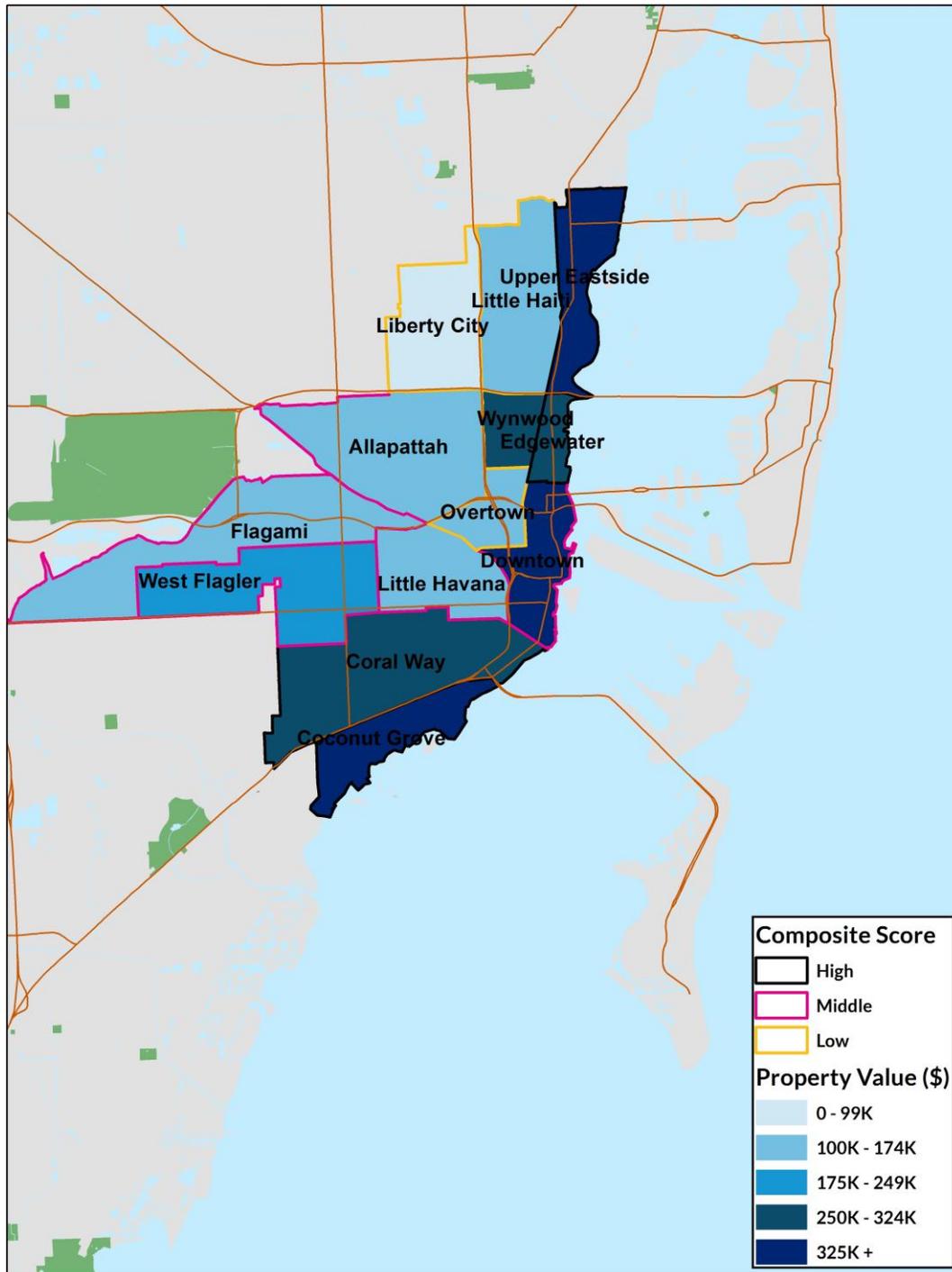
Source: Urban Institute tabulations of 2011–15 American Community Survey data.

BOX 3

Neighborhood Case Study: Allapattah

Allapattah, a central Miami neighborhood west of Edgewater and Wynwood, has undergone considerable change since 2000. Part of this is because of its location. It was only a matter of time before rapid change driven by Wynwood's revitalization as an arts district moved west. But Allapattah's current community development challenges are driven as much by historic disinvestment as by gentrification pressures. A traditionally working-class neighborhood, it is now being eyed by real estate developers. Home prices increased nearly three times more than the county's prices between 2014 and 2015.[a] Recently Allapattah was identified by the City of Miami for redevelopment because of its proximity to downtown, the airport, and the seaport and is now designated as a Neighborhood Development Zone in the city's consolidated plan (DCED 2015).

In our neighborhood typology index, Allapattah remained a middle-tier neighborhood between 2000 and 2015 and did not experience the same rapid improvements as higher-ranking neighborhoods. By 2015, its rankings hovered just above bottom-ranked neighborhoods in both housing market health and resident economic success. This ranking is primarily driven by property values that have not increased, until now, as rapidly as in other neighborhoods and a comparatively large increase in the percentage of residents cost burdened by renting or owning since 2000. Compare this with Edgewater's rapid improvement over the same period. Edgewater's resident poverty and homeownership rates improved so significantly that the neighborhood was ranked in the top tier of our typology by 2015.

Allapattah's diverse community may be threatened, as resident displacement because of rising housing costs is already occurring and seems likely to continue. Eighty percent of households in Allapattah rent, which makes them vulnerable to displacement (appendix table A.6). This diverse community features generations of immigrant families and people of color. Nicknamed "Little Santo Domingo" by its sizeable resident population of Dominican Americans,[b] Allapattah has been home to Caribbean, Latin American, and Central American communities for decades. These heritages are reflected in many of the family-owned businesses up and down Allapattah's main thoroughfare, where Dominican markets and bakeries are meeting places for residents. Though Allapattah has a dearth of civic organizations working within neighborhood boundaries, one recently formed group, the Dominican American National Foundation, organizes cultural celebrations and philanthropic benefits and is becoming more organized around local community needs in the wake of looming gentrification. Allapattah residents heed Wynwood-Edgewater's past designation as a majority–Puerto Rican neighborhood as a warning of large-scale displacement and its cultural threats. But without policy levers to engage at the neighborhood and city levels, resident organizing can only achieve so much.

The gentrification pressures facing Allapattah's incumbent residents are similar to those that faced Wynwood and Edgewater residents and countless other longtime residents in "hot market" cities. Real estate speculation is increasing, high-end businesses are moving in and edging out longtime family-owned businesses, and multiple factors are making housing less affordable. During our time in Allapattah, multiple residents reported being approached by real estate investors offering cash buyouts

on the spot. These offers are often too valuable to turn down given low incomes and rising rents[c] and are disrupting close community ties among longtime Allapattah residents. These investors see properties that are still affordable and are banking on Allapattah's proximity to Wynwood and the design district, even referring to the neighborhood as "West Wynwood" to interested buyers. Art galleries and high-end goods are already moving in to Allapattah, the same way they did in Wynwood. For example, the Rubell Family Collection, a mainstay of the Miami art scene, is moving from Wynwood to Allapattah as part of a $12.4 million expansion planned to open in 2018.[d]

Not far from the new Rubell campus and down the road from a slate of Dominican-owned businesses is a newly opened luxury car and art showroom. Across the street from the showroom stands a new rental high-rise for senior citizens. Its 10 affordable units were allocated via lottery, but residents reported that the units were occupied by seniors from outside Allapattah because the rent (around $800 a month for a one-bedroom unit) was too high for many Allapattah residents.[e] Another new high-rise rental building in the neighborhood does not allow children, which makes it unsuitable for many Allapattah families.

The lack of affordable housing and lack of units suitable for families is only part of the displacement equation. As new businesses and attractions are aimed at younger, wealthier singles and they begin moving into the neighborhood, the lack of amenities for families is compounded. Residents repeatedly lamented the lack of community spaces for families, citing the YMCA, which used to be a family attraction that burned down and was never rebuilt. The lack of public spaces for families is obvious when driving through the neighborhood, as is infrequent public transport (particularly weekend service on the single north-south line that serves Allapattah), which heightens the need for family-oriented amenities in the neighborhood. Current residents shared that their former neighbors are most often relocating to places like Hialeah and Miami Lakes that, at least for now, offer more options for affordability and family suitability.

Residents are working to improve circumstances for families in Allapattah. Civic organizations such as the Dominican American National Foundation have collaborated with residents to create frequent family programming around holidays and other cultural events. They also work to beautify the neighborhood for its Dominican residents. Citing Little Havana's Calle Ocho, the organization is adding murals by Dominican artists on various buildings in the main street area of Allapattah and life-size *muñecas*, or traditional Dominican dolls, to greet patrons of Dominican businesses. The Agency for Community Empowerment has worked with various Miami-Dade entities, including the Miami Foundation and Florida International University, to create more formal neighborhood development plans, including creating a storytelling garden at the Allapattah Library and adding traditional Dominican archways and other walkability elements to the neighborhood throughways to make the area more pedestrian friendly.

Both organizations have an eye on community development and business incubation, but say they need more support from elected officials. Allapattah residents feel as though the city government of Miami and county government of Miami-Dade have each passed responsibility for Allapattah to the other, resulting in a lack of political representation for Allapattah in both governing bodies.

Commissioners often run unopposed, and neighborhoods feel disconnected from their commissioners, especially because of cultural and linguistic differences. One illustrative example of this lack of oversight is the popular practice of renting out "efficiencies," or accessory dwelling units, on single-family lots in Allapattah. These units are not up to code, remain unregulated by the city, and may be nuisances in the neighborhood, while offering affordable rental housing and needed additional income to homeowners. If this lack of representation and oversight persists, Allapattah's revitalization will be dictated by market forces alone, which does not bode well for adding family-friendly amenities and ensuring affordability in new developments. Residents highlighted the need to be included in development agreements as imperative moving forward. While Allapattah needs infrastructure updates (e.g., pedestrian-friendly street updates, more transit options) and residents want to make the neighborhood a destination instead of a passing point to and from the airport, residents feel these improvements are best achieved through community engagement with incumbent residents, as they know what Allapattah needs.

Allapattah faces many challenges to prevent vast displacement of its longtime residents and preserve its cultural ties to the Dominican American community, but this presents an exciting opportunity for the city and county to collaborate with neighborhood organizations and residents on immediate policy solutions. Increasing and preserving the stock of affordable units is desperately needed. Over the long term, this county-wide issue needs to be addressed through coordinated action. But a neighborhood-specific housing policy change (e.g., a zoning overlay that requires mixed-income housing in Allapattah) or more money for rehabilitating current homes could be beneficial. Also specific to Allapattah, stronger tenants' rights—and more widespread knowledge of the rights they have—were often mentioned on residents' wish lists. Homeownership in the neighborhood has declined (appendix table A.6.), but Allapattah residents are not widely aware of assistance programs such as the Miami-Dade First-Time Homebuyer Program.[f] But, as one community leader explained, "housing doesn't happen in a bubble," and affordable housing is only one aspect of improvements needed in Allapattah.

A lack of awareness of city and county programs is echoed with regard to Allapattah's community development needs. Business incubation is key to assuring that the neighborhood's longtime residents can remain and become homeowners, but many of the mom-and-pop Dominican-owned businesses in Allapattah are unaware of or do not use the county's Mom and Pop Small Business Grant program.[g] As new residents arrive, business owners need to understand new customers' needs to adapt and thrive. Community leaders at the Agency for Community Empowerment see an opportunity for the city or county to support capacity-building initiatives for nonprofit civic and community-based organizations to help bridge the knowledge and communication gap between Allapattah and local government. Financial literacy courses (especially for homeowners), business plan reviews, and other workforce development programs could be offered and expanded with city and county support.

These solutions do not speak to the larger development issues that the city and county need to address. During our time in the neighborhood, residents raised basic concerns related to school quality, public safety, and the lack of transit. Despite the differing scales of challenges that must be addressed to preserve low- and middle-income families' ability to remain in Allapattah, addressing the disconnection

between residents and their political representation through community engagement and capacity building is a good place to start.

[a] Nicholas Nehemas, "Neighborhood profile: Investors bank on a renaissance in working-class Allapattah," *Miami Herald*, September 18, 2015, http://www.miamiherald.com/news/business/real-estate-news/article35676789.html.

[b] Janey Fugate and Brenda Medina, "A new look in Little Santo Domingo: Miami's Allapattah area gets a face-lift," *Miami Herald*, August 3, 2014, http://www.miamiherald.com/news/local/community/miami-dade/article1978265.html.

[c] In Allapattah, 76 percent of very low income renters and 70 percent of low- and middle-income renters are cost burdened. The latter figure represents a 49 percentage point increase since 2000. Incomes have also fallen since 2000, and Allapattah's median family income is among the lowest in Miami. At $22,995, only Little Havana and Overtown had lower median family incomes in 2015.

[d] Nicholas Nehamas and Andrés Viglucci, "Rubell family art collection is moving to Allapattah," *Miami Herald*, November 28, 2016, http://www.miamiherald.com/entertainment/visual-arts/article117582758.html.

[e] Allapattah experienced a 20 percent decrease in affordable units (percentage of units with gross rent less than $1,000 a month), which is not high compared with other places in Miami-Dade County, but when viewed in conjunction with the fact that 83 percent of its residents are very low income or low- to middle-income families, the scale of the affordability issue becomes clear.

[f] "First-Time Homebuyer Program," Miami-Dade County, last updated February 24, 2017, http://www.miamidade.gov/housing/homebuyer-opportunity.asp.

[g] "Mom and Pop Small Business Grant Program," Miami-Dade County Board of County Commissioners, last updated December 22, 2016, http://www.miamidade.gov/commission/mom-pop.asp.

The Miami-Dade Community: Policies and Practices for Inclusive Neighborhoods

The previous section established that Miami-Dade neighborhoods are going through radical changes in population composition, the diminishing availability of affordable housing, and the prospects for preserving such housing. The county is at a crossroads as it balances economic development with preserving an inclusive community for households across the income distribution. This section addresses how policies and practices within the city and county can move LMI affordable housing forward, by discussing current policies, community and nongovernmental resources, the voices of affordable housing stakeholders, and the policies and programmatic interventions that make sense within the local context. This section incorporates the Urban Institute's conversations with stakeholders to provide additional on-the-ground insights. The stakeholders we spoke with are among the most engaged actors in the Miami affordable housing discourse, but are not fully representative of all stakeholders, so these findings should be considered with that limitation in mind. Nonetheless, these stakeholder insights provide a deeper understanding of the opportunities and constraints within Miami-Dade and the potential to promote programs and policies that can create and preserve an inclusive community, ensuring that LMI households can thrive.

Current LMI Affordable Housing Policies Employed by Miami-Dade Leadership

Miami and Miami-Dade County leaders are aware of the region's affordable housing issues. In its consolidated plan, the city underscores the need for affordable rental housing, especially for large and small families, the elderly, those living with HIV/AIDS, those with disabilities, and households at risk for homelessness (DCED 2015). Within the past year, the county has made small policy modifications to address affordable housing, including seeding the Affordable Housing Trust Fund with revenue from the sale of select county-owned properties, dedicating half the fund to very and extremely low income households, and providing more incentives for new affordable housing development for extremely low income households (Miami Homes for All 2016).

Some of these programs and policies have been effective, but our research and conversations with stakeholders have illuminated that many LMI families, particularly those earning 80 to 120 percent of AMI, are not often direct beneficiaries. The focus of the county and city's affordable housing strategies is on the most vulnerable residents, but many LMI families need affordable housing. This section highlights some current policies and illustrates Miami's interest in ensuring a sufficient supply of affordable housing.

Affordable Housing Trust Fund. The Miami-Dade County Board of County Commissioners established the Affordable Housing Trust Fund in 2006. The trust fund is a revolving loan fund to provide short-term financing for construction, rehabilitation, or land or housing acquisition. As a revolving loan fund, interest garnered from short-term loans supports the perpetuation of the trust fund for future disbursement. The fund supports low-income residents who meet at least one of the following criteria:

- They spend 30 percent of their gross income on housing

- They live in overcrowded conditions

- They live in a substandard housing unit[22]

The trust fund supports programs directed toward households earning up to 140 percent of AMI, which includes LMI families. But half the funds from the Affordable Housing Trust Fund are required to target very low or extremely low income families. With support from various local organizations, including People Acting for Community Together, Miami Homes for All, and the South Florida Community Development Coalition, the county appropriated $10 million to the fund as initial seed funds.[23]

Infill Developer Program. Miami-Dade County's infill development program provides incentives to private and nonprofit developers to construct housing that is affordable to low- and middle-income families. The program "encourages the sale or transfer of county-owned properties to infill developers"[24] to reduce blight and vacancy and increase the stock of affordable units. The program offers a range of incentives to developers, including the following:

- Refund of developer impact fees when homes are sold to residents earning less than 80 percent of AMI

- Release of county liens and citations for nonprofit developers and deferrals of county liens for qualifying for-profit developers

- Expedition of building permits

While the program emphasizes the development of units for homeownership, the county has allowed it to be used to develop rental units as well.[25]

Documentary Surtax Program. Miami-Dade County has administered the Documentary Surtax Program since 1984. This program redirects revenues gained though a surtax levied on documents that transfer an interest in real property to provide housing assistance to LMI residents.[26] Since its inception, the Documentary Surtax Program has provided low-cost construction financing, low-interest second mortgages to first-time homebuyers, and homebuyer counseling to thousands of families. The program sets aside at least 50 percent of revenues from the surtax fund to families earning less than 80 percent of AMI.[27]

LIHTC inventory. Developers in Miami-Dade County reported heavy reliance on the Low-Income Housing Tax Credit (LIHTC) as a source of necessary gap financing to develop affordable housing for LMI families. The LIHTC provides investors and developers a reduction in their federal tax liability in return for initial equity contributions to developing units at rents affordable to families at or below 60 percent of AMI. The subsidy passes to renters as reduced rents.[28] Projects financed through this program are required to maintain the subsidized rentals over the long term, typically at least 30 years.

Overall, 17,144 low-income units were constructed through LIHTC subsidy in Miami-Dade County from 2000 to 2014.[29] Of these, 9,991 (61 percent) of the county's low-income units were built in the city of Miami. Within Miami, 35 percent of these units used the 30 percent LIHTC credit, which requires additional subsidies to support new construction, and 65 percent used the 70 percent subsidy, which supports new construction without any additional federal subsidy. Of all units constructed through the LIHTC, 37 percent were efficiencies or one-bedroom units, 42 percent were two-bedroom units, and 22 percent had three or more bedrooms.

Because units are only required to remain subsidized for 30 years, the inventory of many of these affordable housing units is likely to be reduced in the coming years. In the next five years, 4,361 (14 percent) of the county's stock of LIHTC-subsidized low-income units will cross the 30-year threshold.[30]

Community and Nongovernmental Affordable Housing Resources in the Miami-Dade Area

In addition to policy and program strategies implemented by city and county leadership, the Miami-Dade area also has an extensive network of community organizations and academic researchers supporting its affordable housing knowledge base.

Community organizations. Organizations such as Miami Homes for All and the South Florida Community Development Coalition have been strong advocates for affordable housing and policy changes. These are not the only organizations in Miami-Dade County advocating for affordable housing, but they have been highly visible. General recommendations from both groups include increasing federal, state, local, and public-private funding for affordable housing; preserving the current affordable housing stock; offering developers incentives such as tax benefits or lifting certain zoning restrictions in return for boosting production of affordable housing units; and streamlining the permitting and planning process for building affordable housing (Miami Homes for All 2016).[31] Such community groups directly reference LMI families' affordable housing needs. The South Florida Community Development Coalition calls attention to the need for more mixed-income housing and advocates that Miami-Dade County move from a voluntary inclusionary policy (to house households earning 65 to 140 percent AMI) to a mandatory one, as well as increasing incentives for developers, including removing zoning limits on height, floor-area ratio, and parking requirements in exchange for mixed-income housing production.[32] Such county-level policies fit with recommendations heard from other stakeholders in conversation.

Other organizations, such as Housing Opportunities Project for Excellence Inc. (HOPE), openly fight housing discrimination in the Miami-Dade area.[33] Because of tenuous renters' rights in the area, organizations that advocate for fair housing and vulnerable renters have an increasingly important role in conversations about displacement from gentrification and the preservation of inclusive neighborhoods.

Academic researchers. Academic researchers constitute another considerable resource in Miami's affordable housing space. The South Florida Housing Studies Consortium was established in 2015 by the University of Miami Office of Civic and Community Engagement and the Florida International University Metropolitan Center. The consortium conducts research to support data-driven strategies to address local housing needs and provides technical assistance to Miami-Dade County Public Housing and Community Development on various initiatives. The consortium has documented the resident engagement process for Liberty City Rising (a major public housing redevelopment project), completed a comprehensive market analysis of Liberty City, and created an online Housing Policy Toolkit, which

outlines innovative affordable housing best practices and how they can be adapted to the Miami market. The CCE also launched the Miami Affordability Project, an interactive online map centered on the distribution of affordable housing and housing needs to assist planners, developers, and community groups in analyzing funding programs, affordability preservation risks, and historic preservation.

The CCE, along with the South Florida Community Development Coalition and Catalyst Miami, also created an innovative initiative to familiarize emerging leaders in Miami-Dade County with best practices in community development and affordable housing policy in the United States. The Community Scholars in Affordable Housing program introduces cohort members to the latest information on affordable housing finance, design, advocacy, and public administration, among other topics. By 2016, 33 emerging professionals from the private, public, and nonprofit sectors had participated in the program. Tangible outcomes from members' capstone projects include a Revolving Loan Fund with up to $10 million in reoccurring public funding to finance the development of affordable housing; public advocacy for implementing increased set-asides for extremely low income households in Miami-Dade County's Affordable Housing Trust Fund; and the development and implementation of a financial literacy course at an affordable mobile home site at risk of redevelopment.[34]

Miami Stakeholders: Themes from Conversations about LMI Affordable Housing Issues

Urban met with affordable housing stakeholders and government officials in Miami on December 8 and 9, 2016, to discuss the landscape and potential for advancing programs to preserve and create LMI housing. This section documents the themes that emerged from our conversations:

1. Developers have considerable leverage in city- and county-level affordable housing conversations.
2. Community and neighborhood groups are underrepresented in affordable housing conversations, but offer considerable potential for making programs more effective.
3. Philanthropic groups and nonprofits could fill a larger role in improving LMI households' economic standing and housing resilience.
4. There are significant political challenges to passing mandatory affordable housing regulations.
5. Public transportation, an important bridge between affordable housing and LMI families, remains an underdeveloped asset in Miami.

The following section explores these themes, with consideration for Miami's affordable housing culture and the barriers and opportunities for retaining LMI families.

Developers have considerable leverage in affordable housing conversations. One theme that emerged in multiple conversations is the perception that developers have considerable say over affordable housing proposals and policies put forth at the county and city levels. Some even suggested that developers' expectations about profits are too outsized and because they have considerable influence in the conversation, their bottom line outweighs community needs. Whether this is true is unclear, but the perception persists and suggests resentment. There was also suggestion that some development is fueled by investors from foreign countries who purchase condominiums in cash as a safe haven against mercurial markets in other countries, both driving up prices and keeping units off the market. Although our team could not substantiate this with data, stakeholders widely held this belief.

Although Miami already offers several incentives for developers to produce affordable housing, stakeholders shared that the incentives are not sufficient to make deals pencil out in the current regulatory and zoning framework. Stakeholders offered several modifications to current regulations that may provide incentives for developing more affordable housing units. One stakeholder suggested it is important to minimize burdensome and lengthy paperwork and permitting requirements for developers embarking on affordable housing projects. By creating a more efficient permitting, funding, and development process through cross-agency coordination, affordable housing development could cost less (Jakabovics et al. 2014). Another frequently mentioned incentive from stakeholders is to reduce parking requirements. For developers, parking requirements are perceived as too high and costly to implement, so adjusting this downward in exchange for affordable housing development may be an underused and important incentive. Further, steep minimum parking requirements do not support transit-oriented development, which was frequently cited as an important vehicle for affordable housing in Miami. Research finds that reduced parking requirements in developments in urban areas and around transit corridors can reduce development costs and does not impede residents' access to jobs and services.[35] Stakeholders suggested that a transit-oriented design plan that used Department of Transportation–owned property to create housing without parking requirements could be a viable strategy.

Some stakeholders believe it is not possible to develop housing for families below 80 percent of AMI that "pencils out." The cost of developing and operating housing is more than these families can pay, and developers may have difficulty finding private financing for affordable housing. Land costs were mentioned as one of the biggest hurdles for developers for creating affordable housing. A community land trust model—which ensures long-term affordability by acquiring land and leasing it to

homeowners—might enable developers to create affordable housing.[36] Some stakeholders expressed their belief that this idea would work in Miami, but they highlighted misconceptions about this model. For this model to be viable, advocates of community land trusts need to inform stakeholders and cultivate community, developer, and political buy-in to advance this policy idea.

Another way to support affordable housing development is through tax credits, administrative and regulatory waivers, and incentives. One stakeholder in county leadership suggested tax incentives offer the most promise. While the tax credit rate is not a local issue, some stakeholders suggested locking the 4 percent tax credit rate (rather than having a floating rate) to reduce investor risk, and others expressed that additional local tax credits could encourage developers to incorporate affordable housing into their projects. Other stakeholders suggested that any of these incentives should be provided to developers from the county over time, much like an annuity, rather than all at once and up front. Low-Income Housing Tax Credits and funding sources such as the Community Development Block Grants and HOME funds assist developers with development costs. But if such funds—in addition to locally based incentives—were disbursed over a longer period, they could reduce the gap in operating cash flows and encourage developers to invest in the long-term success of affordable housing. For homeowners, stakeholders suggested that instituting property tax abatements for a restricted period in neighborhoods at risk of gentrification could help develop and preserve LMI housing.

Community and neighborhood groups are underrepresented in Miami's affordable housing conversations. Although large and for-profit developers were seen as having outsized influence on housing policy, residents and community and neighborhood groups were seen as having little representation in the discussion. Many of the stakeholders we spoke to came from organizations that do extensive community outreach and appreciate the value of speaking to residents and listening to their concerns. Some stakeholders said the city and county government do not do enough to pull the community's voice into discussions about planned economic and housing development and affordable housing needs. They felt that even when community discussions are held, they are to satisfy a requirement rather than to truly listen to residents' concerns.

In Allapattah, we heard from residents that it was challenging to connect with city and county representatives across various government offices and leadership positions and that their concerns were not heard. They expressed difficulty getting support with neighborhood concerns, such as investments in community centers, safety, and infrastructure improvements. Residents relayed frustration in getting the attention of their public leaders and felt they were overlooked by city and county representatives because they perceived loyalties were stronger to other neighborhoods. Residents also perceived that officials were stretched thin and were visible at election time, but not

when the community needed them. Additionally, we heard that meetings held by public officials or government offices were at times inconvenient to young people and working families. While these were the opinions expressed by a few select community members and our interviews do not represent the whole neighborhood, they convey a sense that political representation could be more active in Allapattah.

Some stakeholders saw considerable opportunities for the city and county by drawing more community voices into the affordable housing conversations. One stakeholder said that community-based organizations' and residents' involvement are critical for moving development forward. It helps to develop responsive plans for specific affordable housing needs in neighborhoods and helps inform those who might see such housing as a detractor, or the "not in my backyard" contingent. This stakeholder opinion is substantiated by research showing that such community outreach and representation is instrumental for affordable housing projects' cost savings and efficiency (Jakabovics et al. 2014). Such organizations hold great potential to help affordable housing projects advance, to create a more inclusive process, and to foster stronger communities.

Philanthropic groups, private actors, and nonprofits could fill a larger role in the affordable housing landscape. Some stakeholders suggested that philanthropic and nonprofit organizations should be mediators among divergent actors in policy conversations and should catalyze partnerships. There was considerable respect expressed toward actors in Miami who already fill this role and interest in them being even more involved in the future. Some of these groups may be perceived as neutral actors, especially if they are non-advocacy in nature. This may be helpful in conversations surrounding community land trusts, land banks, or inclusionary zoning—topics that could be perceived by some as politically charged in the current Miami-Dade discourse.

Another area where philanthropic groups have potential is in identifying sources to fill funding gaps. This will become important in an era of reduced federal funding for affordable housing. Stakeholders suggested that philanthropic dollars and other private investment dollars could help developers leverage and fill in gaps in government money and could make the 4 and 9 percent LIHTC deals more feasible. Grants and program-related investments could better leverage private and public dollars to provide low-cost capital in such deals.

Local private actors may hold similar potential. One government stakeholder said that eight community banks had expressed interest in financing affordable housing for the 60-to-80–percent-of-AMI group. If coordinated, these banks could bridge Miami's financing gaps for this income group. Furthermore, a nonprofit entity or philanthropic stakeholder could work with these banks to organize

and convene them with other stakeholders to identify projects that were viable, were mission oriented, and could yield profit for community-minded banks.

There are significant political challenges to passing mandatory affordable housing regulations. Conversations revealed that mandatory affordable housing regulations, even when they are not truly mandatory, are a difficult sell in the current political environment. In part, this is because of the leverage that developers, especially market-rate ones, are perceived as having in political discourse. Conversations with government stakeholders suggested that "free market" arguments hold the most sway, and regulations are perceived as contrary to market forces. Even with enticing incentives wrapped into policy proposals, there is tremendous push back.

During visits in Miami in December, there was much discussion about Miami-Dade County commissioner Barbara Jordan's proposed mandatory inclusionary zoning ordinance that would provide incentives for developing affordable workforce housing. Miami has a voluntary inclusionary zoning bill to provide incentives for developers of buildings with 20 or more units to create between 5 and 20 percent with a variable density bonus. The mandatory version proposed a minimum of 10 percent of such units would be workforce housing (for households earning 60 to 140 percent of AMI), with expanded targeting toward the 60-to-79-percent-of-AMI group and a greater density bonus for developers as an incentive.[37] Soon after our visit, however, the commissioner withdrew her proposed mandatory inclusionary zoning ordinance after an informal straw poll of county commissioners revealed insufficient support for it. One of the dissenting commissioners, Javier Souto, was quoted as saying in reference to the ordinance, "Social engineering is dangerous."[38] Such a statement affirms stakeholder comments that a concerted effort to inform the public, the development community, and city and county leaders about various strategies for preserving and creating LMI affordable housing is needed more immediately than the strategies themselves. Highlighting success in other cities, particularly those not perceived as progressive, would help make a stronger case in Miami.

Tenants' rights and landlord-tenant issues did not come up in stakeholder conversations in Miami, with the exception of indirect observations from the Allapattah residents with whom we spoke. These residents suggested that many renters in Allapattah have out-of-state landlords and others may be without contracts, with month-to-month leases. Florida is a pro-business state in terms of its tenant rights and is less likely to adopt landlord-tenant laws. The laws that are adopted tend to be pro-landlord, leaving renters with few protections (Hatch 2017). Renters in Allapattah may have few protections in the wake of rent increases and the threat of eviction, particularly in a state that is pro-landlord and a county that looks unfavorably upon mandatory affordable housing regulations.

Public transportation is an underdeveloped asset in Miami. We heard from stakeholders in the convening and residents in Allapattah that public transportation is a potential solution for addressing the mismatch between LMI residents and affordable housing. While Miami is served by buses (Metrobus), shuttles (Miami Trolley), trains (Metrorail and Metromover), intercity commuter rail (Tri Rail), and a future private intercity rail line (Brightline), stakeholders reported that public transportation was not convenient, making cars the default form of transportation. This is especially unsustainable. Transportation costs using 2006–10 data ranked Miami as one of the least affordable major cities for moderate-income households (Hickey et al. 2012). Some stakeholders noted that public transportation lines, including buses, tend to run on north-to-south corridors, making it challenging to go from east to west across the city. Furthermore, most high-income neighborhoods are along the coast (from north to south), suggesting LMI neighborhoods are not as well connected by public transportation. With residents and workers dispersed across the county, county-led coordination is a priority for public transportation efforts. In April 2016, the metropolitan planning organization, which includes commissioners and other leaders on the board, passed a plan for expanding the current public transportation system with six additional transit lines.[39] Prioritizing pedestrian-friendly development is also a goal of the Miami21 form-based code, officially adopted in May 2010, in lieu of Miami's previous zoning, which ascribed to predesignated land usage and encouraged car-centric development.[40] Leadership is seeking to expand and develop public transportation and to de-emphasize automobiles throughout the city and county, but the funding and time frame is uncertain.

Stakeholders also mentioned the potential for more transit-oriented design around transit stations, in part because they believe the Department of Transportation owns land that has development potential. Developers will benefit if land costs are free or considerably reduced in price. Potential transit-oriented design developments that prioritize family housing (e.g., three-bedroom units) near transportation hubs would serve an additional need among LMI families, because stakeholders reported that primarily one-bedroom or studio units are currently being developed. As part of Miami-Dade's sustainability goals, transit-oriented design is a priority for increasing affordable housing.[41] It is also consistent with the Miami-Dade policy objective to encourage affordable housing development near public transportation as laid out in the county transportation plan.[42]

LMI Affordable Housing Program Recommendations for Miami

A city's unique cultural and political context influences programmatic recommendations which may fail or flourish. From land acquisition to alternative financing strategies to tax and zoning modifications, to strengthening and building community capacity, the following ideas reflect suggestions from stakeholders, and any of them could be successful in Miami-Dade. The following section explores ways to enhance the state of LMI affordable housing in Miami and why these recommendations may have traction.

Consider establishing a county-operated land bank. A land bank is a government entity that acquires land tied up in delinquent property taxes or foreclosure—and often abandoned—and saves the land or passes it to another nonprofit entity for reuse or future repurposing. In the early 1970s, St. Louis established the first land bank, and the idea has since been adopted by numerous municipalities, including locations throughout Georgia (Alexander 2011). The Center for Community Progress, a nonprofit that initiates and supports land banks, has spearheaded homes and neighborhood nationwide and could be an important force in Miami if sufficiently supported.[43] At least one Miami stakeholder suggested land banks as a potential strategy, particularly for acquiring land tied up in back property taxes, to develop affordable housing on it. Establishing a land bank in Miami would have to be developed in conjunction with city, county, and state laws. But a land bank could offer Miami-Dade a flexible strategy for acquiring land for affordable housing, could provide incentives for developers to develop such housing if land was sufficiently discounted, and could improve the surrounding community and investments in LMI neighborhoods. Furthermore, land banks can catalyze the conversion of properties no longer generating taxes into properties creating revenue for the city.

Strengthening support for the land trust in combination with city-county land set-asides. The South Florida Community Land Trust began in 2006 in Broward County, and in the past year has started work in Miami-Dade County. The South Florida Community Land Trust acquires land through low-cost property acquisition via donation or at below-market rates from area governments. Acquired land is held by the nonprofit, and affordable housing is developed and rehabilitated there as a rental or as a home for purchase. If the home is purchased, the land is owned by the land trust and the homeowner. Future profits accrue to both owners, and the land is preserved for other low-income and qualifying homeowners.[44] Strengthening support for the South Florida Community Land Trust in Miami-Dade could help preserve affordable housing, particularly if the county can transfer county-owned properties to the land trust. Stakeholders said the county has available parcels that could be transferred to a land

trust. Especially elegant about such a proposition is that the land, if transferred for affordable housing creation, could be an asset to the land trust or like-minded housing developers and could generate property taxes for the county. Miami-Dade could see a boost in affordable housing and an increase in property taxes for the city. Furthermore, properties near current and future transit sites could be developed, boosting low-income families' access to low-cost transportation and to job opportunities.

Bank consortia as lenders to small-scale multifamily property owners. Small banks and lenders in Miami-Dade County could help preserve affordable housing by forming a nonprofit lending consortia to lend to small-scale multifamily property owners to preserve affordable units. A relevant example of this comes from Chicago, where the Community Investment Corporation provides small-scale landlords loans for purchasing and improving multifamily units and trains potential landlords on how to run and expand their businesses.[45] This expands business for small and locally minded banks, preserve NOAH, and encourage neighborhood residents to grow businesses and stay connected with their communities by becoming landlords.

Consider creating neighborhood-zoned tax increment financing in quickly gentrifying neighborhoods. Tax increment financing uses property taxes to harness any increases in value realized through infrastructure investments or through rising home values because of gentrification. One relevant example comes from Texas's Homestead Preservation Reinvestment Zone legislation, available to select locally designated areas in rapidly changing housing markets in Austin and Dallas (Lubell 2016). The legislation allows a portion of increasing property tax valuations in such designated areas to be dedicated toward preserving low- and middle-income housing in those same areas (Erickson 2011). The city or county could create such legislation by designating zones in gentrifying neighborhoods as eligible (e.g., Wynwood/Edgewater and all or part of Allapattah or Overtown) and could specify that a percentage of increased property taxes collected within this zone be dedicated toward encouraging first-time LMI homebuyers or preserving and creating affordable LMI rental housing. By harnessing increased property tax money from new high-income homebuyers and the typically high-value homes they purchase, funds could also be dedicated to maintaining housing options for current LMI residents.

Property tax protections for low-income residents. Encouraging homeownership can stabilize neighborhoods and improve financial inclusion. Ownership helps families build assets and stave rising housing costs. But Miami has the fifth-highest difference among 28 cities studied in property tax assessments charged of new homeowners relative to longtime homeowners, and the available homestead credit is not as beneficial to Miami residents as it is to residents in other cities (Lincoln Institute of Land Policy and Minnesota Center for Fiscal Excellence 2016). Furthermore, in Miami-Dade

County, an income-based property tax exemption is offered to senior citizens, but no income-based credit or exemption is available to younger residents.[46] These factors place an outsized tax burden on young LMI first-time homebuyers and current LMI homeowners. Rising property assessments in gentrifying neighborhoods could inadvertently push LMI residents to sell and move. One strategy to lift the burden on LMI homebuyers and to minimize displacement would be to offer an income-qualifying tax credit (Lubell 2016). The tax credit's structure and generosity could be adjusted or capped in different ways, but would produce greater financial security for residents through homeownership and minimized tax burdens, as well as more stable and inclusive neighborhoods.

Bolster voluntary inclusionary zoning with better incentives, such as expedited permitting and approvals for affordable housing development projects. Recent legislation proposing a mandatory inclusionary zoning policy failed to pass the Miami-Dade Commission's approval in a straw poll.[47] This suggests the county is not persuaded that mandatory inclusionary zoning for LMI families is needed. Strategizing with developers about how to bolster the incentives may be the next most appropriate action. The 25 percent increase in density may not be a sufficient bonus to developers right now, but minimizing the parking requirement could be appealing. Stakeholders reported that permitting in the county is a challenge, so expedited permitting and approvals could be an additional incentive for developers, which has been identified as one of the most important ways to cut costs for affordable housing development (Jakabovics et al. 2014). A model in Pinellas County, Florida, offers affordable housing development an expedited permitting process with a two-week turnaround (Lubell 2016). This could sufficiently motivate developers in Miami-Dade County if the government creates a dedicated and streamlined process for voluntary inclusionary zoning projects.

Build support for community-based organizations. Community-based organizations (CBOs) are locally based and often informal nonprofit organizations that represent residents' interests within the larger community. These organizations have on-the-ground knowledge of residents' needs and concerns and can be harnessed to leverage community buy-in on large development projects. In Miami, however, CBOs may be less well developed relative to other cities. In Allapattah, the Urban team located one recently formed CBO, the Dominican American National Foundation, which started with the mission of providing family activities to the community, but was evolving into a more politically minded organization to represent residents' needs to county and city commissioners. Even nascent organizations like this one could be important for preserving NOAH in this neighborhood and for weighing in on new developments as they arrive. Allapattah is home to one of Miami's Neighborhood Enhancement Teams, which could serve a role similar to a CBO but in an official city leadership capacity. Residents do not believe the Allapattah team office represents their interests well.[48] Furthermore,

recent changes in the CBO grant-funding process in Miami-Dade County may curtail small CBOs' ability to thrive when residents of rapidly changing neighborhoods may need them most.[49] In light of these developments and the critical role CBOs can play in representing residents' needs and in building consensus on proposed development, CBOs would benefit from greater support in the current city and county framework and among area philanthropic groups. One way to support CBOs without direct funding is to offer grant-writing workshops, offer assistance applying for 501(c)(3) status, help with advertising or organizing community events, and provide in-kind donations toward activities and sponsored events. Such support could facilitate neighborhood social cohesion and identity, encouraging current residents to stay in place.

   Promote entrepreneurship and improve small business owners' skills. An important consideration in the LMI affordable housing conversation is that stagnant incomes do not keep pace with rising housing costs. Furthermore, as neighborhoods develop economically, the ability of small family-owned businesses to stay in place becomes an increasingly important concern. Stakeholders reported that Puerto Rican businesses that were once fixtures of Wynwood's commercial areas have all but disappeared, with just one such business remaining. One way to boost family income and to encourage community businesses to thrive despite changing neighborhood clientele and rising commercial rents is to promote entrepreneurship and to improve small business owners' skills. Community-based organizations could be leveraged for outreach in changing neighborhoods, and philanthropic and city investments toward small business development could be targeted. Residents of Allapattah reported interest in starting small businesses, but find the process of writing business plans and getting loans challenging. Financing offered through mission-driven community development financial institutions offer considerable potential to grow businesses, especially in neighborhoods on the verge of tremendous change. In addition to providing capital, many community development financial institutions provide technical assistance and financial education to build the capacities of residents and business owners. The Florida Community Loan Fund invests in affordable housing, community facilities, and health care.[50] If current residents of gentrifying neighborhoods were encouraged to go into business as property owners of small multifamily housing units, they could help stabilize the stock of NOAH and build neighborhood entrepreneurial capacity.

Conclusion

Miami-Dade has a promising future for preserving and creating low- to middle-income affordable housing, in part because key stakeholders in the area are aware of and are concerned about the issue. But impediments to the success of LMI affordable housing stem from the need to build awareness with politicians, developers, and the public about the issue and potential solutions. One of the most important avenues for the future success of LMI housing in Miami-Dade County is coalition building among those who have not been principal actors in the conversation.

In addition to building continued public and political support for bolstering LMI affordable housing and long-term solutions, the city and county should consider short-term policies and program opportunities that fit within the current context. Mandatory inclusionary zoning will not find success in the short term, but providing incentives for developers to be more invested in the long-term success of LMI affordable housing through easing height and parking modifications and an annuitized incentive structure that pays back developers over time could find immediate success. In the meantime, building toward a long-range vision that include community land banking, enhanced transportation planning and transit-oriented design development for LMI families, and a quorum of support for a mandatory inclusionary zoning policy that has cross-cutting appeal to leadership, developers, and the public will be in the city's and county's best interests. An inclusive community where all families regardless of income can live and work will yield long-term benefits to the region and its residents. But without more deliberate policy and programmatic interventions, displacement and gentrification may become more pervasive.

The Urban Institute's Collaboration with JPMorgan Chase

The Urban Institute is collaborating with JPMorgan Chase over five years to inform and assess JPMorgan Chase's philanthropic investments in key initiatives. One of key initiatives is the Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods), which is a five-year, $125 million effort to invest in solutions to revitalize neighborhoods by growing small businesses, creating health and social service facilities, improving access to affordable housing, and collecting better data to study changing neighborhood demographics. The goals of the collaboration include using data and evidence to inform JPMorgan Chase's philanthropic investments, assessing whether its programs are achieving desired outcomes, and informing the larger fields of policy, philanthropy, and practice. This report is one of a series of three—conducted in Miami, Denver, and Austin—that draw upon rich data analyses of demographic, economic, and housing trends, as well as stakeholder conversations, to identify the policy and programmatic potential for preserving and creating affordable housing for LMI households in these cities.

Appendix A. Demographic Characteristics

Population and Households in Miami-Dade County

City or neighborhood	Population 2000	Population 2011–15	Households 2000	Households 2011–15
Aventura	25,267	37,357	14,000	18,701
Bal Harbour **		2,677		1,521
Bay Harbor Islands	5,179	5,981	2,626	2,626
Biscayne Park **		3,365		1,062
Coral Gables	43,075	47,725	17,201	17,100
Cutler Bay *		43,926		13,154
Doral *		51,515		15,078
Florida City **		7,050		1,787
Hialeah Gardens	13,272	23,092	3,945	6,254
Hialeah	218,635	236,679	68,198	69,779
Homestead	43,414	76,407	13,617	22,211
Key Biscayne	10,513	12,888	4,262	4,570
Medley **		160		88
Miami Beach	88,400	91,796	46,412	43,307
Miami Gardens *		103,135		27,942
Miami Lakes *		32,439		10,392
Miami Shores	9,661	11,124	2,856	2,777
Miami Springs	16,060	17,354	5,980	5,860
North Bay Village	6,733	7,689	3,132	3,219
North Miami Beach	51,870	46,343	17,603	15,285
North Miami	68,408	59,417	22,778	17,557
Opa-locka	12,792	18,617	4,268	6,036
Palmetto Bay *		26,231		7,870
Pinecrest	17,557	18,039	5,669	5,500
South Miami	9,045	14,956	3,799	5,365
Sunny Isles Beach	16,278	22,546	8,477	11,069
Surfside	8,214	5,987	4,156	2,220
Sweetwater	8,376	9,759	2,585	2,806
West Miami	4,221	4,341	1,491	1,441
Miami neighborhoods	362,950	426,662	134,386	157,640
Allapattah	45,415	49,350	14,143	15,560
Coconut Grove	17,552	19,501	8,241	8,320
Coral Way	54,538	61,005	20,856	23,110
Downtown	10,414	30,499	4,115	14,860
Edgewater	9,628	13,687	4,589	6,565
Flagami	48,287	58,541	17,009	19,753
Liberty City	23,164	23,705	7,832	7,755
Little Haiti	29,431	32,675	9,471	10,261
Little Havana	52,315	55,157	20,114	21,039
Overtown	9,299	9,108	3,542	3,682
Upper Eastside	15,044	12,904	6,262	5,688
West Flagler	41,431	49,708	15,002	16,542
Wynwood	6,115	8,621	1,950	2,754

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

* Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

Race and Ethnicity in Miami-Dade County

City or neighborhood	White 2000 (%)	Black 2000 (%)	Other races 2000 (%)	Hispanic 2000 (%)	White 2011–15 (%)	Black 2011–15 (%)	Other races 2011–15 (%)	Hispanic 2011–15 (%)
Aventura	94	2	3	21	60	3	2	35
Bal Harbour **					49	0	3	48
Bay Harbor Islands	91	2	6	35	47	5	5	43
Biscayne Park **					54	14	3	29
Coral Gables	93	2	3	49	37	3	4	56
Cutler Bay *					31	13	4	52
Doral *					14	2	5	79
Florida City **					15	26	1	58
Hialeah Gardens	87	2	10	91	3	1	0	96
Hialeah	88	2	9	90	3	1	0	96
Homestead	62	24	13	45	16	22	3	60
Key Biscayne	95	0	3	50	37	0	3	60
Medley **					3	0	0	97
Miami Beach	87	4	8	53	40	3	4	53
Miami Gardens *					3	70	1	25
Miami Lakes *					13	2	2	83
Miami Shores	45	43	11	21	28	38	3	30
Miami Springs	90	2	6	61	22	1	2	75
North Bay Village	81	5	10	49	30	1	8	61
North Miami Beach	46	40	10	28	21	40	4	35
North Miami	34	55	8	23	14	56	3	27
Opa-locka	14	81	4	18	2	57	1	41
Palmetto Bay *					46	6	7	40
Pinecrest	91	2	3	28	48	1	9	42
South Miami	65	28	4	31	31	14	5	50
Sunny Isles Beach	92	2	4	36	54	4	3	39
Surfside	94	1	4	35	61	0	3	36
Sweetwater	86	1	13	94	3	0	0	97
West Miami	93	1	6	84	8	0	1	91
Miami neighborhoods	67	22	10	66	11	16	2	71
Allapattah	59	23	17	75	4	13	1	83
Coconut Grove	71	24	4	26	46	16	3	35
Coral Way	90	2	7	81	13	2	2	83
Downtown	68	21	9	66	31	9	4	55
Edgewater	70	13	15	54	29	9	3	59
Flagami	89	2	8	91	3	1	1	96
Liberty City	2	96	2	4	2	82	1	15
Little Haiti	14	69	17	15	5	72	1	21
Little Havana	81	4	15	92	4	2	0	94
Overtown	20	74	5	20	7	61	2	31
Upper Eastside	47	42	8	28	32	27	3	38
West Flagler	90	2	7	92	4	0	1	95
Wynwood	46	40	13	59	13	26	3	58

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

Notes: Blacks and whites are non-Hispanic. * Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small

populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

TABLE A.3

Households in Miami-Dade County by Age and Education

City or neighborhood	Households with at least 1 person under 18, 2000 (%)	Households with at least 1 person under 18, 2011–15 (%)	Households with at least 1 person over 65, 2000 (%)	Households with at least 1 person over 65 2011–15 (%)	People over 25 with a bachelor's degree, 2000 (%)	People over 25 with a bachelor's degree 2011–15 (%)
Aventura	12	18	46	40	22	29
Bal Harbour **		16		54		34
Bay Harbor Islands	21	25	36	29	21	33
Biscayne Park **		42		28		32
Coral Gables	25	23	29	31	27	30
Cutler Bay *		43		24		19
Doral *		53		15		35
Florida City **		47		32		3
Hialeah Gardens	52	43	25	35	7	12
Hialeah	43	35	36	41	6	10
Homestead	49	47	17	17	8	11
Key Biscayne	33	37	28	39	34	39
Medley **		16		72		8
Miami Beach	15	18	28	25	18	24
Miami Gardens *		40		29		9
Miami Lakes *		38		27		23
Miami Shores	43	43	23	29	18	17
Miami Springs	36	32	27	32	16	18
North Bay Village	23	23	18	16	17	26
North Miami Beach	42	32	25	27	9	13
North Miami	43	34	21	29	8	13
Opa-locka	48	37	25	26	4	9
Palmetto Bay *		41		28		30
Pinecrest	50	41	23	29	31	30
South Miami	30	31	21	23	19	26
Sunny Isles Beach	15	15	45	41	17	23
Surfside	17	26	44	37	23	36
Sweetwater	48	38	31	33	6	15
West Miami	31	30	48	40	9	15
Miami neighborhoods	32	26	33	30	9	15
Allapattah	38	32	31	30	4	6
Coconut Grove	22	22	24	28	25	31
Coral Way	28	25	36	30	13	22
Downtown	22	15	22	11	10	30
Edgewater	18	14	16	10	18	25
Flagami	32	27	45	43	6	10
Liberty City	48	37	28	24	4	8
Little Haiti	43	33	24	27	4	8
Little Havana	32	25	37	33	4	9
Overtown	35	27	25	29	3	8
Upper Eastside	28	20	17	24	15	19
West Flagler	30	24	47	44	7	12
Wynwood	45	32	21	15	4	20

TABLE A.4

Very Low Income and Low- and Middle-Income Households in Miami-Dade County

City or neighborhood	LMI households 2000 (%)	LMI households 2011–15 (%)	VLI and LMI households 2000 (%)	VLI and LMI households 2011–15 (%)
Aventura	22	25	39	43
Bal Harbour **		28		51
Bay Harbor Islands	26	29	45	42
Biscayne Park **		17		26
Coral Gables	18	19	28	31
Cutler Bay *		27		40
Doral *		24		35
Florida City **		45		78
Hialeah Gardens	32	32	48	57
Hialeah	33	37	58	72
Homestead	31	35	58	59
Key Biscayne	10	16	20	26
Medley **		22		80
Miami Beach	29	29	59	54
Miami Gardens *		38		62
Miami Lakes *		25		38
Miami Shores	22	22	35	38
Miami Springs	23	30	35	48
North Bay Village	34	30	51	51
North Miami Beach	32	36	54	62
North Miami	33	38	57	63
Opa-locka	32	34	75	83
Palmetto Bay *		15		22
Pinecrest	11	13	15	21
South Miami	28	26	52	45
Sunny Isles Beach	31	29	53	52
Surfside	23	24	37	33
Sweetwater	37	37	65	70
West Miami	32	34	52	58
Miami neighborhoods	30	33	65	67
Allapattah	35	37	76	83
Coconut Grove	18	22	36	38
Coral Way	28	33	52	57
Downtown	28	23	67	43
Edgewater	26	28	53	42
Flagami	34	39	64	77
Liberty City	31	39	75	82
Little Haiti	31	37	75	82
Little Havana	32	35	80	84
Overtown	24	27	84	88
Upper Eastside	28	29	54	54
West Flagler	34	39	65	70
Wynwood	33	30	87	68

Notes: VLI = very low income. LMI = low and middle income. VLI households make less than 50 percent of the area median income (below $21,500 a year). LMI households make between 80 and 120 percent of the area median income ($21,500 to $51,500 a year). * Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

TABLE A.5

Employment, Poverty, and Public Assistance Rates in Miami-Dade County

City or neighborhood	Labor force unemployed 2000 (%)	Labor force unemployed 2011–15 (%)	Poverty rate 2000 (%)	Poverty rate 2011–15 (%)	Households receiving public assistance 2000 (%)	Households receiving public assistance 2011–15 (%)
Aventura	5	7	9	12	1	1
Bal Harbour **		6		15		0
Bay Harbor Islands	5	6	13	16	2	1
Biscayne Park **		6		7		1
Coral Gables	6	5	7	7	2	1
Cutler Bay *		7		11		1
Doral *		6		12		1
Florida City **		19		49		2
Hialeah Gardens	11	8	15	18	7	2
Hialeah	10	12	19	27	10	3
Homestead	10	14	28	29	9	2
Key Biscayne	3	5	8	7	0	0
Medley **		0		29		2
Miami Beach	7	5	22	18	5	1
Miami Gardens *		15		24		5
Miami Lakes *		5		11		1
Miami Shores	19	11	18	14	4	1
Miami Springs	5	9	10	13	2	2
North Bay Village	7	5	13	13	3	1
North Miami Beach	10	12	20	23	4	2
North Miami	12	12	24	24	6	3
Opa-locka	15	10	36	40	9	3
Palmetto Bay *		7		7		1
Pinecrest	3	6	3	6	0	1
South Miami	6	10	19	13	5	2
Sunny Isles Beach	5	6	14	16	1	1
Surfside	5	5	11	5	1	0
Sweetwater	12	6	19	28	8	2
West Miami	6	7	11	18	5	4
Miami neighborhoods	12	11	28	28	10	2
Allapattah	15	14	34	37	12	1
Coconut Grove	6	7	15	14	2	1
Coral Way	7	9	18	18	6	2
Downtown	11	6	33	21	8	1
Edgewater	12	9	27	17	4	0
Flagami	10	11	20	27	11	2

City or neighborhood	Labor force unemployed 2000 (%)	Labor force unemployed 2011–15 (%)	Poverty rate 2000 (%)	Poverty rate 2011–15 (%)	Households receiving public assistance 2000 (%)	Households receiving public assistance 2011–15 (%)
Liberty City	20	22	44	41	14	3
Little Haiti	18	18	40	40	12	4
Little Havana	14	9	36	36	14	2
Overtown	22	30	53	52	16	4
Upper Eastside	8	9	24	23	7	1
West Flagler	10	10	21	22	10	2
Wynwood	25	11	53	42	20	2

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

* Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

TABLE A.6

Renters in Miami-Dade County

City or neighborhood	Renter-occupied units 2000 (%)	Renter-occupied units 2011–15 (%)	VLI renters 2000 (%)	VLI renters 2011–15 (%)	LMI renters 2000 (%)	LMI renters 2011–15 (%)
Aventura	28	33	16	15	20	29
Bal Harbour **		40		10		47
Bay Harbor Islands	47	58	25	12	31	38
Biscayne Park **		15		33		5
Coral Gables	35	38	18	21	32	27
Cutler Bay *		31		25		37
Doral *		49		13		31
Florida City **		54		49		46
Hialeah Gardens	29	34	29	34	38	39
Hialeah	50	52	37	44	36	39
Homestead	53	59	38	33	36	42
Key Biscayne	29	26	20	12	14	9
Medley **		11		40		60
Miami Beach	63	63	38	30	32	35
Miami Gardens *		35		37		43
Miami Lakes *		34		20		30
Miami Shores	17	19	27	17	36	37
Miami Springs	38	43	22	27	35	42
North Bay Village	71	66	16	26	38	29
North Miami Beach	38	49	31	33	38	40
North Miami	45	48	35	37	38	41
Opa-locka	59	59	54	66	35	29
Palmetto Bay *		16		23		38
Pinecrest	13	18	12	25	34	23
South Miami	50	43	36	31	33	40
Sunny Isles Beach	41	44	25	28	33	29
Surfside	39	43	18	10	28	31

City or neighborhood	Renter-occupied units 2000 (%)	Renter-occupied units 2011–15 (%)	VLI renters 2000 (%)	VLI renters 2011–15 (%)	LMI renters 2000 (%)	LMI renters 2011–15 (%)
Sweetwater	70	70	33	38	37	36
West Miami	33	49	28	26	44	45
Miami neighborhoods	65	69	45	40	32	35
Allapattah	74	80	48	50	34	36
Coconut Grove	44	44	34	26	24	33
Coral Way	54	58	33	28	32	38
Downtown	83	76	45	23	30	24
Edgewater	67	71	32	16	33	29
Flagami	55	62	41	45	36	39
Liberty City	62	68	53	52	31	39
Little Haiti	73	77	52	50	32	38
Little Havana	86	87	52	51	32	35
Overtown	90	85	65	66	23	25
Upper Eastside	57	61	37	35	35	33
West Flagler	57	58	39	37	36	43
Wynwood	81	79	59	43	31	27

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

Notes: VLI = very low income. LMI = low and middle income. VLI households make less than 50 percent of the area median income (below $21,500 a year). LMI households make between 80 and 120 percent of the area median income ($21,500 to $51,500 a year). Cost-burdened renters spend 30 percent or more of household income on housing costs. Dollar figures from the 2000 Decennial Census are inflation adjusted to constant 2014 dollars. * Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

TABLE A.7

Housing Cost–Burdened Households in Miami-Dade County

City or neighborhood	Cost-burdened renters 2000 (%)	Cost-burdened renters 2011–15 (%)	VLI cost-burdened renters 2000 (%)	VLI cost-burdened renters 2011–15 (%)	LMI cost-burdened renters 2000 (%)	LMI cost-burdened renters 2011–15 (%)
Aventura	44	55	72	78	70	89
Bal Harbour **		59		63		81
Bay Harbor Islands	52	44	79	44	56	89
Biscayne Park **		47		81		100
Coral Gables	40	49	83	78	39	84
Cutler Bay *		55		59		76
Doral *		57		66		91
Florida City **		66		74		64
Hialeah Gardens	43	67	67	77	42	83
Hialeah	50	68	78	77	31	81
Homestead	45	65	73	82	24	83
Key Biscayne	42	33	47	34	73	35
Medley **		20		50		0
Miami Beach	48	58	75	80	35	78

City or neighborhood	Cost-burdened renters 2000 (%)	Cost-burdened renters 2011–15 (%)	VLI cost-burdened renters 2000 (%)	VLI cost-burdened renters 2011–15 (%)	LMI cost-burdened renters 2000 (%)	LMI cost-burdened renters 2011–15 (%)
Miami Gardens *		65		75		79
Miami Lakes *		57		77		80
Miami Shores	43	63	71	82	38	75
Miami Springs	38	61	84	92	26	73
North Bay Village	46	51	81	73	54	83
North Miami Beach	50	61	84	82	34	76
North Miami	50	66	82	86	29	76
Opa-locka	46	61	58	60	23	76
Palmetto Bay *		62		75		94
Pinecrest	29	55	61	77	31	78
South Miami	42	56	69	56	32	82
Sunny Isles Beach	46	55	62	68	60	87
Surfside	45	49	76	67	59	79
Sweetwater	51	65	84	78	35	90
West Miami	53	58	92	90	35	78
Miami neighborhoods	49	63	72	77	27	75
Allapattah	48	64	69	76	21	70
Coconut Grove	34	53	59	78	33	73
Coral Way	51	64	82	85	41	83
Downtown	49	51	71	62	29	87
Edgewater	44	53	74	71	33	88
Flagami	50	71	72	80	34	79
Liberty City	47	64	65	73	17	64
Little Haiti	50	65	70	80	19	60
Little Havana	51	68	71	79	22	73
Overtown	50	56	66	65	11	51
Upper Eastside	41	53	73	80	15	61
West Flagler	53	68	83	80	30	80
Wynwood	54	67	72	84	15	74

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

Notes: VLI = very low income. LMI = low and middle income. VLI households make less than 50 percent of the area median income (below $21,500 a year). LMI households make between 80 and 120 percent of the area median income ($21,500 to $51,500 a year). Cost-burdened renters spend 30 percent or more of household income on housing costs. Dollar figures from the 2000 Decennial Census are inflation adjusted to constant 2014 dollars. * Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

Appendix B. Housing Characteristics

TABLE B.1

Occupied Housing Units in Miami-Dade County

City or neighborhood	Housing units 2000	Housing units 2011–15	Occupied units 2000 (%)	Occupied units 2011–15 (%)
Aventura	20,020	32,143	70	58
Bal Harbour *		3,091		49
Bay Harbor Islands	3,141	3,221	84	82
Biscayne Park**		1,223		87
Coral Gables*	18,268	20,003	94	85
Cutler Bay *		14,250		92
Doral*		18,673		81
Florida City**		2,121		84
Hialeah Gardens	4,129	6,523	96	96
Hialeah	69,592	73,238	98	95
Homestead	14,950	25,933	91	86
Key Biscayne	6,381	7,509	67	61
Medley*		134		66
Miami Beach	60,255	68,438	77	63
Miami Gardens*		31,023		90
Miami Lakes*		11,023		94
Miami Shores	3,003	3,094	95	90
Miami Springs	6,211	6,184	96	95
North Bay Village	3,450	4,613	91	70
North Miami Beach	19,539	18,862	90	81
North Miami	24,743	20,262	92	87
Opa-locka	4,743	7,351	90	82
Palmetto Bay*		8,552		92
Pinecrest	5,809	5,937	98	93
South Miami	3,927	6,423	97	84
Sunny Isles Beach	13,336	23,157	64	48
Surfside	6,209	4,035	67	55
Sweetwater	2,639	2,985	98	94
West Miami	1,529	1,506	98	96
Miami neighborhoods	148,571	192,455	90	82
Allapattah	15,104	17,228	94	90
Coconut Grove	9,322	10,774	88	77
Coral Way	22,978	27,905	91	83
Downtown	4,853	23,616	85	63
Edgewater	5,389	8,887	85	74
Flagami	17,839	21,338	95	92
Liberty City	9,047	9,795	87	79
Little Haiti	11,082	12,076	85	85
Little Havana	21,407	24,071	94	87
Overtown	4,716	4,627	75	80
Upper Eastside	7,034	6,912	89	82
West Flagler	15,444	18,208	97	91
Wynwood	2,311	3,611	84	76

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

* Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

Housing Units by Property Value and Age in Miami-Dade County

City or neighborhood	Owner-occupied units with property values less than $200K 2000 (%)	Owner-occupied units with property values less than $200K 2011–15 (%)	Housing units built before 1980, 2000 (%)	Housing units built before 1980, 2011–15 (%)
Aventura	26	30	35	37
Bal Harbour *		8		41
Bay Harbor Islands	4	33	94	72
Biscayne Park**		9		66
Coral Gables*	5	7	86	56
Cutler Bay *		47		64
Doral*		20		27
Florida City**		90		45
Hialeah Gardens	99	76	21	52
Hialeah	84	71	67	84
Homestead	80	80	51	40
Key Biscayne	1	7	68	50
Medley*		79		51
Miami Beach	15	22	83	43
Miami Gardens*		81		78
Miami Lakes*		24		63
Miami Shores	64	33	97	67
Miami Springs	50	22	94	82
North Bay Village	16	33	84	46
North Miami Beach	91	76	92	75
North Miami	85	71	89	80
Opa-locka	99	92	82	77
Palmetto Bay*		10		77
Pinecrest	2	7	87	78
South Miami	33	15	89	66
Sunny Isles Beach	7	31	72	34
Surfside	14	14	77	42
Sweetwater	90	84	73	89
West Miami	60	41	90	83

City or neighborhood	Owner-occupied units with property values less than $200K 2000 (%)	Owner-occupied units with property values less than $200K 2011–15 (%)	Housing units built before 1980, 2000 (%)	Housing units built before 1980, 2011–15 (%)
Miami neighborhoods	69	44	81	48
Allapattah	96	78	80	60
Coconut Grove	24	16	73	50
Coral Way	53	27	80	46
Downtown	50	19	61	19
Edgewater	39	37	70	36
Flagami	81	62	82	72
Liberty City	99	86	87	53
Little Haiti	94	72	89	48
Little Havana	72	67	82	44
Overtown	83	85	83	41
Upper Eastside	43	29	88	60
West Flagler	76	45	86	61
Wynwood	98	44	87	26

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

Note: Dollar figures from the 2000 Decennial Census are inflation adjusted to constant 2015 dollars.

* Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

TABLE B.3

Rental Units by Monthly Cost in Miami-Dade County

City or neighborhood	Rental units with gross rent less than $1,000/month 2000 (%)	Rental units with gross rent less than $1,000/month 2011–15 (%)	Rental units with gross rent more than $1,000/month 2000 (%)	Rental units with gross rent more than $1,000/month 2011–15 (%)
Aventura	17	16	83	84
Bal Harbour *		17		83
Bay Harbor Islands	52	22	63	78
Biscayne Park**		31		69
Coral Gables*	78	27	48	73
Cutler Bay *		34		66
Doral*		6		94
Florida City**		58		42
Hialeah Gardens	63	29	36	71
Hialeah	78	50	22	50
Homestead	17	43	17	57
Key Biscayne	37	14	83	86
Medley*		100		0
Miami Beach	64	41	31	59
Miami Gardens*		42		58
Miami Lakes*		11		89
Miami Shores	17	36	37	64
Miami Springs	69	61	22	39

City or neighborhood	Rental units with gross rent less than $1,000/month 2000 (%)	Rental units with gross rent less than $1,000/month 2011–15 (%)	Rental units with gross rent more than $1,000/month 2000 (%)	Rental units with gross rent more than $1,000/month 2011–15 (%)
North Bay Village	38	21	62	79
North Miami Beach	74	51	26	49
North Miami	81	54	19	46
Opa-locka	96	78	4	22
Palmetto Bay*		31		69
Pinecrest	64	23	50	77
South Miami	30	36	36	64
Sunny Isles Beach	33	24	70	76
Surfside	72	7	67	93
Sweetwater	66	33	28	67
West Miami	38	33	34	67
Miami neighborhoods	79	54	19	46
Allapattah	90	69	10	31
Coconut Grove	58	36	42	64
Coral Way	60	30	40	70
Downtown	72	23	28	77
Edgewater	63	24	37	76
Flagami	77	57	23	43
Liberty City	93	71	7	29
Little Haiti	92	71	8	29
Little Havana	92	73	8	27
Overtown	95	89	5	11
Upper Eastside	82	59	18	41
West Flagler	78	55	22	45
Wynwood	96	58	4	42

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

Note: Dollar figures from the 2000 Decennial Census are inflation adjusted to constant 2015 dollars.

* Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

TABLE B.4

Single- and Multifamily Housing Units in Miami-Dade County

City or neighborhood	Single-family housing units 2000 (%)	Single-family housing units 2011–15 (%)	Multifamily housing units 2000 (%)	Multifamily housing units 2011–15 (%)
Aventura	8	9	92	91
Bal Harbour *		9		91
Bay Harbor Islands	14	17	86	83
Biscayne Park**		87		13
Coral Gables*	62	58	37	41
Cutler Bay *		81		18
Doral*		56		43
Florida City**		44		32
Hialeah Gardens	47	56	53	35
Hialeah	52	50	47	49

City or neighborhood	Single-family housing units 2000 (%)	Single-family housing units 2011–15 (%)	Multifamily housing units 2000 (%)	Multifamily housing units 2011–15 (%)
Homestead	51	55	45	41
Key Biscayne	23	21	77	78
Medley*		18		34
Miami Beach	10	11	89	88
Miami Gardens*		73		26
Miami Lakes*		69		31
Miami Shores	90	92	9	7
Miami Springs	69	66	31	34
North Bay Village	12	11	87	89
North Miami Beach	49	43	49	55
North Miami	49	47	50	53
Opa-locka	50	59	50	40
Palmetto Bay*		90		10
Pinecrest	89	84	11	16
South Miami	51	56	48	43
Sunny Isles Beach	8	6	92	93
Surfside	23	32	77	67
Sweetwater	45	55	55	45
West Miami	72	71	18	19
Miami neighborhoods	42	36	57	64
Allapattah	43	31	54	67
Coconut Grove	55	54	44	46
Coral Way	56	50	44	49
Downtown	7	6	93	94
Edgewater	10	5	90	95
Flagami	52	53	47	47
Liberty City	56	56	44	43
Little Haiti	48	43	49	56
Little Havana	22	16	78	84
Overtown	15	19	85	80
Upper Eastside	40	41	56	59
West Flagler	60	62	38	37
Wynwood	38	20	62	79

Source: Urban Institute tabulations of 2000 Decennial Census and 2011–15 American Community Survey data.

* Cities with incorporation dates after 1999 did not have data available in 2000. These include Cutler Bay (2005), Doral (2003), Miami Gardens (2002), Miami Lakes (2000), and Palmetto Bay (2002). ** Cities with small populations were not included because of the Urban Institute's methodology for assigning census tracts to municipality-level boundaries.

Appendix C. Neighborhood Change Typology Indexes

TABLE C.1

Unemployment and Poverty Rates by Neighborhood

Neighborhood	RES1: Unemployment rate 2000 (%)	RES1: Unemployment rate 2015 (%)	Difference (%)	RES 2: Poverty rate 2000 (%)	RES 2: Poverty rate 2015 (%)	Difference (%)
Coconut Grove	5	7	2	20	14	-5
Coral Way	7	9	1	20	18	-1
Upper Eastside	8	9	0	24	23	-1
Edgewater	16	9	-8	30	17	-13
Downtown	10	6	-4	36	21	-16
West Flagler	10	10	0	19	22	3
Flagami	10	11	1	19	27	8
Allapattah	14	14	0	33	37	4
Little Havana	13	9	-4	38	36	-2
Little Haiti	18	18	1	40	40	1
Wynwood	25	11	-13	53	42	-11
Liberty City	20	22	2	44	41	-3
Overtown	22	30	8	53	52	-1

Source: Urban Institute tabulations of 2000 Decennial Census from the Neighborhood Change Database and 2011–15 American Community Survey data.

Notes: RES = resident economic success. Differences may vary because of rounding to the nearest whole percentage.

TABLE C.2

Commute Time and Entropy Index by Neighborhood

Neighborhood	RES 3: Percentage with 45-minute commute or longer 2000	RES 3: Percentage with 45-minute commute or longer 2015	Difference (%)	RES 4: Entropy index 2000	RES 4: Entropy index 2015	Difference
Coconut Grove	11	27	16	0.96	0.71	-0.25
Coral Way	13	30	17	1.08	1.02	-0.06
Upper Eastside	19	33	14	1.10	0.93	-0.16
Edgewater	18	28	11	1.03	0.87	-0.17
Downtown	21	28	7	0.98	0.88	-0.10
West Flagler	12	34	22	1.07	1.06	-0.02
Flagami	13	28	15	1.07	1.07	0.00
Allapattah	15	36	20	1.00	1.06	0.05
Little Havana	25	43	18	0.96	1.06	0.10
Little Haiti	26	41	15	1.01	1.06	0.06
Wynwood	23	32	9	0.86	1.07	0.21
Liberty City	22	50	28	0.97	1.08	0.11
Overtown	21	48	26	0.89	1.04	0.15

Source: Urban Institute tabulations of 2000 Decennial Census from the Neighborhood Change Database and 2011–15 American Community Survey data.

Notes: RES = resident economic success. For the entropy index, the maximum value, indicating perfect evenness among the three groups in our analysis is 1.1 (the natural log of 3; see methodology for additional details on how the entropy index was calculated). Differences may vary because of rounding to the nearest whole percentage.

TABLE C.3

Median Home Values and Vacancy Rates by Neighborhood

Neighborhood	HMH 1: Median home value 2000 ($)	HMH 1: Median home value 2015 ($)	Difference ($)	HMH 2: Vacancy rate 2000 (%)	HMH 2: Vacancy rate 2015 (%)	Difference (%)
Coconut Grove	362,593	559,450	196,857	8	6	-1
Coral Way	206,791	278,390	71,598	4	3	-1
Upper Eastside	229,783	341,937	112,153	7	7	0
Edgewater	137,310	255,086	117,776	15	7	-9
Downtown	96,535	329,315	232,780	8	7	0
West Flagler	172,071	214,298	42,226	2	7	5
Flagami	150,785	162,637	11,852	3	5	2
Allapattah	121,960	122,108	147	5	6	1
Little Havana	123,871	141,691	17,820	6	8	2
Little Haiti	101,969	123,414	21,445	11	8	-3
Wynwood	96,779	255,136	158,357	12	17	5
Liberty City	87,245	95,390	8,145	9	13	4
Overtown	95,604	112,788	17,184	19	12	-7

Source: Urban Institute tabulations of 2000 Decennial Census from the Neighborhood Change Database and 2011–15 American Community Survey data.

Notes: HHM = housing market health. Home values are inflation adjusted to constant 2015 dollars. Differences may vary because of rounding to the nearest whole percentage.

TABLE C.4

Housing Cost Burden and Homeownership Rate by Neighborhood

Neighborhood	HMH 3: Percentage housing cost–burdened 2000	HMH 3: Percentage housing cost–burdened 2015	Difference (%)	HMH 4: Homeownership rate 2000 (%)	HMH 4: Homeownership rate 2015 (%)	Difference (%)
Coconut Grove	33	40	7	59	56	-3
Coral Way	42	54	13	36	42	5
Upper Eastside	39	45	7	30	39	9
Edgewater	32	48	16	8	29	20
Downtown	42	52	10	6	24	18
West Flagler	42	53	11	38	42	3
Flagami	43	58	15	37	38	1
Allapattah	41	55	14	17	20	3
Little Havana	44	58	15	7	13	6
Little Haiti	45	56	11	23	23	0
Wynwood	52	62	11	15	21	5
Liberty City	43	54	11	35	32	-3
Overtown	46	52	7	7	15	9

Source: Urban Institute tabulations of 2000 Decennial Census from the Neighborhood Change Database and 2011–15 American Community Survey data.

Note: HHM = housing market health.

Appendix D. Data and Methods

Neighborhood Typology

Neighborhood Change Index

To better understand changes at the neighborhood level in Miami, we use 2000 data from the Neighborhood Change Database and 2011–15 American Community Survey data to compare the change in various demographic and housing indicators. Because these data are not available at the neighborhood level, we used a weighting system to aggregate tract-level data up to the neighborhood level.

Neighborhood Change Database

The national Neighborhood Change Database reconciles a neighborhood's changing boundaries (i.e., census tracts per their boundaries in 2010) and the changing definitions of the variables collected in successive US Census Bureau surveys of households so researchers can study neighborhood changes over time with fixed boundaries. The database is compiled by GeoLytics and the Urban Institute and provides data from the US Census Bureau at the tract level back to 1970.

Neighborhood Tabulations

This analysis used a weighting strategy to produce tabulations at the neighborhood level. Because tracts do not always fall neatly into one neighborhood, tracts are weighted based on their relative geographic coverage in each neighborhood. To calculate this proportion, we begin with the block-level file for Miami-Dade County and two neighborhood boundary files (one provided by Zillow and one provided by the Miami-Dade County Geographic Information System Open Data system) and assign each block to a neighborhood based on where their centroids fell. Blocks, as the smallest geography available, do not cross tract or neighborhood boundaries. We used two neighborhood boundary files and reconciled certain neighborhood boundaries between them to best represent how Miami residents think about their neighborhoods. Next, we clip the block file to the neighborhood boundaries to exclude blocks that do not fall within Miami's city boundaries. Using this new file, we aggregate the block population up to the tract level by neighborhood. Tracts that fall into two neighborhoods have two

population records. We then merge a file with tract-level population estimates onto this block-to-tract population file. This accounts for the full tract population without neighborhood assignment. Finally, we calculate two weights, one for count variables and another for precalculated proportion variables. The weights, defined below, are applied to tract-level data. These data are collapsed by neighborhood to create estimates at the neighborhood level.

- Count weight = (population of proportion of tract that falls into neighborhood) / (full tract population)

- Proportion weight = (population of proportion of tract that falls into neighborhood) / (full neighborhood population)

Index Creation

To characterize economic opportunity and housing accessibility in Miami neighborhoods and gauge change, we rely on the Kirwan Institute's Opportunity Index methodology used in its Opportunity Mapping series.[51] We created three indexes: one to measure neighborhood residents' economic success (RES index), a second to measure housing market health (HMH index), and a third composite index to examine these dimensions in concert. All data for the 2000 indexes are from the 2000 Decennial Census via the Neighborhood Change Database. The 2011–15 American Community Survey data are sourced from the National Historic Geographic Information System. The indicators used for each index are presented in table D.1 below. See table D.2 for a detailed description of each indicator.

TABLE D.1

Neighborhood Change Indicators

Composite Index	
Resident economic success index	**Housing market health index**
Unemployment rate	Property value (median home value)
Poverty rate	Vacancy rate
Percentage with 45-minute commute or longer	Percentage cost burdened in renting or owning
Entropy index for resident income mix	Homeownership rate

Indicator Construction

Index	Indicator	Variable construction	Sign
RES 1	Unemployment rate	(Persons 16+ years old in the civilian labor force and unemployed) / (Persons 16+ years old in the civilian labor force)	(-)
RES 2	Poverty rate	(Total persons below the federal poverty level last year) / (Total population with poverty status determined)	(-)
RES 3	Commute time	(Workers 16+ years old with travel time to work more than 45 minutes) / (Workers 16+ years old working outside the home)	(-)
RES 4	Income mix	Entropy Index	(+)
HMH 1	Property value	Median value of owner-occupied housing units	(+)
HMH 2	Vacancy rate	(Total vacant housing units (minus seasonal, recreational, occasional, or migrant worker use)) / (Total housing units)	(-)
HMH 3	Cost burden	(Renters and owners whose monthly housing costs are 35% or more of last year's income) / (Total renters and owners)	(-)
HMH 4	Homeownership	(Total specified owner-occupied housing units) / (Total occupied housing units)	(+)

Notes: RES = resident economic success. HMH = housing market health.

We turn each indicator into a z-score to standardize across units of measurement. These z-scores are averaged by index to produce two component index scores and a composite index score. We multiply indicators by -1 if a higher value corresponded to a negative life outcome. The sign associated with each indicator is noted in table D.2. We do not apply weights to specific indicators. All are treated as equal in importance to their respective indexes. We assess each component index separately and together in our composite index and rank neighborhoods based on their index values in a given year, as well as their change over time.

Entropy Index for Resident Income Mix

We include a measure to capture the income mixing within the neighborhood in our Resident Economic Success (and composite) index, as evidence suggests that income diversity in neighborhoods is associated with the economic success of residents (Chetty and Hendren 2015; Sharkey and Graham 2013). Of the measures of segregation available, we employ an entropy index to capture the spatial distribution of multiple groups (instead of just two groups, as is possible with common measures of isolation or dissimilarity). The entropy index measures the "evenness" of the population distribution based on certain identified groups. In this case, we measure the neighborhood distribution of residents with income less than $20,000 a year, residents with income between $20,000 and $50,000 a year, and residents with income greater than $50,000 a year. These buckets correspond with Miami's area

median income (AMI) breakdowns for one-person households. The formula for calculating the entropy index is provided by Dartmouth University and can be found in Forest (2005, 3).

Demographic and Housing Indicators

Data for housing and demographic conditions (see appendixes A and B) were collected from the following data sources:

- **2000 Decennial Census.** This analysis uses data from the Summary File 1 and the Summary File 3 sample. These data were sourced from the American Fact Finder's precalculated tabulations and were obtained at the census tract level and then aggregated to the geographic specifications listed below.

- **2011–15 American Community Survey five-year sample.** This analysis also uses data from the American Community Survey's 2011–15 five-year sample, which averages data over five years of collection. American Community Survey (ACS) data were obtained at the Public Use Microdata Area (PUMA) and the census tract levels and then aggregated to the geographic specifications listed below.

Municipalities

The municipality-level tabulations in this report were created from Census and ACS census tract–level data. We rely on the Missouri Census Data Center MABLE/Geocorr12 (Geocorr)[52] tool, which provides crosswalks between the census tract and "place" geographies. This analysis only uses tracts where at least 50 percent are located within a particular geography. Using this threshold, Urban aggregated tracts to the municipality level in Miami-Dade County.

Neighborhoods

We use the neighborhood-level weighting strategy identified above to assign census tracts in 2000 and 2015 to their respective neighborhoods in Miami-Dade County. A second set of neighborhood weights was created to rectify census tracts in 2000 to their respective neighborhoods.

County

This analysis uses data at the PUMA level, which provides household-level records and weights to produce population-level estimates. These granular data allow researchers to create tabulations not available through American Fact Finder. The PUMA geographies do not align to census-designated geographies but rather approximately represent 10,000 people. The Integrated Public Use Microdata Series data portal provides estimates for Miami. But we use Geocorr to identify and assign PUMAs that pertain to the county boundary. Using the PUMA-county crosswalk, this analysis assigns PUMAs that account for 98.5 percent of Miami-Dade's population.

HUD Income Limits

Identifying households at various AMI-level "bands" requires using the US Department of Housing and Urban Development's (HUD) Income Limits data to classify individual-level survey responses from the Integrated Public Use Microdata Series database into income bands for further analysis. We matched each year of HUD Income Limits data to the same year of ACS or Census data. For example, if the ACS data are from 2015, we use fiscal year 2014 HUD Income Limits. HUD Income Limits are available for download.[53]

The AMI band for each household is determined by the number of people in the household and the income level of the household, as well as the county-level cutoffs for each band. We examine the AMI-band income categories defined in the HUD Income Limits section (box D.2). The middle-income and high-income categories are not included in the HUD Income Limits file, but can be generated by calculating 80 and 120 percent of AMI as AMI * 0.8 and AMI * 1.2, respectively.

For households with 9 to 30 people, we calculate the AMI level per HUD guidance.[54] The formula is (AMI-level cutoff for a four-person family * (1 + ((Number of persons in the household – 4) * 8) / 100)). For a nine-person household at the 30 percent AMI level, this calculation is (30% of AMI-level cutoff for a four-person family * (1 + ((9 – 4) * 8) / 100)), or (30% of AMI for a four-person family * 1.4). For each person in the household, increase the factor by 0.08, or 8 percentage points, so the factor is 1.4 times the AMI level of a 4-person family for a 9-person household, 1.48 for a 10-person household, 1.56 for an 11-person household, and so on up to a 30-person household.

Area Median Income Definitions

- Extremely low income renter households: 0 to 29.9 percent of AMI
- Very low income renter households: 30 to 49.9 percent of AMI
- Low-income renter households: 50 to 79.9 percent of AMI
- Middle-income renter households: 80 to 119.9 percent of AMI
- High-income renter households: 120 percent or more of AMI

Lending Activity

The data on lending activity was generated via the Home Mortgage Disclosure Act (HMDA), which requires most lending institutions to report mortgage loan applications, including the application outcome, information about the loan and applicant, property location, structure type, lien status, and if the loan had a high interest rate. The Federal Financial Institutions Examination Council collects the data to determine whether financial institutions are meeting a community's housing credit needs, to target community development funds to attract private investment, and to identify possible discriminatory lending patterns. HMDA data are not a good proxy for the general housing market in areas where cash sales make up a significant share of the home sales.

HMDA requires financial institutions with assets totaling at least $44 million as of 2015 to report. Because not all institutions are required to file under HMDA, mortgage lending coverage for a neighborhood may be incomplete. We access tract-level HMDA from 2005 to 2014 through the Consumer Protection Financial Bureau open data download portal.[55] To identify tracts within Miami and Miami-Dade County, we use a tract-level crosswalk generated from the Missouri Census Data Center Geocorr Tool.

Geographic Boundaries

We access shapefiles, including tracts, blocks, and hydrology, through Miami-Dade County's open geographic information system portal.[56]

Neighborhoods

We use neighborhood boundary files available on Zillow[57] and the City of Miami's Planning and Zoning Office neighborhood shapefile. We reconciled neighborhoods between the two boundary files using guidance provided from the City of Miami's current Neighborhood Enhancement Team Area Boundaries.[58] We collapse South and North Coconut Grove into one neighborhood, code the "Island" areas as the "Downtown" neighborhood, distinguish Edgewater from Wynwood, and rename Model City "Liberty City" for all mapping and analysis.

Policy Recommendations

Urban Institute researchers traveled to Miami, Florida, in December 2016 to meet with stakeholders and community members and share findings from our empirical analysis. Policy recommendations were identified and workshopped, and the researchers used these insights to formulate the final implications section that appears in the report.

Stakeholder Meetings

On December 8 and 9, 2016, we shared insights from our empirical analysis with various city and county government officials. These meetings were used to brainstorm policy solutions and sharpen our empirical analyses.

Stakeholder Focus Group

On December 9, 2016, the Urban Institute and JPMorgan Chase hosted a focus group for stakeholders to respond to empirical findings and brainstorm policy solutions for Miami's LMI populations. Business representatives, for-profit and nonprofit housing developers, homeless service providers, and other advocates were present.

Spotlight on Allapattah

For our Allapattah case study, we spent time in the neighborhood meeting with organizations founded by Allapattah residents or otherwise working to improve the neighborhood. These organizations include the Dominican American National Foundation and the Agency for Community Empowerment. We also met with longtime residents and completed participant observations on December 8, 2016.

Notes

1. This report focuses on Miami and 14 other large municipalities within Miami-Dade County. Unincorporated regions are omitted from the numbers and figures cited. Smaller municipalities are reported in the appendix tables but are not incorporated into numbers or figures in the body of the report. The large municipalities in the county are Aventura, Coral Gables, Hialeah, Hialeah Gardens, Homestead, Miami Beach, Miami Springs, North Bay Village, North Miami, North Miami Beach, Opa-locka, South Miami, Sunny Isles Beach, Sweetwater, West Miami, and Miami city.

2. In 2014, the median income in the previous 12 months among households in Miami-Dade County was $42,926. See "Median Income in the Past 12 Months (in 2014 Inflation-Adjusted Dollars), 2014 American Community Survey 1-Year Estimates," US Census Bureau, accessed March 15, 2017, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_S1903&prodType=table.

3. "Miami Housing Policy Timeline," University of Miami, Office of Civic and Community Engagement, accessed November 22, 2016, https://umshare.miami.edu/web/wda/cce/Timeline/timeline.html.

4. Ibid.

5. The vacancy rate for the United States from 2010 to 2014 was 12.5 percent. See "Occupancy Status: Universe: Housing Units, 2010–2014 American Community Survey Five-Year Estimates," US Census Bureau, accessed November 22, 2016, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B25002&prodType=table.

6. Marcos Feldman, "The Role of Neighborhood Organizations in the Production of Gentrifiable Urban Space: The Case of Wynwood, Miami's Puerto Rican Barrio" (PhD dissertation, Florida International University, 2011), http://digitalcommons.fiu.edu/etd/540/.

7. Ibid.

8. Ibid.

9. Ibid.

10. The City of Miami's upzoning of Edgewater in 2013 is referenced in Sean McCaughan, "City Plans to Upzone Big Chunks of Park West, Edgewater, "'Wynwood Gateway,'" *Curbed Miami*, September 13, 2013, http://miami.curbed.com/2013/9/13/10198664/city-plans-to-upzone-big-chunks-of-park-west-edgewater-wynwood-gateway.

11. "Redevelopment of Liberty Square," Miami-Dade County PowerPoint presentation, June 29, 2016, http://www.miamidade.gov/housing/library/guidelines/rfa2015/FaDD/RUDGLLC/liberty-square-rising-powerpoint-presentation.pdf.

12. Ibid.

13. "HUD Rule on Affirmatively Furthering Fair Housing," US Department of Housing and Urban Development, Office of Policy Development and Research, accessed November 22, 2016, https://www.huduser.gov/portal/affht_pt.html#final-rule.

14. The Affirmatively Furthering Fair Housing final rule requires certain Housing and Urban Development awardees to perform a process to plan the assessment of fair housing. See "AFFH," US Department of Housing and Urban Development, Office of Policy Development and Research, accessed November 22, 2016, https://www.huduser.gov/portal/affht_pt.html.

15. "Profile of General Demographic Characteristics, 2000: Census 2000 Summary File 1 (SF 1) 100-Percent Data," US Census Bureau, accessed November 22, 2016, http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=DEC_00_SF1_DP1&prodType=table.

16. "ACS Demographic and Housing Estimates: 2011–2015 American Community Survey Five-Year Estimates," US Census Bureau, accessed February 27, 2017, https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_DP05&src=pt. Estimates from the Census Bureau's table differ from the estimates reported in Urban Institute's tables.

17. Urban defined *very low income* as households who earned less than $20,000 a year in 2014 adjusted dollars. In 2000, because of a variation in Census thresholds, very low income households earned less than $14,999 a year in 2014 adjusted dollars. These thresholds approximately track the area median income thresholds listed above.

18. The figures in this section are based on Urban Institute analysis of 2000 Decennial Census and 2010–14 American Community Survey public use microdata samples, which allows for more detailed tabulations than are available in the publicly available aggregates used in the rest of the report. Because of differing sources, figures in this section may not match those that appear elsewhere in the report.

19. The Neighborhood Change Database (NCDB), which reconciles neighborhoods' changing boundaries over time, is used in this section. Different weighting strategies used by the NCDB versus the authors may lead to some discrepancies between sections. Because of NCDB data limitations, a slightly different threshold was used to determine which residents were cost burdened in this section. See the methodology and sources section for more.

20. The Kirwan Institute's Opportunity Index and its methodology can be found in the appendix of Reece and coauthors (n.d.).

21. The entropy index used in this study measures how much a neighborhood is more or less integrated with respect to income than other Miami neighborhoods. See the methodologies section for additional details on how this index is calculated.

22. For the code, see Miami-Dade Municipal Code: Fla. Stat. §17.129 (2017), https://www.municode.com/library/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIIICOOR_CH17HO_ARTVIIIAFHOTRFUMIDECOFL.

23. Details on the Affordable Housing Trust Fund are available at M. Anderson, "Miami-Dade Commission Allocates $10 million to the Affordable Housing Trust Fund," Center for Community Change, Fall 2016, https://housingtrustfundproject.org/miami-dade-commission-allocates-10-million-to-the-affordable-housing-trust-fund/.

24. Infill information can be found in Miami-Dade County Public Housing and Community Development (2017).

25. Miami-Dade Municipal Code: Fla. Stat. §17.129 (2017), https://www.municode.com/library/fl/miami_-_dade_county/codes/code_of_ordinances?nodeId=PTIIICOOR_CH17HO_ARTVIIIAFHOTRFUMIDECOFL.

26. For information about the surtax, see Fla. Stat. § 29.7 (1993), http://www.housingissues.org/client-education/surtax-ordinance.html.

27. For more information, see OPPAGA (2012).

28. Information about LIHTC, see "About the LIHTC," Novogradac and Company, accessed March 15, 2017, https://www.novoco.com/resource-centers/affordable-housing-tax-credits/lihtc-basics/about-lihtc.

29. Data are from "LIHTC Database Access," US Department of Housing and Urban Development, accessed March 15, 2017, https://lihtc.huduser.gov/.

30. This refers to credits allocated between 1987 and 1992.

31. "2016 Current Housing Policy Priority Areas–Summary," South Florida Community Development Coalition, accessed November 22, 2016, http://southfloridacdc.org/advocacy/advocacy-priorities/.

32. Ibid.

33. For more information, see the HOPE Fair Housing Center's website at http://hopefhc.com/.

34. For more information about the work of the CCE, see "Miami Housing Toolkit," University of Miami, Office of Civic and Community Engagement, accessed March 15, 2017, https://umshare.miami.edu/web/wda/cce/Timeline/index.html.

35. The link between parking and transit-oriented design is discussed at "Empty Spaces: Real Parking Needs at Five TODs," Smart Growth America, accessed March 15, 2017, https://smartgrowthamerica.org/resources/empty-spaces-real-parking-needs-five-tods/.

36. For more information about community land trusts, see "Community Land Trusts (CLTs)," Democracy Collaborative, Commmunity-Wealth.org, accessed March 15, 2017, http://community-wealth.org/strategies/panel/clts/index.html.

37. Commissioner Barbara Jordan's proposed mandatory inclusionary zoning ordinance can be found in Abigail Price-Williams, "Ordinance relating to zoning, housing, and impact fees," memorandum to the Miami-Dade Board of County Commissioners, December 20, 2016, http://www.miamidade.gov/govaction/legistarfiles/Matters/Y2016/162481.pdf.

38. See Douglas Hanks, "Developers in Miami-Dade won't be forced to set aside units for families making less than $100K," *Miami Herald*, December 20, 2016, http://www.miamiherald.com/news/local/community/miami-dade/article122075799.html for commissioners' votes and quotations surrounding the withdrawn proposed mandatory inclusionary zoning ordinance.

39. Information about the "SMART" plan for expanding public transportation throughout Miami-Dade County is available at Michael Vasquez, "Miami-Dade may build six new rail lines for commuters," *Miami Herald*, April 21, 2016, http://www.miamiherald.com/news/local/community/miami-dade/article73220862.html.

40. For more information about Miami21, see its website at http://www.miami21.org/index.asp.

41. For information about implementation of sustainability goals for land use and transportation, see Miami-Dade County (n.d.).

42. See "Transportation Element," Miami-Dade County, accessed March 16, 2017, http://www.miamidade.gov/planning/library/reports/planning-documents/transportation.pdf, policy objective MT-5D, "The County shall promote increased affordable housing development opportunities within proximity to areas served by mass transit."

43. See the Center for Community Progress website (http://www.communityprogress.net/) for more information about its land bank work.

44. For more information about the South Florida Community Land Trust, see its website, http://southfloridaclt.org/.

45. See the Community Investment Corporation's website (http://www.cicchicago.com/) for information about its mission and achievements.

46. Information on Miami-Dade County's property tax assessment exemptions is available at "Exemptions and Other Benefits," Office of the Miami-Dade Property Appraiser, accessed March 15, 2017, https://www.miamidade.gov/pa/exemptions.asp.

47. Douglas Hanks, "Developers in Miami-Dade won't be forced to set aside units for families making less than $100K," *Miami Herald*, December 20, 2016, http://www.miamiherald.com/news/local/community/miami-dade/article122075799.html.

48. The Allapattah Neighborhood Enhancement Team office information is listed by the City of Miami website at "Allapattah NET," Miamigov.com, accessed March 15, 2017, http://miamigov.com/nets/offices/Allapattah/index.html. Urban contacted the Allapattah Neighborhood Enhancement Team office for an interview but received no response.

49. Changes that occurred to the community-based organization funding process during fiscal year 2015–16 are documented at "New Competitive Process for Grants to Community-Based Organizations," Miami-Dade Office of Management and Budget, last updated March 15, 2017, http://www.miamidade.gov/grants/community-based-organizations-rfp.asp.

50. Read more about the Florida Community Loan Fund at its website, http://www.fclf.org/our-impact.

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