Income Inequality and Housing

Santiago Cely
Miami Dade by Income (2013)

Source:

United States Census Bureau
What does it mean?
Are we ok with this?
What it means

• Market forces
• Income segregation
• Concentration of wealth
• Concentration of poverty
• How do wealthy people end up living next to each other?
• How do poor people end up living next to each other?
Barriers to mixed income communities

• In wealthier areas, market prices “price out” low/moderate income families
• Affluent families are generally not inclined to live in poor areas
• Individuals who used to live in poor areas and later move up in the social ladder, generally leave their community to live in wealthier areas
• Lack of political will
• No economic incentives for private developers “no revenue”
Income level make up of population in Miami-Dade

<table>
<thead>
<tr>
<th>Miami-Dade Household Income</th>
<th>2011 Households</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total households</td>
<td>818,297</td>
<td>100%</td>
</tr>
<tr>
<td>Less than $10,000</td>
<td>88,367</td>
<td>10.8%</td>
</tr>
<tr>
<td>$10,000 to $24,999</td>
<td>177,974</td>
<td>21.7%</td>
</tr>
<tr>
<td>$25,000 to $49,999</td>
<td>207,846</td>
<td>25.4%</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>210,250</td>
<td>25.7%</td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>73,574</td>
<td>9.0%</td>
</tr>
<tr>
<td>$150,000 to $199,999</td>
<td>29,102</td>
<td>3.6%</td>
</tr>
<tr>
<td>$200,000 or more</td>
<td>31,184</td>
<td>3.8%</td>
</tr>
</tbody>
</table>


Only about 16% of MD households make more than 100k!
## Miami Dade Income Levels

<table>
<thead>
<tr>
<th>FAMILY SIZE</th>
<th>&lt;=50% VERY LOW</th>
<th>50.01% - 80% LOW</th>
<th>80.01% - 100% MEDIAN</th>
<th>100.01% - 120% MODERATE</th>
<th>120.01% - 140% MODERATE/MIDDLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>23,700</td>
<td>37,950</td>
<td>47,400</td>
<td>56,880</td>
<td>66,360</td>
</tr>
<tr>
<td>2</td>
<td>27,100</td>
<td>43,350</td>
<td>54,200</td>
<td>65,040</td>
<td>75,880</td>
</tr>
<tr>
<td>3</td>
<td>30,500</td>
<td>48,750</td>
<td>61,000</td>
<td>73,200</td>
<td>85,400</td>
</tr>
<tr>
<td>4</td>
<td>33,850</td>
<td>54,150</td>
<td>67,700</td>
<td>81,240</td>
<td>94,780</td>
</tr>
<tr>
<td>5</td>
<td>36,600</td>
<td>58,500</td>
<td>73,200</td>
<td>87,840</td>
<td>102,480</td>
</tr>
<tr>
<td>6</td>
<td>39,300</td>
<td>62,850</td>
<td>78,600</td>
<td>94,320</td>
<td>110,040</td>
</tr>
<tr>
<td>7</td>
<td>42,000</td>
<td>67,150</td>
<td>84,000</td>
<td>100,800</td>
<td>117,600</td>
</tr>
<tr>
<td>8</td>
<td>44,700</td>
<td>71,500</td>
<td>89,400</td>
<td>107,280</td>
<td>125,160</td>
</tr>
</tbody>
</table>

*Income Limits are for files received as of March 23, 2015. They are subject to change via U.S. HUD or FHFC revisions. (HUD & FHFC revision date 3/06/15 and 3/16/15 respectively)*
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Source: United States Census Bureau
Mix it up!
How can we make mixed income communities happen

• In wealthy areas:
  • Building permits to be granted to those developers who have committed to setting aside a percentage (a percentage that actually reflects the proportion of different income levels) of their units to low to moderate income households.

• In poor areas:
  • Public and private entities to invest heavily in public infrastructure such as schools, universities, water, sewer, roads, parks, etc...
  • Incentives for hi tech / manufacturing / industry to open their businesses in these areas in order to provide good paying jobs to residents
Case Study, New York:

- Harbor View Terrace (in pre development)
- 2 rental buildings
- North building: 126 units – half for families, half for seniors
- All units affordable (between 50% AMI and 80% AMI)
- South building: 194 units – 94 affordable (80% - 165% AMI), 102 market rate
Objectives

• De-segregate poor from wealthy
• Mix cultures, idiosyncrasies
• Help blighted communities to be revitalized
• Put the wealthy in touch with rest of community
Thank you!

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