Miami-Dade County
Prosperity Initiatives Feasibility Study

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#prosperity305

@FIUMetroCenter
The Chairman’s Council for Prosperity Initiatives

Hon. Barbara J. Jordan  
Hon. Jean Monestime  
Hon. Daniella Levine-Cava
Purpose of the Study

1. Examine the Feasibility and Best Practices of Programs to Improve Economic Opportunity and Self-Sufficiency

- Social Enterprise Incubators and Accelerators
- Community Land Trusts
- Community Benefit Agreements
- Children’s Savings Accounts
- Employee Owned Business Cooperatives
2 Build an Economic Justification for Action

When Moral Arguments Aren’t Enough
Prosperity Defined: What Makes a Prosperous Region?

- A growing and stable local economy – wealth is retained in recessions
- The economy creates jobs paying competitive wages that increase rapidly with skills and experience
- Through hard work a family can climb the economic ladder and build wealth for successive generations
- The benefits of economic growth are shared by residents across the income spectrum
**Why Prosperity Matters**

**Benefits**
- Prosperous counties outperform low-prosperity counties
- Prosperous Counties maximize human capital – skills & talent
- U.S. economic competitiveness relies on the productivity & prosperity of its metros

**Costs**
- Barriers to prosperity hurt low income households
- Limited prosperity creates additional public costs and a drag on the regional economy
- Limited Prosperity poses threats to workers across the income spectrum
Study Structure

- Identify the Barriers to Prosperity
- What are the Economic Impacts of Broader Prosperity?
- Program Feasibility
- Action Agenda

- What are the Costs of Inaction?
- What works, at What Cost?
- Let's Do This
Conclusions

1. Despite Miami-Dade’s considerable assets the County’s economy is less competitive and underperforming.

2. In Miami-Dade County the Barriers to expanded prosperity have been growing, rather than easing.

3. Failing to address Miami-Dade County’s prosperity gap could present a sustained, growing drag on the broader economy.
4. The impacts and barriers to expanded prosperity in Miami-Dade are not limited to the County’s lowest income earners.

5. Programs to expand prosperity are a sound economic investment.
Miami-Dade’s Prosperity Gap: The Barriers to Prosperity
A Central Question

Is that still the case today?
A Central Question

Is that still the case today?
A National Trend

Real Median Household Income
United States

Source: U.S. Census Bureau, Annual 1-Year American Community Survey(s) (Income in 2014 CPI-U-RS adjusted dollars)

- 7.1\%
Loss in Median Income
A National Trend

Real Median Household Income
Miami-Dade County

Loss in Median Income
- 13%

Source: U.S. Census Bureau, Annual 1-Year American Community Survey(s)

Income in 2014 CPI-U-RS adjusted dollars
### Change in Mean Household Income by Quintile, 2000 - 2014

#### United States

<table>
<thead>
<tr>
<th>Quintile</th>
<th>Change in Mean Household Income (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest Fifth</td>
<td>-16.4%</td>
</tr>
<tr>
<td>Second Fifth</td>
<td>-10.8%</td>
</tr>
<tr>
<td>Third Fifth</td>
<td>-6.9%</td>
</tr>
<tr>
<td>Fourth Fifth</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Highest Fifth</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Top 5 percent</td>
<td>-4.2%</td>
</tr>
<tr>
<td>95/20 Ratio</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

- **-200%**
  - Income Loss of 2 Lowest Quintiles vs. 3 Upper Quintiles

- **14.5%**
  - Increase in 95/20 Ratio 2000 - 2014


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**Miami-Dade County Prosperity Initiatives Feasibility Study**
A National Trend

Change in Mean Household Income by Quintile, 2000 - 2014

Miami-Dade County

- Lowest Fifth: -14.6%
- Second Fifth: -11.9%
- Third Fifth: -7.7%
- Fourth Fifth: -5.3%
- Highest Fifth: -7.1%

- Top 5 percent: -1.5%

Income Loss of at the Middle

- 34.2%

Decrease in 95/20 Ratio

2000 - 2014

- 1.5%
A Tale of Two Economic Cycles
A Tale of Two Economic Cycles

Miami-Dade County

Median Income

Change in Median Income

Source: U.S. Census Bureau, Annual 1-Year American Community Survey(s) (Income in 2014 CPI-U-RS adjusted dollars)

$38,000 $40,000 $42,000 $44,000 $46,000 $48,000 $50,000 $52,000


1999-2007: -2%
2008-2014: -11%
1999-2014: -13%
A Tale of Two Economic Cycles

<table>
<thead>
<tr>
<th></th>
<th>Lowest Fifth</th>
<th>Second Fifth</th>
<th>Third Fifth</th>
<th>Fourth Fifth</th>
<th>Highest Fifth</th>
<th>Top 5 percent</th>
<th>95/20 Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000 - 2007</td>
<td>-5.5%</td>
<td>-3.6%</td>
<td>-1.7%</td>
<td>-1.9%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>1% Increase in 95/20 Ratio</td>
</tr>
<tr>
<td>2008 – 2014</td>
<td>-4.2%</td>
<td>-2.0%</td>
<td>0.1%</td>
<td>3.2%</td>
<td>2.6%</td>
<td>12.6%</td>
<td>12.6% Increase in 95/20 Ratio</td>
</tr>
</tbody>
</table>

Change in Mean Household Income by Quintile
United States

A Tale of Two Economic Cycles

Change in Mean Household Income by Income Quintile
Miami-Dade County

2000 - 2007

- Lowest Fifth: 20.5%
- Second Fifth: 3.4%
- Third Fifth: 1.8%
- Fourth Fifth: 2.6%
- Highest Fifth: -2.1%
- Top 5 percent: -7.9%

2008 – 2014

- Lowest Fifth: -10.8%
- Second Fifth: -11.0%
- Third Fifth: -30.9%
- Fourth Fifth: -9.7%
- Highest Fifth: -4.6%
- Top 5 percent: 11.3%

A Tale of Two Economic Cycles

95/20 Ratio
Miami-Dade County

## Gini Index for US Counties 2006 - 2014

<table>
<thead>
<tr>
<th>County &amp; 2014 Rank</th>
<th>2014</th>
<th>2006</th>
<th>% Change 2006-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. New York County, New York</td>
<td>0.5939</td>
<td>0.599</td>
<td>-1%</td>
</tr>
<tr>
<td>2. Orleans Parish, Louisiana</td>
<td>0.5883</td>
<td>0.551</td>
<td>7%</td>
</tr>
<tr>
<td>3. Fairfield County, Connecticut</td>
<td>0.5491</td>
<td>0.542</td>
<td>1%</td>
</tr>
<tr>
<td>4. Lee County, Alabama</td>
<td>0.5434</td>
<td>0.494</td>
<td>10%</td>
</tr>
<tr>
<td>5. Tom Green County, Texas</td>
<td>0.5429</td>
<td>0.455</td>
<td>19%</td>
</tr>
<tr>
<td>6. Suffolk County, Massachusetts</td>
<td>0.5424</td>
<td>0.505</td>
<td>7%</td>
</tr>
<tr>
<td>7. Essex County, New Jersey</td>
<td>0.5422</td>
<td>0.521</td>
<td>4%</td>
</tr>
<tr>
<td>8. Bibb County, Georgia</td>
<td>0.5410</td>
<td>0.465</td>
<td>16%</td>
</tr>
<tr>
<td>9. Clarke County, Georgia</td>
<td>0.5389</td>
<td>0.516</td>
<td>4%</td>
</tr>
<tr>
<td>10. White County, Arkansas</td>
<td>0.5382</td>
<td>0.460</td>
<td>17%</td>
</tr>
<tr>
<td>11. Westchester County, New York</td>
<td>0.5365</td>
<td>0.527</td>
<td>2%</td>
</tr>
<tr>
<td>12. McKinley County, New Mexico</td>
<td>0.5364</td>
<td>0.480</td>
<td>12%</td>
</tr>
<tr>
<td>13. Caddo Parish, Louisiana</td>
<td>0.5357</td>
<td>0.501</td>
<td>7%</td>
</tr>
<tr>
<td>14. Johnson County, Iowa</td>
<td>0.5347</td>
<td>0.482</td>
<td>11%</td>
</tr>
<tr>
<td>15. Fulton County, Georgia</td>
<td>0.5338</td>
<td>0.524</td>
<td>2%</td>
</tr>
<tr>
<td>16. Orange County, North Carolina</td>
<td>0.5289</td>
<td>0.530</td>
<td>-0%</td>
</tr>
<tr>
<td>17. Richmond city, Virginia</td>
<td>0.5263</td>
<td>0.513</td>
<td>3%</td>
</tr>
<tr>
<td>18. Miami-Dade County, Florida</td>
<td>0.5239</td>
<td>0.502</td>
<td>4%</td>
</tr>
<tr>
<td>19. District of Columbia, District of Columbia</td>
<td>0.5224</td>
<td>0.537</td>
<td>-3%</td>
</tr>
<tr>
<td>20. Collier County, Florida</td>
<td>0.5223</td>
<td>0.500</td>
<td>4%</td>
</tr>
</tbody>
</table>
A Tale of Two Economic Cycles

Mean Income as Percent of US Income, by Income Quintile, 2000 - 2014

Miami-Dade County

Pre-2000
Mean incomes lower than national averages

2000 to 2007
Incomes gained ground against national averages

2008
Gains wiped out
Pronounced Cyclical Job Loss

Total Non-Farm Employment
Miami-Dade County

Source: US Dept. of Labor, Bureau of Labor Statistics
Low Wage Employment Growth

### Fastest Growing Occupations

**Miami-Dade County**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>2014 Employment</th>
<th>Median Hourly Wage</th>
<th>Median Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office &amp; Administrative Support</td>
<td>202,100</td>
<td>$14.48</td>
<td>$33,330</td>
</tr>
<tr>
<td>Sales &amp; Related</td>
<td>145,320</td>
<td>$11.72</td>
<td>$37,890</td>
</tr>
<tr>
<td>Food Preparation &amp; Serving</td>
<td>100,010</td>
<td>$9.22</td>
<td>$22,840</td>
</tr>
<tr>
<td>Transportation &amp; Material Moving</td>
<td>78,940</td>
<td>$12.53</td>
<td>$36,130</td>
</tr>
<tr>
<td>Health Care Practitioners</td>
<td>65,240</td>
<td>$27.86</td>
<td>$72,450</td>
</tr>
<tr>
<td>Education, Training, Library</td>
<td>59,000</td>
<td>$22.76</td>
<td>$51,150</td>
</tr>
</tbody>
</table>

61% Jobs created since 2010 pay below the County average wage.
Stagnating Productivity

GDP Per Employee
Miami-Fort Lauderdale-West Palm Beach, FL MSA

Change in GDP Per Employee
Miami-Fort Lauderdale-West Palm Beach, FL MSA

Stagnating Productivity

- **San Francisco**: $134,441
- **San Jose**: $163,938
- **Seattle**: $127,195
- **Casper**: $126,838
- **Midland**: $238,449
- **Lake Charles**: $119,766
- **Houston**: $133,174
- **New York**: $128,866
- **Stamford**: $151,859

- **Average Productivity of Top 10 Metros**: $96,855
- **U.S. GDP per Worker**: $144,234
Stagnating Productivity

Miami Metro GDP per Worker

Lowest

Productivity of all Metros with More than 2M Workers

$84,173

Miami Metro GDP per Worker

111th

Out of 382 Metros
Yet the parts of this country with the highest mobility rates — like Pittsburgh, Seattle and Salt Lake City — have rates roughly as high as those in Denmark and Norway, two countries at the top of the international mobility rankings. In areas like Atlanta and Memphis, by comparison, upward mobility appears to be substantially lower than in any other rich country, Mr. Chetty said.

Especially intriguing is the fact that children who moved at a young age from a low-mobility area to a high-mobility area did almost as well as those who spent their entire childhoods in a higher-mobility area. But children who moved as teenagers did less well.

That pattern makes economists more confident that the characteristics of different regions — as opposed to something inherent and unchangeable in the local residents — are helping cause the varying mobility rates.

Lawrence Katz, a labor economist who did not work on the project, said he was struck by the fact that areas with high levels of income mobility were also those that established high school earliest and have long had strong school systems. Mr. Katz, a Harvard economist and former Clinton administration official, called the work "certainly the most comprehensive analysis of intergenerational mobility in the contemporary U.S."
this competitiveness appears to be eroding:

The United States has the most productive advanced industries in the world, behind only energy-intensive Norway. However, advanced industry competitiveness has declined. High-value R&D services and computer and information services are a $632 billion trade deficit in the sector in 2012, in line with similar yearly balances since 1999. To be sure, a handful of individual advanced industries such as royalties and other intellectual property and aerospace manufacturing enjoy sizable concentrations of employment.

Over the past two decades, advanced industries' share of total employment has declined, with employment in the sector growing by 3.8% between 2000 and 2017. Employment growth in advanced industries has been particularly weak in the past decade, growing by just 1.5% between 2007 and 2017. The share of employment in advanced industries has declined even more dramatically over the same period, falling from 28.2% to 24.2% of total employment.

The nation's declining concentration in advanced industries and its negative trajectory in terms of advanced industry employment and output as a share of the total U.S. economy has shrunk, and the nation's standing on these measures now lags world leaders. Equally worrisome is the balance of trade in the sector. Although advanced industries export $1.1 trillion worth of goods and services each year and account for roughly 60 percent of total U.S. exports, the United States ran a $632 billion trade deficit in the sector in 2012, in line with similar yearly balances since 1999. To be sure, a handful of goods and services account for a large share of the deficit.
Rapidly Rising Housing Costs

3rd Most Unaffordable Housing Market in the Nation

<table>
<thead>
<tr>
<th>County</th>
<th>Total Housing Units</th>
<th>Cost Burdened Owner Households</th>
<th>Cost Burdened Renter Households</th>
<th>Total Cost Burdened Households</th>
<th>% Cost Burdened Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bronx County, New York</td>
<td>518,149</td>
<td>41.7%</td>
<td>57.7%</td>
<td>262,312</td>
<td>54.6%</td>
</tr>
<tr>
<td>Passaic County, New Jersey</td>
<td>176,210</td>
<td>45.9%</td>
<td>58.2%</td>
<td>83,542</td>
<td>51.5%</td>
</tr>
<tr>
<td>Miami-Dade County, Florida</td>
<td>994,596</td>
<td>42.9%</td>
<td>61.6%</td>
<td>427,758</td>
<td>51.3%</td>
</tr>
<tr>
<td>Franklin city, Virginia</td>
<td>3,878</td>
<td>35.8%</td>
<td>62.4%</td>
<td>1,820</td>
<td>50.8%</td>
</tr>
<tr>
<td>Dukes County, Massachusetts</td>
<td>17,347</td>
<td>53.6%</td>
<td>39.5%</td>
<td>2,951</td>
<td>50.5%</td>
</tr>
<tr>
<td>Kings County, New York</td>
<td>1,012,536</td>
<td>44.8%</td>
<td>52.6%</td>
<td>465,164</td>
<td>50.3%</td>
</tr>
<tr>
<td>Los Angeles County, California</td>
<td>3,462,075</td>
<td>41.7%</td>
<td>57.0%</td>
<td>1,616,829</td>
<td>49.9%</td>
</tr>
<tr>
<td>Essex County, New Jersey</td>
<td>313,452</td>
<td>45.1%</td>
<td>53.6%</td>
<td>138,101</td>
<td>49.7%</td>
</tr>
<tr>
<td>Monroe County, Florida</td>
<td>52,861</td>
<td>41.2%</td>
<td>60.8%</td>
<td>13,901</td>
<td>48.9%</td>
</tr>
<tr>
<td>Queens County, New York</td>
<td>841,367</td>
<td>42.2%</td>
<td>53.6%</td>
<td>379,081</td>
<td>48.6%</td>
</tr>
<tr>
<td>Atlantic County, New Jersey</td>
<td>127,104</td>
<td>43.6%</td>
<td>57.0%</td>
<td>48,496</td>
<td>47.9%</td>
</tr>
<tr>
<td>Santa Cruz County, California</td>
<td>104,871</td>
<td>39.0%</td>
<td>59.4%</td>
<td>44,774</td>
<td>47.5%</td>
</tr>
<tr>
<td>Lake County, California</td>
<td>35,576</td>
<td>38.5%</td>
<td>62.0%</td>
<td>12,650</td>
<td>47.3%</td>
</tr>
<tr>
<td>Norfolk city, Virginia</td>
<td>95,699</td>
<td>36.4%</td>
<td>54.9%</td>
<td>40,469</td>
<td>46.8%</td>
</tr>
<tr>
<td>Broward County, Florida</td>
<td>812,817</td>
<td>40.8%</td>
<td>57.5%</td>
<td>311,972</td>
<td>46.7%</td>
</tr>
</tbody>
</table>

6:2.1 Median Home Price to Income Ratio

12% Loss of owner households with mortgage

37.2% Severely Cost-Burdened Renter households

62% Housing & Transportation Cost as % HH Income
Comparative Poverty Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>U.S.</th>
<th>Miami-Dade</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>12.4%</td>
<td>18.0%</td>
</tr>
<tr>
<td>2005</td>
<td>13.3%</td>
<td>17.8%</td>
</tr>
<tr>
<td>2010</td>
<td>15.3%</td>
<td>20.4%</td>
</tr>
<tr>
<td>2014</td>
<td>15.5%</td>
<td>20.4%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Annual 1-Year American Community Survey(s)
## The Prosperity Initiative Neighborhood Distress Index

### Composite Economic Distress Index

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gladeview</td>
<td>7</td>
</tr>
<tr>
<td>Brownsville/Liberty City</td>
<td>12</td>
</tr>
<tr>
<td>Little Haiti</td>
<td>26</td>
</tr>
<tr>
<td>Florida City</td>
<td>32</td>
</tr>
<tr>
<td>Overtown/Downtown</td>
<td>35</td>
</tr>
<tr>
<td>North Miami</td>
<td>37</td>
</tr>
<tr>
<td>Allapattah</td>
<td>40</td>
</tr>
<tr>
<td>Golden Glades</td>
<td>41</td>
</tr>
<tr>
<td>Homestead</td>
<td>42</td>
</tr>
<tr>
<td>West Grove</td>
<td>42</td>
</tr>
<tr>
<td>Little Havana</td>
<td>45</td>
</tr>
<tr>
<td>Cutler Ridge/Perrine</td>
<td>48</td>
</tr>
<tr>
<td>NMB/Norland</td>
<td>48</td>
</tr>
<tr>
<td>South Miami</td>
<td>70</td>
</tr>
</tbody>
</table>

### Composite Education Distress Index

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Index</th>
</tr>
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<tbody>
<tr>
<td>Gladeview</td>
<td>7</td>
</tr>
<tr>
<td>Brownsville/Liberty City</td>
<td>10</td>
</tr>
<tr>
<td>Allapattah</td>
<td>12</td>
</tr>
<tr>
<td>Florida City</td>
<td>13</td>
</tr>
<tr>
<td>Homestead</td>
<td>18</td>
</tr>
<tr>
<td>North Miami</td>
<td>21</td>
</tr>
<tr>
<td>Little Haiti</td>
<td>24</td>
</tr>
<tr>
<td>Cutler Ridge/Perrine</td>
<td>24</td>
</tr>
<tr>
<td>Golden Glades</td>
<td>27</td>
</tr>
<tr>
<td>Overtown/Downtown</td>
<td>34</td>
</tr>
<tr>
<td>Little Havana</td>
<td>36</td>
</tr>
<tr>
<td>West Grove</td>
<td>41</td>
</tr>
<tr>
<td>South Miami</td>
<td>45</td>
</tr>
<tr>
<td>North Miami Beach</td>
<td>48</td>
</tr>
</tbody>
</table>

### Composite Housing Distress Index

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Miami</td>
<td>1</td>
</tr>
<tr>
<td>West Grove</td>
<td>2</td>
</tr>
<tr>
<td>Little Havana</td>
<td>3</td>
</tr>
<tr>
<td>Florida City</td>
<td>4</td>
</tr>
<tr>
<td>Brownsville/Liberty City</td>
<td>5</td>
</tr>
<tr>
<td>Homestead</td>
<td>6</td>
</tr>
<tr>
<td>Allapattah</td>
<td>7</td>
</tr>
<tr>
<td>Little Haiti</td>
<td>8</td>
</tr>
<tr>
<td>Golden Glades</td>
<td>9</td>
</tr>
<tr>
<td>Gladeview</td>
<td>10</td>
</tr>
<tr>
<td>South Miami</td>
<td>11</td>
</tr>
<tr>
<td>Cutler Ridge/Perrine</td>
<td>12</td>
</tr>
<tr>
<td>NMB/Norland</td>
<td>13</td>
</tr>
<tr>
<td>Overtown/Downtown</td>
<td>14</td>
</tr>
</tbody>
</table>
## Concentrated Poverty & Distress

### Composite Prosperity Initiative Neighborhood Distress Index

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Economic Index</th>
<th>Education Distress</th>
<th>Owner Housing Distress Index</th>
<th>Renter Housing Distress Index</th>
<th>Total Distress Index</th>
<th>Total Population</th>
<th>Population Below Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gladeview</td>
<td>7</td>
<td>7</td>
<td>15</td>
<td>10</td>
<td>39</td>
<td>11,510</td>
<td>5,180</td>
</tr>
<tr>
<td>Brownsville/Liberty City</td>
<td>12</td>
<td>10</td>
<td>15</td>
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Concentrated Poverty & Distress

Most Distressed Neighborhoods
Persistent Poverty & Distress
Communities Left Behind

Poverty Rate

MIAMI-DADE COUNTY 2000

MIAMI-DADE COUNTY 2014

Residents Living Below Poverty

5% or less
5.1% - 10%
10.1% - 25%
25.1% - 50%
50.1% or more

Major Roads and Highways

Source: Census Data 2000
Provided by The Metropolitan Center

Source: 5 year estimates ACS 2014
Provided by The Metropolitan Center

Miami-Dade County
Prosperity Initiatives Feasibility Study
Persistent Poverty & Distress
Communities Left Behind

Household Income

Source: Census 2000 Data
Provided by The Metropolitan Center

Mediator Household Income*
- $24,598.00 or less
- $24,598.01 - $45,218.00
- $45,218.01 - $71,613.00
- $71,613.01 - $112,285.00
- $112,285.01 or more

*Income figures are adjusted for inflation

Major Roads and Highways

Source: ACS 2014 Estimates
Provided by The Metropolitan Center
Miami-Dade County
Prosperity Initiatives Feasibility Study

Persistent Poverty & Distress
Communities Left Behind

Unemployment Rate

MIAMI-DADE COUNTY
2000

MIAMI-DADE COUNTY
2014

Source: Census 2000 Data
Provided by The Metropolitan Center

Source: ACS 2014 5 year estimates
Provided by The Metropolitan Center

Major Roads and Highways

Unemployment Rate

5% or less
5.1% - 10%
10.1% - 20%
20.1% - 30%
30.1% or more

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user community
Persistent Poverty & Distress
Communities Left Behind

Children in Poverty
The High Cost of Inaction
Scale & Scope: How Many Residents Are Impacted?

Miami-Dade County

- 534,720 Persons Live Below Poverty
- 267,544 Households Earn Less Than $25,000
- 411,908 Population of 14 Most Distressed Communities
- 605,911 Households Earning less than $75,000
  72% of all Households
The High Cost of Inaction

1. County’s growing prosperity gap risks becoming a permanent and structural

2. Increasing costs to the County: policing, social services, health care services, affordable housing costs, lost property taxes, lost spending power

3. Pushing the costs of services to low-income families to the County could become unsustainable

4. A sustained, growing drag on the broader regional economy – limiting stunting economic diversification

5. Hurting young talent, even in high-skill occupations
The Economic Impact of Expanding Prosperity
The Economic Impact of Expanding Prosperity

Economy-Wide Benefits

Raising incomes for 5% to 10% of the lowest income households to the Area Median Income:

- $400M to $800M of new annual economic output
- 3,000 to 6,000 new jobs
- $563M to $947M new commodity demand per year
- $22M to $44.6M in new annual tax revenue

771 to 1,500 jobs in high-wage, high skill sectors

- Securities and investments
- Real estate
- Offices of physicians
- Dentists & other health practitioners
- Private hospitals

- Nursing and residential care facilities
- Medical and diagnostic labs
- Outpatient & ambulatory care services
- Home health care services
The Building Blocks of Prosperity

- Expanding the pipeline of higher wage job opportunities and growing economic diversification
- Preparation: increase the skills, education, and capacity of residents to take those jobs
- Building wealth through asset ownership
- Focused investment in historically distressed neighborhoods
- Targeted wealth building through business ownership for the region’s underserved population
- Address housing market imbalances that erode income and wealth
Program Feasibility

Programs Evaluated

- Social Enterprise Incubators and Accelerators
- Community Land Trusts
- Community Benefit Agreements
- Children’s Savings Accounts
- Employee Owned Business Cooperatives
Prosperity Initiative Pilot Program

Provide Seed Capital for Five Prosperity Initiative Programs

Cost: $9.5 - $10.5 Million

2,300 Households Positively Impacted
Social Enterprise Accelerator Program

3 Social Impact Accelerators - 10,000 sf each
32 businesses per year
$20,000 seed capital invested per entering client company

Program Recommendations

- County’s accelerator ecosystem has matured – accelerators a proven investment
- Engage UM and FIU
- Don’t re-create the wheel: partner with existing, high-performing accelerators
- Invest in sector and/or issue focused accelerators
- Locate accelerators in Miami-Dade’s most distressed neighborhoods – accelerators create new companies and are significant job generators
- Focus on accelerators cultivating local talent – local entrepreneurs are motivated to build and keep their business in the County
Seed Community Land Trust to develop and/or acquire 100 units of affordable housing

- Approve a specific role for Community Land Trusts to function inside of the County’s comprehensive affordable housing plan: acquisition; development & property management
- Expand the capacity of existing CLT or CDC
- Revise County tax assessment policy for CLT-developed affordable housing to ensure fair treatment of resale-restricted homes;
- Target CLT activity where it is needed most — the fourteen highly distressed neighborhoods
- Assign the partner CLTs lead responsibility to coordinate County-wide Land Bank development.
Enact Statutory Requirement for mandatory Community Benefits Agreement

- A clear, non-negotiable (rather than discretionary) threshold for development projects required to enter into a CBA
- Ideally any project obtaining public benefits should be subject to a CBA
- Clearly specified benefit targets detailed as part of the enabling ordinance
- Clear and comprehensive public engagement procedures, involving all affected parties
- Public benefits tied to clear public and community needs
- Include benefits that can be easily measured, monitored and enforced
- Clear and non-negotiable conditions for a waiver or opt-out: Require cash payment into a public fund commensurate with the size of the Project.
Seed funding to develop a Children’s Savings Account Program
Create Sec. 529 savings accounts for 1,000 children per year
Seed each account with $500

Program Recommendations
- Augment Florida’s 529 programs - established and popular savings account platform with established administrative infrastructure
- Extend income qualifications up to and/or above the area median household income
- Structure Immediate Tax Benefit Incentives for Match Donors
- Address Special Needs of Miami-Dade: language, seed money, and no existing relationships with financial institutions
- Require Financial Literacy as Condition of Grant Funding
- Tie savings match funding to clearly stated educational milestones (GPA, PSAT, SAT test taking)
- Provide Automatic CSA Enrollment: Provide a 529 account and seed funding for every child of born into every income qualifying family in the County
Employee Owned Business Cooperative Program

Seed funding to develop five Employee Owned Business Cooperatives employing 10 workers each

**Program Recommendations**

- Organize and cultivate technical expertise: accelerator catering to worker cooperative start-ups?
- Target distressed neighborhoods
- Develop funding addressing financial challenges faced by EOBs: long-term debt financing, operating capital, low or no interest debt financing, loan guarantees, interest rate write-downs, and equipment financing
- Partner with existing financial institutions
- Acquire existing businesses to convert to Employee Owned Business Cooperatives
Miami-Dade County
Prosperity Initiatives Feasibility Study

Citi
FIU Metropolitan Center
MIAMI-DADE COUNTY

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