



The City of Miami in the Context of Climate Change, Population Growth, and Development Pressure:

Policy and Strategy Recommendations



A Report by the Planning Department in Collaboration with
the Office of Resilience and Sustainability

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Foreword

In 2020 the City of Miami turns 125 years old. In Miami, we often imagine what things must have been like when the land here was settled by the likes of Julia Tuttle and Henry Flagler, and the people who followed them. It is fascinating to think that a city that began the Twentieth Century with less than a population of 2,000 people is expected to have a population of around a half million next year! To be sure, the world in 2019 is a wonder of such things as computing technology and autonomous transportation. Our contemporary lives are filled with comforts such as air conditioning, indoor plumbing, and electric power as standard features. Most residents of Miami benefit from these creature comforts—but not all. And, while the past 125 years have witnessed rapid improvements for human development, the world has also witnessed rapid changes to the climate. Scientists have essentially reached a consensus that the seas are rising; what remains open to scientific debate is the rate at which sea level rise is occurring. Sea level rise (and climate change, more broadly), is a global phenomenon that requires local response. This report summarizes an initial effort by the Planning Department with collaboration by the Office of Resilience and Sustainability to address the crisis in the context of neighborhood change, or gentrification.

This report has been drafted in response to City Commission Resolution R-18-0501. In this resolution, the City Commission directed the City Manager to research gentrification that is accelerated due to climate change in areas of low area median income and high elevation (Climate Gentrification) and to research ways to stabilize property taxes to assist residents who wish to remain in their neighborhoods to do so. In undertaking this effort, staff from Planning and the Office of Resilience and Sustainability engaged many members of the community and identified considerable concern over renters. Thus, this report examines neighborhood change—namely, gentrification, and, Climate Gentrification—and its effects on all residents, including those who rent and those who own their homes.

This report is organized into seven sections. First, this report addresses Climate Gentrification and gentrification, examining the two concepts to develop an understanding of them. The report then delves more deeply into Climate Gentrification to establish a clearer understanding of this new concept. Next, the report examines the Miami context for neighborhood change. This section identifies aspects of local land development regulations that contribute to gentrifying effects. After this, the report examines gentrification and population displacement conceptually. To this end, a limited review of scholarly literature is offered. Next, the report offers planning priorities that focus on improvements to land development regulations, changes to the tax structure, and community organizations. The report concludes with a recommendation for neighborhood planning which will leverage Adaptation Action Area policy.

One hundred and twenty-five years is perhaps young for a city compared to other great world cities like Rome, Mexico City, or Shanghai. But we are proud of our heritage and we have a vision of a bright future. The future we see is equitable and resilient and it gives all members a voice. We hope to see you engage as we address the issues contained in this report with continued neighborhood planning efforts.

E. Sue Trone, AICP
Chief, Comprehensive Planning

Background

On November 15, 2018 Miami's City Commission passed Resolution R-18-0501, directing the City Manager (1) to research gentrification that is accelerated due to climate change in areas with low Area Median Income and high topographic elevations and (2) to research methods to stabilize Ad Valorem property rates to allow residents to remain in their neighborhoods. The convergence of development pressure, the affordability crisis in the housing market, and the observable impacts of climate change have made the City of Miami a focus of concern for Climate Gentrification. Broadly speaking, the circumstances that create Climate Gentrification are those in which climate change contribute to neighborhood investments. The 2018 peer-reviewed article, Climate Gentrification: From Theory to Empiricism in Miami-Dade County, Florida, by Jesse Keenan, et. al, examines empirical evidence to support the theory that single-family property values along the coast in Miami-Dade County are appreciating at a slower rate since 2000 than properties at higher elevations. The sum of the authors' observations culminates in the conclusion that Miami-Dade County provides evidence for the existence of "Climate Gentrification." In Miami's Planning Department, additional factors are observed that could be contributing to the appreciation of property values in specific neighborhoods, such as population growth, decreasing availability of land, and proximity to downtown. The Planning Department recognizes changes in many of Miami's neighborhoods; these changes can have mixed impacts for the people of the City.

Gentrification and Climate Gentrification

Gentrification is a social phenomenon that has been studied for decades. The term, originally coined in 1964 by sociologist Ruth Glass, is used to describe neighborhood change in situations when disinvested neighborhoods are renovated and improved to conform to middle-class tastes. Chapple (2015) makes the point that how we understand gentrification is important because it can be positive or negative. In the positive sense, neighborhoods improve. In many cases, neighborhoods that have long suffered disinvestment experience an in-migration of college-educated residents or business owners—perhaps artists. In some instances, one outcome may be an increase in real estate costs, but this outcome is not always the case. In the instances when this is the case, it can be perceived positively by long-term residents who cash out their properties and leave; alternatively, it can be perceived negatively by tenants who become priced-out. The author posits this question: "The narrative of displacement resonates more than a narrative of benefit. Is it based in reality? And how can we make policy without knowing the answer?" (Chapple, Regional Growth, Gentrification, and Displacement, 2015, pp. 141-142)

Many studies find that it is difficult to establish a causal relationship between neighborhood *gentrification* and population displacement (Chapple, 2015; McKinnish, Walsh, and White, 2008; Loukaitou-Sideris, Gonzalez, and Ong, 2017). Chapple (2015) references five separate studies that suggest gentrification is an inducement to low-income residents to remain in their neighborhoods. Often residents find coping strategies to remain in their communities, such as taking in roommates. While observations of population changes in a study area can establish changes in population numbers, it cannot provide the added understanding of why those changes happen. Consider:

1. For those who leave a community, do they leave due to rent increases?
2. For those who leave a community, have they lost a job?

3. For those who leave a community, has a landlord-tenant disagreement over building maintenance resulted in eviction?

These above scenarios do not necessarily tie to gentrification but in a gentrification study, observing a lost household in a community undergoing reinvestment, it can be easily analyzed as gentrification-induced displacement.

Climate Gentrification

In recent years the term *climate gentrification* has gained popularity, indicating general circumstances in which one of the forces that cause the displacement of people from a neighborhood is climate change. This term was legitimized by the scholarly, peer-reviewed article entitled “Climate Gentrification: from Theory to Empiricism in Miami-Dade County, Florida,” published by *Environmental Research Letters*, Volume 13, (April 13, 2018) by Jesse M Keenan et. al. Briefly, the empirical observation of climate gentrification through this research is established when real estate values of property under threat of sea-level rise (low-lying areas) appreciate at a lower rate than values of property at higher ground. At the same time, Keenan has observed that coastal properties’ values have fallen. This was observed over several years of data for Miami-Dade County. Worth considering is that this article casts a long view, anticipating that some vulnerable populations move out of state for new circumstances affordable to them. (Keenan, Hill, & Gumber, 2018)

The conceptual framework to climate gentrification is founded on two theories:

1. The Elevation Hypothesis: the rate of price appreciation of single-family properties is positive related to a correlated with incremental measures of higher elevation; and
2. The Nuisance Hypothesis: Rates of price appreciation in the lowest elevation cohorts have not kept up with the rates of appreciation of higher elevation cohorts since approximately 2000.

Keenan’s study has tested these hypotheses and found them to be true—at least in Miami-Dade County. At the same time, Keenan concedes that the forces at work in gentrification are diverse:

... price volatility associated with rent seeking, speculative investment, or superior purchasing power is either a primary or a partial driver of the patterns of urban development that lead to displacement (and sometimes entrenchment) of existing populations consistent with conventional framings of gentrification. (Keenan, Hill, & Gumber, 2018, p. 2)

Nevertheless, the link between flooding and storm damages to population displacement is persuasive. It is undeniable that flooding events and weather damage result in increased costs in insurance, property taxes, special assessments, repairs, etc. For residents of higher incomes, they are less vulnerable to these increases. Keenan references the example of Venice, Italy, where environmental conditions, including sea level rise and “unabated tourism have resulted in a total cost-burden that has undermined class diversification,” (Keenan, Hill, & Gumber, 2018, p. 3). At the same time, he warns that public sector efforts to fortify against climate change and those efforts’ attendant costs to society can visit upon it “Green Gentrification” (Keenan, 2018, p. 4).

Miami's Land Development Regulations: A Review of Constraints

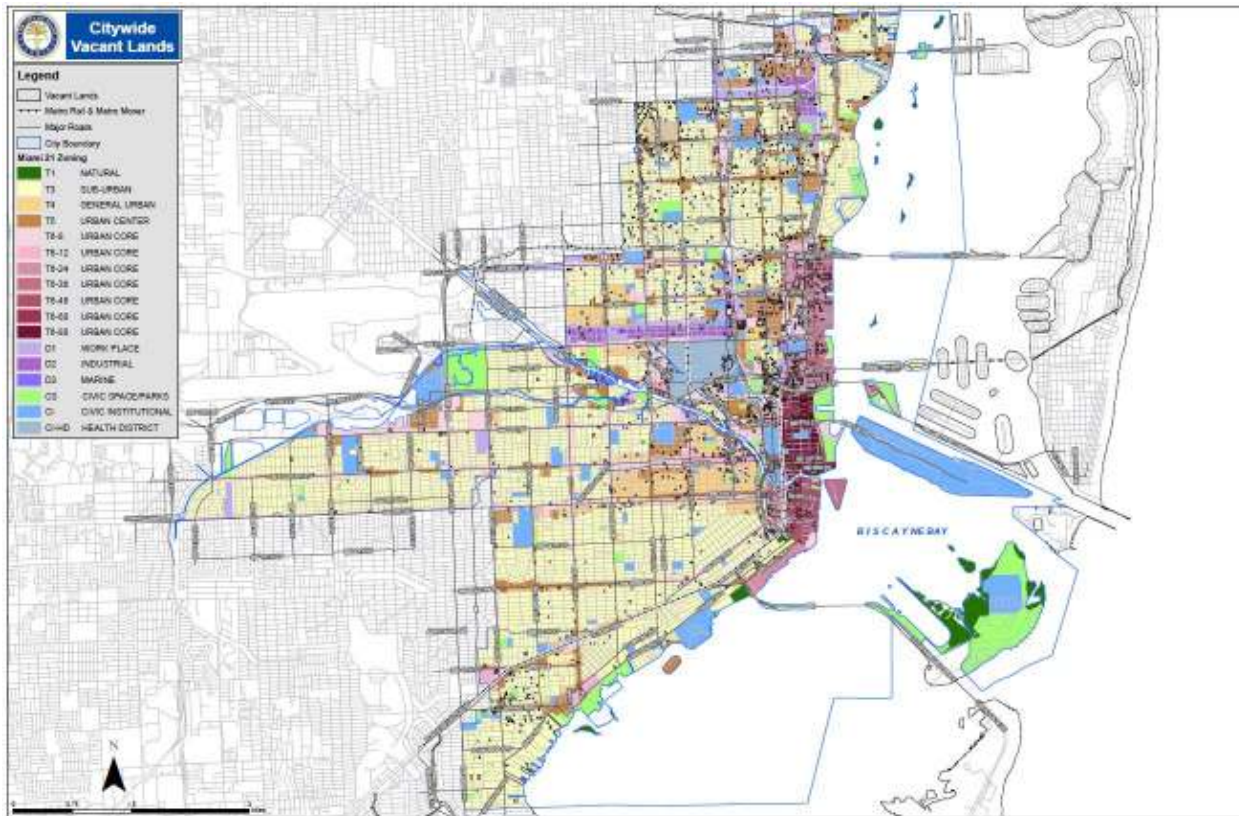
Many areas within the City of Miami are experiencing neighborhood change—to be sure, neighborhoods like the Design District and Little Haiti are areas where the changes bring increases to property values. Within the environment of redevelopment, the City is rather constrained by land development regulations. Approximately 46% of the City is zoned T3, meaning, for nearly half of the land within the City, it can be developed with little more than duplexes. T6 is the most intense and dense zoning designation within the City—approximately 17 percent of the City has this zoning designation. Density for this designation is generally 150 dwelling units per acre, density increase areas and overlays notwithstanding. Various development constraints, such as lot configurations, setbacks and the like limit developments to far fewer than this number of dwelling units ever being built. Within the urban core, 1,000 dwelling units can be built under the CBD overlay. There, again, urban design requirements constrain this density from being achieved. The table below summarizes the distribution of zoning by acreage throughout the City.

Summary of Miami's Zoning by Acreage, %			
ZONING DESCRIPTION	TRANSECT	ACREAGE	%
Natural Zone	T1	336.35	1%
Single-Family/Duplex	T3	10,277.44	46%
Townhouse/3 stories	T4	1,520.61	7%
Multifamily/Midrise/ 5 stories	T5	2,057.90	9%
High-rise, Multifamily	T6	3,895.58	17%
Civic Space / Open Space	CS	1,284.09	6%
District / Light Industrial	D1	542.80	2%
Industrial	D2	313.65	1%
Marine Industrial	D3	111.24	0%
Civic Institutional	CI	1,880.94	8%
Civic Institutional / Health District	CI-HD	324.05	1%
TOTAL		22,544.65	100%

With nearly the majority of the City being zoned T3 (single-family/duplex), the City is somewhat supply-constrained for housing. Land zoned for industrial and civic-type uses prohibit any residential uses (T1, CS, D2, D3, and CI). These designations account for 3,926 acres, or 17 percent of land within the City of Miami. Approximately 8,340 acres of land is zoned appropriately for development for 36 or more dwelling units an acre (T4, T5, T6, D1, and CI-HD). The land which accommodates the most density of 150 dwelling units per acre—T6—accounts for 3,895 acres. These are the Transects (except D1) in which the City has incentivized housing affordability with bonus density. This incentive has resulted in several income-restricted units coming online since the adoption of the ordinance ([Ordinance No. 13665](#)); however, one of the chief limitations to this policy is that properties in these Transects are prohibited from developing income-restricted units with bonus density when they abut T3 property.

In addition to land development regulations constraining supply of residential development, the availability of land for development, regardless of the zoning is a concern. The City of Miami has approximately 3,176 acres of vacant land. The map below illustrates the distribution of these properties.

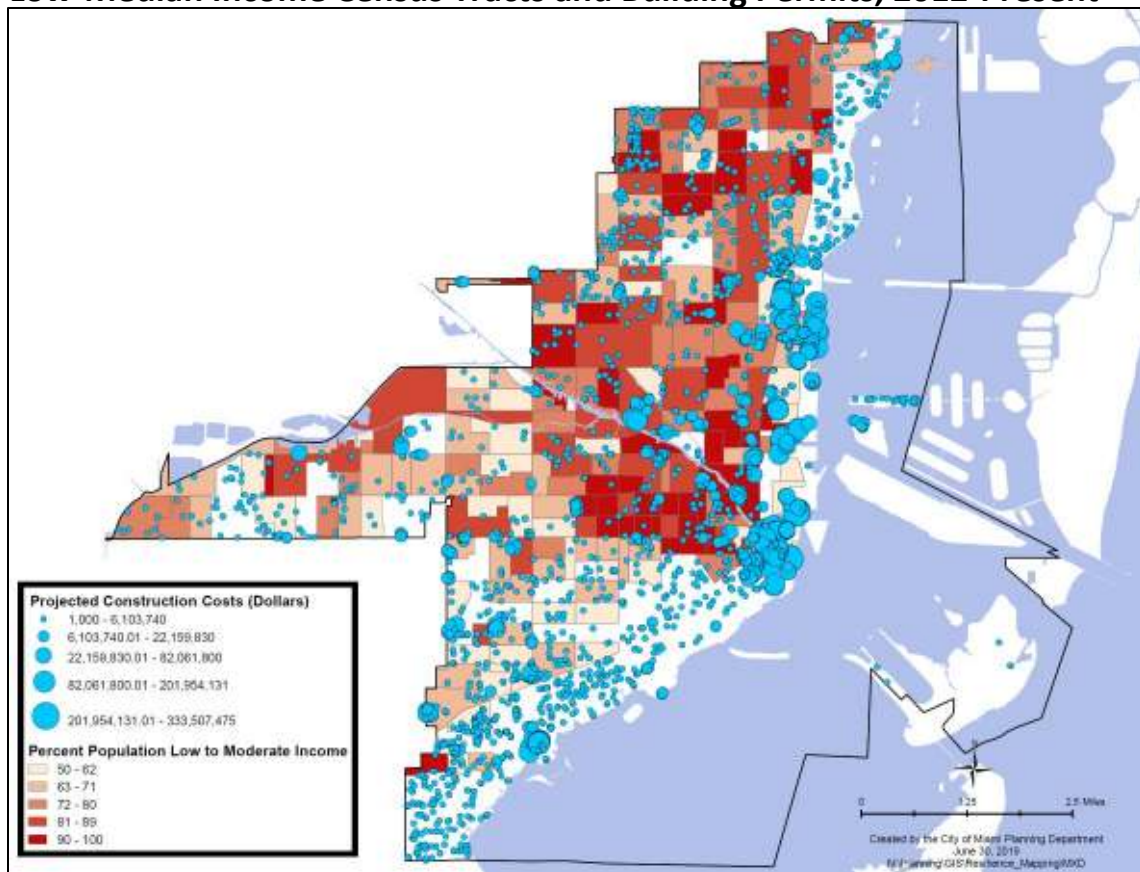
Vacant Parcels and City Zoning



A large number of vacant parcels exist within the light-yellow portions of the map above—these properties are zoned T3. These areas, though they are vacant, can be developed to no more than 18 dwelling units per acre. At the same time, significant opportunity presents itself in the urban core, where the zoning map is a dark magenta. Here, there are assemblages of vacant properties. A proposed amendment to the zoning code currently allows for a substantial increase in building size in exchange for set asides for affordable or workforce housing, that is to say, housing that is vetted by the City's Housing and Community Development, for residents on limited incomes. These rents are established by the Florida Housing Finance Corporation based on guidelines established by the U.S. Department of Housing and Urban Development (HUD). These rents are attached in Appendix A.

In the midst of the concerns over neighborhood change and Miami's low-income residents, the Planning Department has investigated the relationship between building permits and Low-Moderate Income (LMI) Census Tracts. Building permits from 2012-present were included in this research and overlaid on top of Census Tracts from the 2010 Decennial Census. This examination shows some LMI tracts with higher degrees of development.

Low-Median Income Census Tracts and Building Permits, 2012-Present



In the image above, development is shown to have clustered at the mouth of the river and Biscayne Bay—the downtown urban core and Brickell, Edgewater, and the Upper Eastside. Some LMI tracts appear to have attracted development, including near the Miami River, Shorecrest, and Little Haiti, and the Design District. To ascertain Climate Gentrification—that is to say—to determine that the population living along the Biscayne Bay or Miami River, for example—is moving away and onto higher ground in the City and causing the property to increase in value is not discernable from this examination. Building permit data might be a lagging indicator; over time as this dataset is monitored, it is expected that trends in permitting should appear elsewhere—perhaps following the patterns created by vacant land in the preceding map.

The City's population grows by roughly two percent each year. At the beginning of this decade, the City had 399,547 residents and as of 2018, the Bureau of Business and Economic Research (BEBR) estimated Miami's population at 488,011. Regarding migration, the Census generally finds that much of the in-migration to South Florida is by persons who are not from the United States. Thus, the narrative of the City's own residents causing Climate Gentrification will be a complex case to make. The table, right, summarizes the population growth within the City of Miami since 2010.

City of Miami's Population, 2010-2018		
Year	Population	% Change
2010	399,457	
2011	406,385	1.73%
2012	414,751	2.06%
2013	419,777	1.21%
2014	428,107	1.98%
2015	439,509	2.66%
2016	456,089	3.77%
2017	467,872	2.58%
2018	478,400	2.25%

Population estimates in the City. Sources: US Census and BEBR.

Gentrification and Population Displacement

Planning staff reviewed contemporary literature, primarily addressing gentrification, in general (“climate gentrification,” specifically, is a new enough sub-topic that not enough scholarly literature exists to generate the necessary findings relative to tracking displacement). The general findings of this literature review were included as part of a report on the September 25, 2019 Climate Gentrification Workshop (see Appendix B). With regard to the questions the Planning Department wished to better understand, the literature review was informative.

Best Practices

The following scholars offered best practices addressing population displacement: Chapple (2015); Chapple & Loukaitou-Sideris (2019); and Sampson (2012). Land development regulation was mentioned by all of them as a practice that should be considered: inclusionary zoning, policies promoting mixed income development, density bonuses, transit-oriented development, and the like. Preserving affordable housing and creating new affordable housing were two more best practices. A key finding through this review was that any affordable unit created with subsidies has an expiration date—usually 30 years from the date of creation. Hence, a crucial best practice was neighborhood stabilization—community land trusts, proactive code enforcement, no-net-loss policies.

Identify Displaced Residents

Every researcher that had undertaken the effort of tracking or identifying people displaced by gentrification took great pains to elaborate on the inaccuracies of the effort. Chapple and Loukaitou-Sideris (2019) offer an example that illustrate this complexity, which is characteristic of qualitative data collection:

Households move for many reasons, and sometimes the stated reasons for moving (“a new job”) oversimplifies the actual reason (“a new job allowed me to move nearer to my family and the transition”). There are many choices of where to move, but individuals may not know about all of them. . . . These factors thus complicate the ability of researchers to understand and predict mobility (pp. 202-203, referencing Kan 1999; Bruch and Mare 2012).

Even this complexity does not stop researchers from trying to track displaced residents. To be sure, many of the cited sources in this bibliography either tracked such residents or referenced studies that made the effort. The question of displacement due to development pressure is one which, as a research endeavor, is not simply done without addressing the problems of reliability and validity. The City of Miami lacks resources to address the undertaking; however, university partners may have the resources and willingness to address the question.

Addressing Displacement Generally

Researchers recommend that cities undergoing rapid redevelopment and neighborhood change, provide for dense residential development to address supply limitations for housing; encourage dense and intense development near transit to mitigate long commutes; and incentivize affordable housing in projects that are transit oriented. Recent policies in Miami, such as the Affordable-Attainable policy and TDD policy ([Ordinance 13787](#)) meet the criteria of the best practices referenced by the scholars in this literature review. The Planning Department’s upcoming adoption of Peril of Flood policies and

Adaptation Action Areas will be responsive to forces tied to sea-level rise. The Department of Housing and Community Development works to verify incomes for residents who qualify for subsidized housing.

Addressing Displacement for Homeowners

Inasmuch as Resolution R-18-0501 seeks to address the threat of displacement facing homeowners, the Planning Department suggests that the Florida Constitution is the best tool for preventing displacement with the homestead exemption, Save Our Homes Act ("SOH"), and SOH's Portability provisions. These are summarized below.

1. HOMESTEAD EXEMPTION: The State of Florida allows permanent residents who live in their homes a homestead exemption of up to \$50,000.

2. SAVE OUR HOMES ACT: On January 1, 1995 the State Constitution was amended to limit annual increases in assessed value of property with Homestead Exemptions to three percent or the change in the Consumer Price Index (whichever is lower). No assessment shall exceed current fair market value.

3. SAVE OUR HOMES ACT PORTABILITY: On January 1, 2008, the State Constitution was amended so that homestead property owners can port, or transfer, the accumulated difference between the assessed value and the just/market value of a home they homestead to a home they newly purchase and homestead, subject to a \$500,000 limit.

These are the most effective ways to stabilize ad valorem property tax rates for any purpose that the Planning Department has identified.

Planning Priorities

To develop a framework for planning, the Planning Department and Office of Resilience and Sustainability have worked together to develop priorities. A series of meetings with the Climate Resilience Committee (f/k/a Sea Level Rise Committee) have been conducted to establish a basic platform. To address the concern of Climate Gentrification and its related issues, the City has prioritized updates to land development regulations. Given that so much of the City has tight restrictions on residential density, this aspect of the City's land development regulations impose a supply-side constraint to the pressures facing residents seeking affordable housing solutions. For this reason, the Planning Department is researching innovations to the existing regulations that might loosen these constraints, while incentivizing affordability and resilience.

Creation of Adaptation Action Areas may be one solution to this. This amendment to the Miami Comprehensive Neighborhood Plan can be one modification that can set into play additional options for the transfer of development rights. Additional possibilities include overlays that may relax some restrictions and allow density near transit or in areas that have adequate public facilities to support a growing population. Further regulatory innovation might be meaningful to the City's Transit-Oriented Development policies to broaden the reach of existing affordability benefits. Additionally, more density bonuses for affordability could provide the desired relief sought.

The review of the City's land development regulations would be incomplete without consideration of the processes that exist for Miami 21's Special Area Plan ("SAP") applications. In recent years, applications for SAPs have attracted considerable attention, in particular for the Public Benefits Agreements that are adopted with these projects by which communities are master planned and, to

some extent, programmed. The Office of Resilience and Sustainability has assisted the Planning Department in drafting a Resilience Review for SAPs. The SAP process was created with the intention to benefit the City with facilitating better connected thoroughfares, increasing Civic Spaces, and cohesive development: a careful review of the review process will ensure this process is delivering on its promises at the adoption of Miami 21 nearly 10 years ago.

In addition to land development regulations, staff from Planning have been reviewing the potential of a Vacancy Tax. Vacancy taxes have proven to be impactful in places such as Vancouver, Washington, DC, and Oakland, CA. These taxes are assessed on residential properties that are neither homesteaded nor leased to tenants. Funds collected are used to benefit affordable housing trusts. This method of addressing the City's affordability crisis would require a voter referendum, so the barrier to implementation is significantly different to others considered in this report.

Community Land Trusts (CLTs) are a reliable tool for communities needing additional affordable units. The South Florida Community Land Trust currently is not active in Miami-Dade County. A recent \$5 million grant to South Florida Community Land Trust from JPM Chase Foundation and partnerships with the City, County and State may assist the organization in overcoming some of the significant barriers presented by high land costs. One of the quickest and most impactful ways the City can leverage the impact of this CLT is to donate City-owned land suitable and appropriate for housing development.

Finally, the City is in the process of updating its Stormwater Master Plan to develop recommended capital plan, design guidelines and policies to manage storm and tidal flooding under increasingly challenging conditions with rising sea and groundwater levels. Incorporating Planning Exercises, such as concurrency reviews for rezones and Future Land Use Map amendments into the completion of this document would be a useful endeavor, so that Levels of Service testing performed for public hearing applications can take into consideration how zoning changes can impact the stormwater drainage system into the future prior to final votes by the City Commission.

Next Steps

The Planning Department anticipates adopting final round of amendments to the MCNP for the 2015 Evaluation and Appraisal Review (EAR) in March 2020. Among these, updates to the City's population forecast must be provided and the City must address the Peril of Flood. Population projections are in draft form, but require more review before finalizing. To be sure, the City's population growth trend has seen steady growth since 1920, except for about two decades between 1970-1990. For the past 20 years, growth averages about two percent per annum. In 2010, the City's population was 399,547. For 2030, based on a methodology that takes the City's population as a share of Miami-Dade County's, the City's population is expected to be in the range of 573,000 and 577,000 persons. The City accounts for a significant portion of the County's population growth. Thus, population growth exasperates all factors relative to gentrification. Moreover, growth of population must be a consideration for adaptation policies.

The Department is currently working internally on approaches to take for Adaptation Action Area policies, which will be introduced for hearing after Peril of Flood amendments are adopted. Following Section 163.3177(6)(g)(10), Florida Statutes, the City's Adaptation Action Area ("AAA") program will focus on building adaptation measures into neighborhood planning for resilience to the impacts of

climate change and sea level rise. To this end, Miami's Adaptation Action Areas approach embraces a neighborhood planning scope in its focus.

A key component of resilience is community stability. Instability for a community manifests in the breakdown of social networks as long-time residents and business are forced to move for reasons beyond their control. A stable community provides the social, economic, and physical infrastructure for a community network so that change does not occur unwilfully by its residents and businesses. The City cannot ensure that no resident or business will face their leases being terminated for redevelopment, but the City aspires to establish a fuller policy framework that mitigates involuntary displacement of tenant residents, owner-occupant residents, as well as businesses (including those businesses that own or rent their locations) to the degree public policy can do so. To this end, the upcoming neighborhood planning effort, will engage local stakeholders with a 20-year planning horizon. The scope for each plan will encompass the following:

Review and assessment of previous neighborhood plans;

- Community engagement;
- Planning analysis: Land use, zoning, census review (socio-demographic review), hydrology, special considerations as appropriate;
- Assessment of risk relative to climate resilience goals;
- Draft goals, objectives, policies, strategies;
- Adoption.

The Adaptation Action Area approach is seen as a thread connecting individual neighborhoods with specific demands for resilience. This neighborhood planning effort will commence after the conclusion of the 2015 EAR amendments, with receipt of Notice of Intent to Find Consistent by the Department of Economic Opportunity. The Planning Department aspires to work with up to two neighborhoods concurrently. Each effort should require approximately 10 months to complete, assuming the process occurs without delays, depending on neighborhood demands. A proposed neighborhood planning process follows.

NEIGHBORHOOD PLANNING CONCEPTUAL SCOPE PROPOSAL Aspect of Adaptation Action Area Policies (Proposed)										
	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	MONTH 7	MONTH 8	MONTH 9	MONTH 10
Neighborhood Selection										
Review & Assess Plans										
Climate Resilience Analysis										
Community Engagement										
Planning Analysis										
Draft goals, objectives, policies										
Adoption										

Conclusion

The City of Miami is undergoing change. Climate change is a reality with which all Cities must contend. The best cities will embrace change. The compassionate city will hear its people and legislate in a way to maximize the health, safety, and welfare for all. The Planning Department perceives many of the changes that are occurring to be of a local, regional, and global scale. The Department will continue to survey best practices, collaborate with the Office of Resilience and Sustainability, engage with the City's diverse stakeholders, receive data to inform policy, and provide recommendations for future legislation to address the pressing issues around gentrification, Climate Gentrification, housing affordability, and climate adaptation.

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Appendix A: 2019 Income Limits and Rent Limits

Note: The general hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

2019 Income Limits and Rent Limits Florida Housing Finance Corporation Multifamily Rental Programs (except HOME and SHIP) and CWHIP Homeownership Program

HUD release: 4/24/2019
Implement on or before 6/7/2019
Effective: 4/24/2019
FHFC Posted: 5/2/2019

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Martin County (Port Saint Lucie MSA)	20%	9,020	10,320	11,600	12,880	13,920	14,960	15,980	17,020	18,032	19,062	225	241	290	335	374	412
	25%	11,275	12,900	14,500	16,100	17,400	18,700	19,975	21,275	22,540	23,828	281	302	362	418	467	515
	28%	12,628	14,448	16,240	18,032	19,488	20,944	22,372	23,828	25,245	26,687	315	338	406	469	523	577
	30%	13,530	15,480	17,400	19,320	20,890	22,440	23,970	25,530	27,048	28,594	338	362	435	502	561	618
	33%	14,883	17,028	19,140	21,252	22,968	24,684	26,367	28,083	29,753	31,453	372	398	478	552	617	680
	35%	15,785	18,060	20,300	22,540	24,360	26,180	27,965	29,785	31,556	33,359	394	423	507	586	654	721
Median: 59,500	40%	18,040	20,640	23,200	25,760	27,840	29,920	31,960	34,040	36,064	38,125	451	483	580	670	748	825
	45%	20,295	23,220	26,100	28,980	31,320	33,660	35,955	38,295	40,572	42,890	507	543	652	753	841	928
	50%	22,550	25,800	29,000	32,200	34,800	37,400	39,950	42,550	45,080	47,656	563	604	725	837	935	1,031
	60%	27,080	30,960	34,800	38,640	41,760	44,880	47,940	51,060	54,096	57,187	676	725	870	1,005	1,122	1,237
	70%	31,570	36,120	40,600	45,080	48,720	52,360	55,930	59,570	63,112	66,718	789	846	1,015	1,172	1,309	1,443
	80%	36,080	41,280	46,400	51,520	55,680	59,840	63,920	68,080	72,128	76,250	902	967	1,160	1,340	1,496	1,650
Miami-Dade County (Miami-Miami Beach-Kendall HMF A; Miami-Fort Lauderdale-West Palm Beach MSA)	120%	54,120	61,920	69,600	77,280	83,520	89,760	95,880	102,120	108,192	114,374	1,353	1,450	1,740	2,010	2,244	2,475
	140%	63,140	72,240	81,200	90,160	97,440	104,720	111,880	119,140	126,224	133,437	1,578	1,692	2,030	2,345	2,618	2,887
	20%	11,860	13,560	15,260	16,940	18,300	19,660	21,020	22,380	23,716	25,071	296	317	381	440	491	542
	25%	14,825	16,960	19,075	21,175	22,875	24,575	26,275	27,975	29,645	31,339	370	397	476	550	614	678
	28%	16,604	18,984	21,364	23,716	25,620	27,524	29,428	31,332	33,202	35,100	415	444	534	616	688	759
	30%	17,790	20,340	22,890	25,410	27,450	29,490	31,530	33,570	35,574	37,607	444	476	572	660	737	813
Median: 54,900	33%	19,569	22,374	25,179	27,951	30,195	32,439	34,683	36,927	39,131	41,367	489	524	629	726	810	895
	35%	20,755	23,730	26,705	29,645	32,025	34,405	36,785	39,165	41,503	43,875	518	556	667	770	860	949
	40%	23,720	27,120	30,520	33,880	36,600	39,320	42,040	44,760	47,432	50,142	593	635	763	881	983	1,085
	45%	26,685	30,510	34,335	38,115	41,175	44,235	47,295	50,355	53,361	56,410	667	714	858	991	1,105	1,220
	50%	29,650	33,900	38,150	42,350	45,750	49,150	52,550	55,950	59,290	62,678	741	794	953	1,101	1,228	1,356
	60%	35,580	40,880	46,780	52,680	56,900	61,120	65,340	69,560	73,780	78,000	939	993	1,144	1,321	1,474	1,627
Median: 54,900	70%	41,510	47,460	53,410	59,290	64,050	68,810	73,570	78,330	83,006	87,749	1,037	1,112	1,335	1,541	1,720	1,898
	80%	47,440	54,240	61,040	67,760	73,200	78,640	84,080	89,520	94,864	100,285	1,186	1,271	1,526	1,762	1,966	2,170
Median: 54,900	120%	71,160	81,360	91,560	101,640	109,800	117,960	126,120	134,280	142,296	150,427	1,779	1,906	2,289	2,643	2,949	3,255
	140%	83,020	94,920	106,820	118,580	128,100	137,620	147,140	156,660	166,012	175,498	2,075	2,224	2,670	3,083	3,440	3,797

Florida Housing Finance Corporation (FHFC) income and rent limits are based upon figures provided by the United States Department of Housing and Urban Development (HUD) and are subject to change. Updated schedules will be provided when changes occur.

Appendix B: Report on 9/25/2019 Climate Gentrification Workshop

Climate Gentrification Workshop

Post-Workshop Report

September 25, 2019 – Jose Marti Park Gymnasium – 4:00 pm to 6:00 pm



Background

On November 15, 2018 Miami's City Commission passed Resolution R-18-0501, directing the City Manager (1) to research gentrification that is accelerated due to climate change in areas with low Area Median Income and (2) to research methods to stabilize Ad Valorem property rates to allow residents to remain in their neighborhoods. On September 25, 2019, community members and stakeholders met at the Jose Marti Park gymnasium for a workshop with the Planning Department to discuss existing and potential policies to address climate gentrification and population displacement. Staff from the Planning Department and the Office of Resilience and Sustainability coordinated an interactive discussion on the topic for two purposes: narrowing in on the specific driving forces of climate gentrification and formulating a list of potential policy responses that the City could adopt to address those forces.

Policy Overview

Joseph Eisenberg, a planner with the Planning Department, and Alfredo Duran, Deputy Director of the Department of Housing and Community Development, began the workshop. Mr. Eisenberg began with a brief discussion about the current understanding of climate gentrification, its causes, and addressing many of the policy tools that the City is presently barred from enacting due to state-level preemptions. Rent control, mandatory inclusionary zoning, and the regulation of vacation rentals are commonly used tools to address the negative impacts of gentrification. Cities in Florida are presently barred from using these tools by state law.

Mr. Duran then outlined the City's voluntary, self-imposed covenant program. This program, administered through the Department of Housing and Community Development ("HDC"), allows low-income residents who purchase homes with federal subsidies through HCD to enter into a voluntary covenant. This covenant recognizes the home's purchase price, affordable to the resident's income, and locks in the affordability through the time at which the resident sells the home, thus preserving the home's affordability for the next home-buyer.

Addressing Displacement for Homeowners

Inasmuch as Resolution R-18-0501 seeks to address the threat of displacement facing homeowners, the Planning Department suggests that the Florida Constitution is the best tool for preventing displacement with the homestead exemption, Save Our Homes Act ("SOH"), and SOH's Portability provisions. These are summarized below.

- 1. HOMESTEAD EXEMPTION:** The State of Florida allows permanent residents who live in their homes a homestead exemption of up to \$50,000.
- 2. SAVE OUR HOMES ACT:** On January 1, 1995 the State Constitution was amended to limit annual increases in assessed value of property with Homestead Exemptions to three percent or the change in the Consumer Price Index (whichever is lower). No assessment shall exceed current fair market value.
- 3. SAVE OUR HOMES ACT PORTABILITY:** On January 1, 2008, the State Constitution was amended so that homestead property owners can port, or transfer, the accumulated difference between the assessed value and the just/market value of a home they homestead to a home they newly purchase and homestead, subject to a \$500,000 limit.

These are the most effective ways to stabilize ad valorem property tax rates for any purpose that the Planning Department has identified.

Group Breakouts

After the introductory discussions, staff provided each table with exploratory questions to answer. Each group recorded their responses as they discussed the questions. Afterwards, each group reported to the whole workshop what they had discussed. The 27 attendees were split into four groups. Each group had approximately six people. The groups were organized such that participants were split up from those other attendees that they already knew. These groups were then asked to work together in small-group discussions for the duration of the workshop.

Small Group Exercise 1

Question 1A: “What are the main driving forces of gentrification in Miami? Please list 5.”

Some responses addressed the driving forces originating from external forces, such as developer interest in areas with low property values, while others focused on localized driving forces, such as low wages. Within these two types of responses, the specific responses varied as well, however several themes arose through the listed forces. Market pressures arising from population growth and investment interest due to relatively low property values were some of the most cited among the responses. Closely related to that, some responses noted the

Summary of Aggregated Responses by Groups to Question 1A	
Driving forces of gentrification in Miami	# Responses
Power dynamics/politics	4
Local economy/jobs profile of the local area	3
Limited space	2
Lack of affordable housing	2

physical characteristics and location of communities that can lead to gentrification, such as proximity to popular destinations and historical disinvestment in physical infrastructure of the community. Other responses covered the driving forces that are present in the affected community. These are forces that generally make a community more vulnerable to gentrification and its

negative effects, such as low wages, historical segregation and racist public policy, and disinvestment in social programs like education. Only one group explicitly identified climate change/sea level rise in its response. The table below summarizes responses that were repeated.

Question 1B: “What are the pros and cons of gentrification?”

This question elicited more complicated responses from the groups. Citing a lack of specification, two groups did not directly respond to the question at all. Instead, the participants noted that for many community members there are only cons, and no pros from gentrification. That is, those residents that are displaced from a neighborhood due to gentrification do not get to enjoy any of the pros that may result from gentrification. The other two groups responded in generally similarly.

Gentrification: PROs

Summary of Aggregated Responses by Groups to Question 1B-PROs	
Pros	# Responses
Improved public services/sanitation	3
Economic growth	2
Redevelopment of the area	2

For the three groups that did explore the pro-side of gentrification, answers included increased investment in public infrastructure, services, and spaces; increased property values; brings jobs; and improves sanitary conditions. A summary of repeated answers is available in the table to the left

Gentrification: CONs

The cons included displacement, loss of social cohesion, loss of neighborhood character, perpetuates segregation, limits upward mobility, and leads to higher emissions due to increased congestion as displaced residents are forced to move further from work,

Summary of Aggregated Responses by Groups to Question 1B-CONS	
Cons	# Responses
Population displacement	2
Loss of a neighborhood's culture/character	2
Increased social inequality	2

lengthening their commute. However, those participants that chose not to directly respond to the prompt reiterated that all the pros can also be cons for those residents that are vulnerable to displacement.

Small Group Exercise 2

Question 2: "What digestible questions do we have about gentrification in Miami (climate-caused or otherwise) are outstanding?"

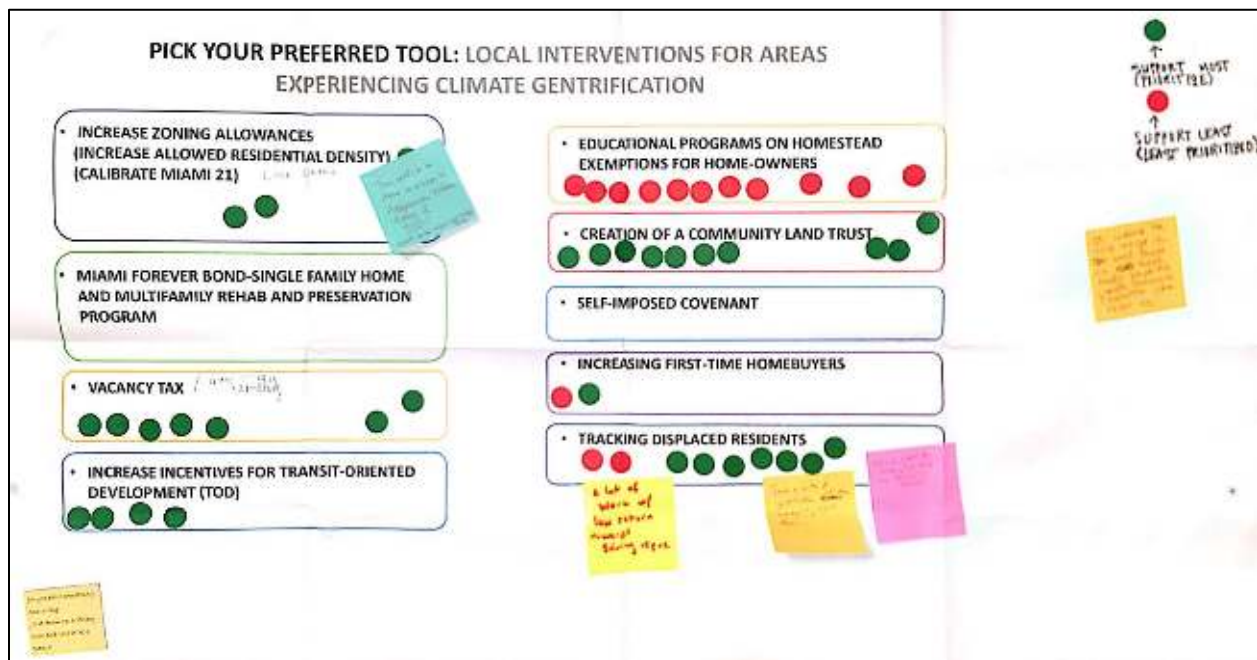
Displacement was the most referenced issue with outstanding questions. Many questions pointed to various aspects of displacement: causes, tracking, relation to climate change, etc. These generally focused on creating research programs to study the effects of gentrification on displacement and the role of climate change. Other questions could be categorized as solution-oriented. They focused more on finding those mechanisms for renter protection and stopping displacement that aren't preempted by state law.

Questions:

- 1) How can we track/keep record of gentrification? (Sub-question: how do we talk to displaced people about gentrification? May be able to track some of this through Census)
- 2) Does climate change assist in predicting where displacement will occur (and/or planning by current developers)?
- 3) When does the problem shift from climate gentrification to climate migration (refugees)?
- 4) Social impact study (assessment of ripple effects in neighborhoods)
 - a. How big would development be to trigger this? (additional fee structure could kill projects)
 - b. CTP Magic City study budget?
- 5) Overlay LLC ownership with Save Our Homes
 - a. Any benefit to educational/enrollment in Save Our Homes?
- 6) Overlay all with evacuation zones over time

- a. Who is most at risk? (Natural disasters)
- b. Additional level; rate of property appreciation
- c. May demonstrate rate at which people are moving from low to high vulnerability
- 7) How do we track patterns of migration? Where are people being displaced?
- 8) What is the consequence of letting gentrification continue without government intervention?
- 9) How can renters be protected? Rent control is preempted. What is a viable, evidence-based solution?
- 10) Where are people going? (that are being displaced)
- 11) Study the association between elevation and price appreciation of multifamily homes
- 12) As gentrification occurs, how is it pressuring other ecosystems i.e. open spaces?

Poster Exercise



The final exercise and conclusion to the workshop was a polling of the participants where each participant was given two green dots and one red dot to use on a poster containing possible local interventions. With the green dots participants picked their highest priority interventions. With the red dot participants picked their lowest priority or least supported intervention. While support for various interventions was well distributed among five of the nine, most participants agreed on the intervention they supported the least (educational programs on homestead exemptions). The interventions and results of the poll are summarized below.

Intervention	Green Support most/prioritize	Red Support least/least prioritized
Creation of a Community Land Trust	10	0
Vacancy Tax	7	0
Tracking Displaced Residents	7	2
Increase Incentives for Transit-Oriented Development (TOD)	4	0
Increase Zoning Allowances (Increase Allowed Residential Density) (Calibrate Miami 21)	3	0
Increasing First-Time Homebuyers	1	1
Miami Forever Bond-Single Family Home and Multifamily Rehab and Preservation Program	0	0
Self-Imposed Covenant	0	0
Educational Programs on Homestead Exemptions for Home-Owners	0	11

As noted above, the creation of a community land trust received the most support from the workshop participants with 10 green dots, followed closely by the creation of a vacancy tax and the tracking of displaced residents, both with seven dots. Educational programs on homestead exemptions for homeowners received the lowest support, with 11 red dots.

A few participants made notes regarding the interventions. One participant noted that tracking displaced residents is “a lot of work with low return towards solving [the] issue.” Another noted that it “is great for scoping the issue, not really a solution.” While a third said “track a suite of gentrification indicators and regularly report them.”

Another participant remarked that increasing zoning allowances should be done in coordination with other programs but needs to be closely monitored. “This needs to be done in relation to Adaptation Action Areas and TOD! Need to be supervised through time,” they noted.

Interventions: A Discussion

Creation of a Community Land Trust

A community land trust (“CLT”) aids in affordability by holding the ownership of actual land for the purposes of affordable housing. Land costs are, often, the factor that contributes the most to the inability to develop affordable housing. With land being valued so high, it’s rarely feasible for developers of any kind to construct housing that is affordable, and affordable for a meaningful length of time. A CLT holds land in perpetuity so that the cost of land is taken out of the equation for housing that is then built on that land. The land may be leased to a homeowner who would then pass the affordability onto the next homeowner, or be developed with rental housing.

South Florida has one operating CLT, the South Florida Community Land Trust, which owns several properties in Broward County, though the group has for some time been attempting to establish itself in Miami-Dade County and the City of Miami. CLTs have great potential for impact in those neighborhoods where land values have not yet appreciated due to speculation. This requires identifying those areas where gentrification and price appreciation is likeliest to occur.

One of the quickest and most impactful ways the City of Miami can leverage the impact of CLTs on housing affordability is by considering all land under the City's ownership that may be suitable and appropriate for housing development. The City can partner with other public agencies that own land in the city to further identify potential areas for housing development through a CLT.

Vacancy Tax

Vancouver's 2017 Empty Homes Tax was North America's first of what is known as a "vacancy tax". Residential properties purchased as second homes, vacation homes, or investment purchases are taxed at a rate that is higher than those residential properties that are occupied, regardless of type of tenure. Empty properties in Vancouver are subject to a tax that is one percent of the assessed taxable value of the property. Vacancy taxes aim to induce owners of an empty property to rent it to a tenant or to occupy it themselves. Washington, D.C. and Oakland, CA have both followed behind Vancouver in adopting their own vacancy taxes. Oakland also adopted a set of exemptions, including for those very-low income owners, low-income senior owners, and disabled owners.

The U.S. Census Bureau's Current Population Survey/Housing Vacancy Survey is conducted quarterly to estimate population and housing statistics throughout the United States.¹ The vacancy rate for Miami's Metropolitan Statistical Area ("MSA") has remained regularly higher than most other large MSAs due a dynamic similar to that in Vancouver. While the city has experienced an enormous surge in foreign investment in real estate, much of that investment has been targeted at luxury residential projects that have been slower to be filled with rental tenants or full-time owner occupants. The idea behind a vacancy tax is to encourage owners of such properties to use them more efficiently rather than to let them sit vacant.

New taxes are difficult to levy. However, the potential impact is great. Either previously empty housing becomes available to new tenants, or money is raised from the tax that is earmarked for the development of new affordable housing.

Tracking Displaced Residents

Neighborhood change means many things. Hopefully, when a neighborhood changes, the services improve, vacant or blighted properties are redeveloped, and vacant commercial properties get new businesses, to name a few things. When a neighborhood changes such that property values increase, low-income residents and businesses are at risk of being displaced. With this understanding, the City of Miami has undertaken a survey of the literature to be develop an understanding of how to respond to development pressure that displaces low-income residents. Among the questions city planners have wanted to understand include the following:

- 1) What are best practices in preventing displacement?
- 2) What methodologies exist to identify displaced residents?
- 3) Which departments within the City of Miami government take what roles in addressing the problem of population displacement?

¹ <https://www.census.gov/housing/hvs/index.html>

The Literature Review

Planning staff commenced with a review of contemporary literature, primarily addressing gentrification, in general (“climate gentrification,” specifically, is a new enough sub-topic that not enough scholarly literature exists to generate the necessary findings). The literature review is attached to this report, in the Appendix. With regard to the questions the Planning Department wished to better understand, the literature review was informative.

Best Practices

The following scholars offered best practices addressing population displacement: Chapple (2015); Chapple & Loukaitou-Sideris (2019); and Sampson (2012). Land development regulation was mentioned by all of them as a practice that should not be avoided: inclusionary zoning, policies promoting mixed income development, density bonuses, transit-oriented development, and the like. Preserving affordable housing was another and creating new affordable housing were two more best practices. Key to understanding is that any affordable unit created with subsidies has an expiration date—usually 30 years from the date of creation. Another best practice was neighborhood stabilization—community land trusts, proactive code enforcement, no-net-loss policies.

Identify Displaced Residents

Every researcher that had undertaken the effort of tracking or identifying people displaced by gentrification took great pains to elaborate on the inaccuracies of the effort. Chapple and Loukaitou-Sideris offer an example that illustrate this complexity, which is characteristic of qualitative data collection:

Households move for many reasons, and sometimes the stated reasons for moving (“a new job”) oversimplifies the actual reason (“a new job allowed me to move nearer to my family and the transition”). There are many choices of where to move, but individuals may not know about all of them. . . . These factors thus complicate the ability of researchers to understand and predict mobility (pp. 202-203, referencing Kan 1999; Bruch and Mare 2012).

Even this complexity does not stop researchers from tracking displaced residents. To be sure, many of the cited sources in this bibliography either tracked such residents or reference studies that made the effort. The question of displacement due to development pressure is one which, as a research endeavor, is not simply done without addressing the problems of reliability and validity. The City of Miami has no resources to address the undertaking; however, university partners do have the resources and may be willing to address the question.

Addressing Displacement

Knowing that there are several policy approaches that are appropriate for addressing displacement, the Planning Department is well-suited to address displacement. To be sure, several recent policies, such as the affordable-attainable policy and TDD policy meet the criteria of the best practices referenced by the scholars in this literature review. The Planning Department’s upcoming adoption of Peril of Flood policies and Adaptation Action Areas will be responsive to forces tied to sea-level rise.

The Department of Housing and Community Development works to verify incomes for residents who qualify for subsidized housing.

As for tracking displacement, university partners are best well-suited for taking this on.

Increase Incentives for Transit-Oriented Development

This intervention may potentially combat the negative aspects of gentrification by increasing the supply of housing that is both affordable for local residents and provides access to opportunities for work. The City of Miami has already created a number of incentives to encourage compact Transit Oriented Development. Most recently, the City created the Affordable and Attainable Mixed-Income Housing Special Benefit Program. With the development of a housing project that reserves units for Affordable, Workforce, and market rate prices, the project may double the number of units allowed in the development. Specific details of the program may be found in Section 3.15, Article 3 of the Miami 21 Zoning Code.

Increase Zoning Allowances (Increase Allowed Residential Density) (Recalibrate Miami 21)

Many have been discussing this intervention for nearly two years; the literature review further suggests that solutions lie in zoning regulation. This intervention is closely tied to the previous one, as it too would increase the supply of housing for residents.

Increasing First-Time Homebuyers

This intervention has increasing political support; however, during the workshop, this intervention showed one green sticker and one red sticker. To be sure, residents who rent are most vulnerable to displacement. To wit, it is homebuyers who have the constitutional support of the Homestead Exemption, Save Our Homes, and Save Our Homes Portability—all which are the home-owner's equivalent of rent control.

Increasing home ownership can be achieved through community land trusts, policies that can incentivize the develop more development of residential product for owner occupancy to the extent that is legal, and outsider partnership involvement that supports residents interested in purchasing a home for the first time. Community Housing Development Organizations (CHDOs) are private, non-profit community-based organizations that provide valuable assistance to persons seeking to buy homes. South Florida is poorly served by CHDOs; addressing this may be a good step to improving this outcome.

Miami Forever Bond

The Miami Forever Bond is available to assist residents currently in housing who need assistance to stay in their homes. This intervention received no stickers. However, funds are available to assist our residents and prevent displacement.

Self-Imposed Covenant

HCD's above-referenced Self-Imposed Covenant supports residents in homes purchased with federal funds. The Self-Imposed Covenant ensures that when the resident sells the subject property, the affordability remains in place. This limits the profit (equity) the home owner gains by having purchased the home; however, it ensures that the single-family property remains affordable for the next purchaser. Notably, no workshop participants prioritized this intervention.

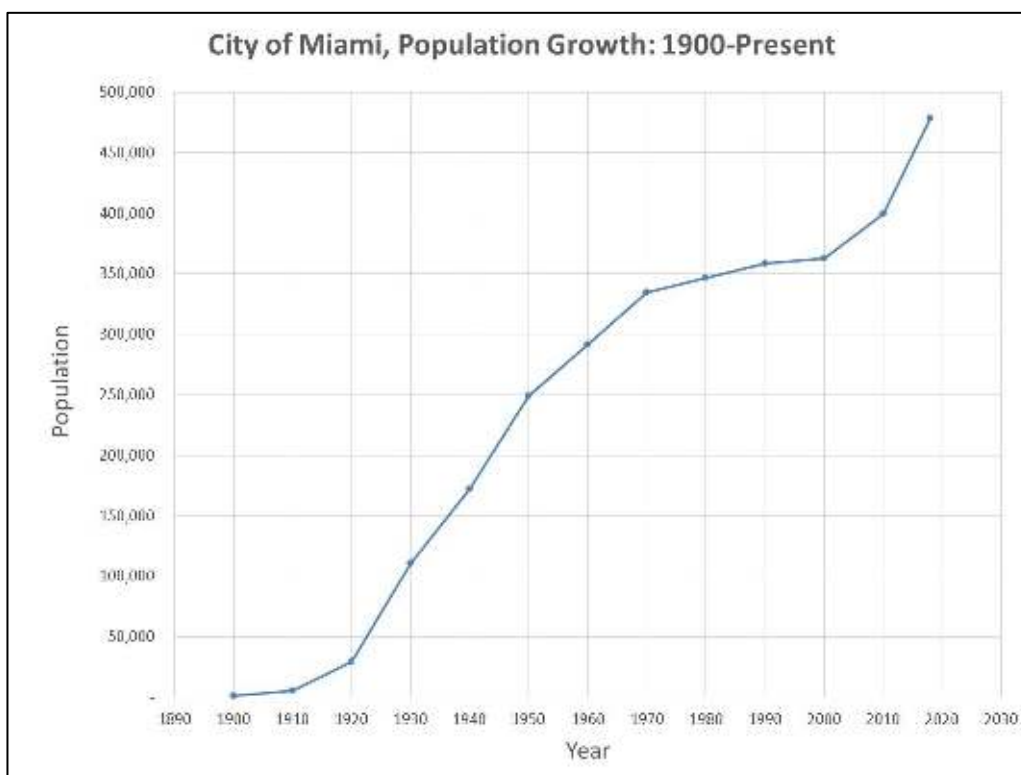
Educational Programs on Homestead Exemptions

This intervention received a strong reaction—11 red stickers. A strong sentiment exists that there is no need for education on the homestead exemption. This suggests that workshop participants feel that home owners are not experiencing displacement because of increases to property taxes in excess of three percent—that is to say, participants had a high degree of

confidence that residents understand the homestead exemption and receive the homestead exemption. Or, participants feel that gentrification is not a concern to home owners.

Next Steps

The Planning Department anticipates adopting final round of amendments to the MCNP for the 2015 Evaluation and Appraisal Review (EAR) in February 2020. Among these, updates to the City's population forecast must be provided and the City must address the Peril of Flood. Population projections are in draft form, but require more review before finalizing. To be sure, the City's population growth trend has seen steady growth since 1920, except for about two decades between 1970-1990. For the past 20 years, growth averages about two percent per annum. In 2010, the City's population was 399,547. For 2030, based on a methodology that takes the City's population as a share of Miami-Dade County's, the City's population is expected to be in the range of 573,000 and 577,000 persons. The City accounts for a significant portion of the County's population growth. Thus, population growth exasperates all factors relative to gentrification. Moreover, growth of population must be a consideration for adaptation policies. The graph below illustrates the City's growth trend since 1900.



Peril of Flood amendments are expected in March 2020: this policy is the precursor to the Adaptation Action Area goals objectives, and policies of the Miami Comprehensive Neighborhood Plan. The Department is currently working internally on approaches to take for Adaptation Action Area policies. Following Section 163.3177(6)(g)(10), Florida Statutes, the City's Adaptation Action Area ("AAA") program will focus on building adaptation measures into neighborhood planning for resilience to the impacts of climate change and sea level rise. To this end, Miami's Adaptation Action Areas approach embraces a neighborhood planning scope in its focus.

A key component of resilience is community stability. Instability for a community manifests in the breakdown of social networks as long-time residents and business are forced to move for reasons beyond their control. This does not mean neighborhoods won't change. They will. A stable community provides the social, economic, and physical infrastructure for a community network to change intentionally, so that residents and businesses are not involuntarily displaced. The City cannot ensure that no resident or business will face their lease being terminated for redevelopment, but the City aspires to establish a fuller policy framework that mitigates involuntary displacement of tenant residents, owner-occupant residents, as well as businesses (including those businesses that own or rent their locations) to the degree public policy can do so. To this end, the upcoming neighborhood planning effort, will engage local stakeholders with a 20-year planning horizon. The scope for each plan will encompass the following:

- Review and assessment of previous neighborhood plans;
- Community engagement;
- Planning analysis: Land use, zoning, census review (socio-demographic review), hydrology, special considerations as appropriate;
- Assessment of risk relative to resilience goals;
- Draft goals, objectives, policies, strategies;
- Adoption.

The Adaptation Action Area approach is seen as a thread connecting individual neighborhoods with specific demands for resilience. This neighborhood planning effort will commence immediately after the adoption of the 2015 EAR amendment. The Planning Department aspires to work with up to two neighborhoods concurrently. Each effort should require up to six to nine months to complete, depending on neighborhood demands.

Appendix

Annotated Bibliography: Selections on Gentrification and Displacement

Chapple, K. (2015). *Planning Sustainable Cities and Regions: Towards More Equitable Development*. New York: Routledge.

This book is organized into: (1) Introduction; (2) Guiding Neighborhood Change in the Region; (3) Growing the Regional Economy through Sustainability; and (4) Addressing Poverty, Opportunity, and Accessibility in the Region. Chapter 6 is entitled "Regional Growth, Gentrification, and Displacement. Early in this chapter, Chapple presents positive outcomes of gentrification: influx of college-educated residents and artists; renovation of commercial spaces; housing appreciation allowing residents to sell their homes and upgrade. Chapple presents negative outcomes: existing residents forced out due to higher rents and loss of neighborhood character. An anecdotal examination of an NYC neighborhood that gentrified spurs this statement: "The narrative of displacement resonates more than a narrative of benefit. Is it based in reality? And how can we make policy without knowing the answer?"

Chapple references five authors who published between 2002 on the topic of gentrification-induced displacement who find that gentrification induces residents to remain in place rather than displacement. This is due partly to the fact that "displacement" is difficult to establish through social scientific methods: Do people move willfully or not? Do people move to care for an aging parent? Do people move for a new job? Do people move because they were gentrified away? The difficulty of obtaining panel census data that track households as they move from one neighborhood to another makes it untenable to track these data with most certainty, "and even those data do not explain whether moves are voluntary or involuntary" (p. 143). Most academic studies have used mobility rates as a proxy for displacement, examining how exit and entry of low-income households change--Chapple cites five studies from 2002 through 2011 which used that methodology. The author suggests that evidence on entry is suggestive of displacement of the exclusionary type and that higher-income households are more likely to take up residence in gentrifying neighborhoods. The author's observation is that low-income residents often identify strategies to remain in gentrifying neighborhoods (getting roommates and finding surplus employment, for example) which minimizes the impacts of displacement.

The author recommends interventions to address gentrification and displacement that will aid infill development, transit-oriented development, inclusionary and fair share housing, business incentives, mobility and other approaches that assume urban areas will be ever-expanding.

Chapple, K., & Loukaitou-Sideris, A. (2019). *Transit-Oriented Displacement or Community Dividends? Understanding the Effects of Smarter Growth on Communities*. Cambridge, MA: Massachusetts Institute of Technology.

The point of departure for this book is an examination of the hypothesis that transit-oriented development drives gentrification. The book recognizes gentrification as a global phenomenon. At the outset, the scholars state that displacement is not necessarily induced by gentrification

and that specific policies can keep displacement at bay, as discussed in Chapter 10 of the book. While transit causes gentrification and it causes displacement, it is not clear that those outcomes are uniform, inevitable, or predetermined. In Chapter 8 ("Transit and Displacement: Where Do the Displaced Move?" pp-201-222), the authors acknowledge that creation of transit requires the demolition of housing (causing displacement) and creation of transit inflates housing prices, causing some displacement. However, it is extremely difficult to track mobility of the American population. Currently, just 11 percent of the population move each year, compared to about 20 percent in the mid-1980s (pp. 201, citing US Census, 2017). The trend is for people to relocate less often. Push and pull factors around mobility include family life-cycles, neighborhood satisfaction, community attachment, race, and income. Understanding **why** people move is incredibly complex. The authors illustrate:

Households move for many reasons, and sometimes the stated reason for moving ('a new job') oversimplifies the actual reason ('a new job allowed me to move nearer to my family and the transit station'). There are many choices of where to move, but individuals may not know about all of them. . . These factors thus complicate the ability of researchers to understand and predict mobility (pp. 202-203, referencing Kan 1999; Bruch and Mare 2012).

The authors reference studies that focus on low-income household movers which observe these subjects as frequent movers, or "churners." In one study of 10 cities, the median distance moved by low-income residents was 2.6 miles, 30 percent of households moving out of a neighborhood by choice. For those who were "churners," the median move was 1.7 miles. The explanation for this short distance was due to social ties that were key to identifying new places to live and spatial segregation (pp.210-211).

The authors state displacement by gentrification is avoidable through a framework of "Antidisplacement Strategies." This framework is composed of four categories briefly summarized here.

(1) Production of affordable housing -- This is executed through land use policies to incentivize or prioritize different types of affordable housing and public investments that can be tied to affordability requirements. In short, affordable housing strategies are either created by harnessing the market or through public investment--there is no other way.

(2) Preserving affordable housing -- This is accomplished by ensuring subsidized units about to expire are extended. For unsubsidized affordable rental units, preservation refers to mission-oriented buyers (usually non-profits) purchasing rentals at risk of becoming unaffordable and investing to rehabilitate the units while also keeping rents at affordable levels.

(3) Neighborhood stabilization -- These strategies are about protecting tenants, often education or ordinances. Alternatively, a place-focused strategy will involve restrictions against condo conversions, community land trusts, proactive code enforcement, no-net-loss policy.

(4) Prevention of commercial displacement -- Strategies to help businesses stay open during times of shocks (during construction or during storms) and assisting with business relocation, funding for technical assistance, façade improvements, etc.

Cortright, J., & Mahmoudi, D. (2014, December). *City Observatory*. Retrieved June 22, 2019, from City Observatory: http://cityobservatory.org/wp-content/uploads/2014/12/LostinPlace_12.4.pdf

This paper examines population change in America's poorest urban neighborhoods over the four decades from 1970-2010. The unit of analysis is the census tract and the study focuses on high-poverty neighborhoods in large urban areas. The researchers included all of the 51 metropolitan areas with 2010 populations over 1 million. All study areas were within 10 miles of the area's central business district. The main observations are that high-poverty census tracts (a total of 737 tracts [the total number of tracts studied was 16,361], where 30 percent or more persons lived at or below the poverty rate) in 1970 rarely had improved circumstances by 2010. By 2010, only 100 high-poverty census tract had improved its description to "improved", whereby less than 15 percent were at or below the poverty line. Most of these persons rent their homes, and about 56 percent of renters have lived in their homes for three years or less. Longitudinal surveys of poor families in urban settings have found that relocation is frequently for the purpose of improving their conditions. (pp.23).

Overall, the researchers conclude that gentrification, as a social phenomenon, is rare but the concentration and deep entrenchment of poverty is more common. Gentrification can be difficult to identify, in part, because the definition of it remains variable (pp. 20-22). All neighborhoods are in a state of change—a reality due to the fact that people who live in them age, the built structures age and experience wear and tear, and so on. Where neighborhood change comes with the arrival of more affluent residents, the paper cautions against assuming the change is a one-for-one process. Rather, neighborhoods experiencing a reduction in poverty see a significant numerical increase in the overall population—as a contrast, high poverty neighborhoods that do not improve in the aggregate demonstrate an out-migration of population over time.

Loukaitou-Sideris, A., Gonzalez, S., & Ong, P. (2017, August). Triangulating Neighborhood Knowledge to Understand Neighborhood Change: Methods to Study Gentrification. *Journal of Planning Education and Research*, 1-16.

Neighborhood change is a complex phenomenon that may result in a range of physical, demographic, and economic changes in a locality. Using four case studies of transit neighborhoods in Los Angeles, this study utilizes a mixed-methods approach to examine a particular aspect of neighborhood change--gentrification. The article also compares and contrasts the type of data gathered by different methods to help us understand each method's potential and limitations in capturing gentrification trends in neighborhoods.

The mixed methods used in this study involved a review of property appraiser data, review of Census data, visual surveys of neighborhoods, and in-person interviews. The authors explain that the mixed methods approach was necessary due to the complexity of gentrification as a social phenomenon.

Simple statistics cannot easily capture change because the initial wave of higher-income residents who benefit from existing rent levels could keep the rent-to-income ratio low,

or even lower it. At the same time, existing census information is not sufficient because it does not depict the fine-grain changes, such as the number of individuals displaced. We can only directly get a sense of that, and better data (such as evictions) are not readily available across jurisdictions. Given this complexity and disparate trajectories, it is important to multiple indicators of gentrification. (pp. 13)

McKinnish, T., Walsh, R., & White, K. (2008). *Who Gentrifies Low-Income Neighborhoods?* National Bureau of Economic Research. Cambridge, MA: National Bureau of Economic Research.

The first and second authors of this paper were Special Sworn Status researchers of the U.S. Census Bureau at the Triangle Census Research Data Center and the third author was an employee of the Census Bureau. The authors had access to confidential data on 1990 and 2000 Decennial Census Long Form data not accessible to others. The analysis disaggregated by demographic characteristic, uncovering differential patterns by race, education, age and family structure. The results provide no evidence of displacement of low-income non-white households in gentrifying neighborhoods. The bulk of the increase in average family income in gentrifying neighborhoods is attributed to black high school graduates and white college graduates. The disproportionate retention and income gains of the former and the disproportionate in-migration of the latter are distinguishing characteristics of gentrifying U.S. urban neighborhoods in the 1990s.

Sampson, R. J. (2012). *Great American City: Chicago and the Enduring Neighborhood Effect*. Chicago: University of Chicago Press.

Sampson's scholarship focuses greatly on the influence of place on society. For example, "Does the neighborhood in which an infant is born predict the likelihood of gang membership?" is typical of Sampson's research. In Chapter 5, "Legacies of Inequality," the author investigates gentrification in Chicago. He examines families in poverty in specific neighborhoods in 1960 at the dawn of the Civil Rights era and also in 2000. Sampson's finding is that poor neighborhoods in 1960 remained so in 2000, despite social change. Asserting that other scholarship finds single-city studies are biased, the author researched every census tract in the United States to study "concentrated disadvantage" in 1990 and 2000. His research included 64,000 census tracts. In essence, Sampson's interest is beyond poverty, but includes consideration of education, violence, and other factors that generally fall under the umbrella of social order. Sampson's findings corroborate the idea of the increasing concentrating poverty, but his research goes much, much farther.

This is a significant volume examining changes in Chicago and the idea of gentrification is examined in the context of a city that embraced urban renewal with solutions like Cabrini Green. His discussion of policy interventions gives a nod to inclusionary zoning, mixed income housing, and innovative zoning solutions.

Zuk, M. (2015). *Regional Early Warning System for Displacement*. University of California, Berkeley. Center for Community Innovation.

This document summarizes a cooperative effort by the Center for Community Innovation and the University of California, Berkeley to develop an early warning system for gentrification-

induced displacement. The effort undertook a literature review to establish a definition of gentrification and a survey of methods on analyzing the real estate market and demographic trends. Three methods inform the early warning system and were adapted for the local region based on data availability and local knowledge of the specific neighborhoods to be examined. Displacement was found in lower and higher income tracts even though demographic shifts were not clear.

This article comes with an elaborate appendix with complex methods for determining presence of gentrification, modelling displacement risk, lower income displacement criteria, moderate income displacement criteria, and advanced exclusion.