The Racial Wealth Divide in Miami

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Contents

Directors Letter

Dear Reader,

The Racial wealth divide is broad and deep in thousands of communities across the United States. The issue of wealth inequality has a multitier of ramifications for communities and families.

In Miami, the racial wealth divide is as unique as the people. Much of the divide is due to systemic racism and prejudice, perpetuated by federal policy and privatized prejudice and predation.

The Racial Wealth Divide Initiative at CFED developed this profile to better understand how racial economic inequality affects New Orleans. This profile is also one of the first steps taken under the Building High Impact Nonprofits of Color project, funded by JPMorgan Chase & Co. This project aims to advance best practices and strengthen resources for nonprofits of color.

How do I use this profile?
The following profile presents data on the economic inequalities within Miami. These statistics may seem overwhelming, however we believe with more information about the challenges of racial economic inequality, there is a greater opportunity to identify best practices and policies that can address the racial wealth divide.

How does New Orleans compare to the rest of the nation?
People of color in Miami—Black, Asian and Latino populations— generally struggle more than their peers nationwide, yet Miami's White population often has better economic outcomes than the White population nationwide. The White population's income is $11,728 higher in Miami than it is nationwide while the Black population's income is $14,388 lower. Similarly, the Asian and Latino population's incomes are lower in Miami than they are nationwide by $6,101 and $13,910 respectively. In unemployment, the Black unemployment rate is 1.6% higher than the national rate. Lastly, Miami's White population has a 7% lower rate of liquid asset poverty than the nationwide White population while the Black population's rate is over 10% higher and the Latino population's rate is 3% higher.

What's next?
CFED's Racial Wealth Divide Initiative will be working in Miami to build the capacity of nonprofits of color so that they are better positioned in their field to further their impact in the communities that need them most. We believe that in order to address the significant financial insecurity facing families and communities of color, we must strengthen the local organizations of color that are on the frontlines addressing these communities needs and concerns and providing greater economic opportunity.

Sincerely,

Dedrick Asante-Muhammad
Director, Racial Wealth Divide Initiative, CFED

The Racial Wealth Divide in Miami

Economic inequality has expanded over the past decade, shuttering the windows of opportunity for millions of Americans. In urban centers, this growing inequality has manifested through gentrification and concentrated poverty in communities of color.

Miami is unique among major American cities in that the majority of its residents are foreign-born. In fact, immigrants comprise nearly 58% of Miami's population, a rate more than 10 percentage points higher than that of Santa Ana, CA, the city with the next highest rate. This fact is reflected in the household income statistics. Among Miami's Latino subpopulations, groups with higher shares of foreign-born residents have far lower average household incomes and much higher income poverty rates than groups with larger shares of native-born residents. Given the city's large immigrant population, however, this disparity is more acute. As a result, Miami faces a singular set of challenges in addressing the financial well-being of its residents.

Demographic information such as national origin and ethnicity reveal the fault lines within each racial and ethnic group, and, to an extent, the tension that underlies the pervasive anti-immigrant sentiment throughout the country. At 35% of the total population, Cubans comprise a plurality of Miami's residents; no other single ethnic group exceeds 12% of the population. Of the Cuban population, however, only 22% are native-born, the lowest proportion by far of any of the city's major ethnic groups. While Cubans have the lowest median household income of any Latino subgroup, they are also the most likely to own their home, with a 37% homeownership rate. Still, over 60% of Cuban homeowners, and over 71% of Cuban renters, pay more than 30% of their income on housing costs, a burden that constrains their ability to save and build wealth for the future.

Still, each Latino ethnic group enjoys better economic outcomes overall than do the city's black residents. Haitians and African Americans are more likely than any other major ethnic groups to live in poverty, with poverty rates of 45% and 44%, respectively. While median household income among Miami's Latino residents varies from $46,000 among Mexicans to just over $25,000 among Cubans, African American and Haitian household incomes hovers just above $21,000. (In contrast, the median white household income is more than three times greater, at over $70,000.) Miami's Haitian population also has the lowest educational attainment rates of all major ethnic groups, with only 57% of Haitian adults holding a high school degree or higher, and 5% holding at least a four-year college degree.

The city must, therefore, directly address the disparities between and within Miami's racial and ethnic groups in order to successfully combat the racial wealth divide. This can only be done by bridging the gaps between the city's immigrant and native-born Latino communities, as well as between the city's white and non-white communities more generally. This fight must be led by those on the ground. The Racial Wealth Divide Initiative at CFED understands that redressing this disparity in outcomes requires an inclusive approach that addresses not only these disparities themselves, but their root causes. Through work funded by JP Morgan Chase, the Racial Wealth Divide Initiative has launched a project to build the

capacity of organizations of color working to support wealth building in economically marginalized communities.

At the bottom of the page are two logos from left to right they read: CFED, expanding economic opportunity and JPMorgan Chase and Co.

Infographic Highlights

There are four graphics on the right side of The Racial Wealth Divide in New Orleans text. They are described from top to bottom:

Population

A circle is divided up into four unequal sections representing the following: Blacks constitute 17% of the Miami population, Latino's constitute 71% of the population, Whites constitute 11% of the population and Asians constitute 1% of the Miami population.

Nativity

Three in five of Miami residents are foreign-born.

Median Household Income

The average white household in Miami makes three times the annual income of the average household of color.

Cost-Burdened Renters

A circle is divided up into two unequal sections with different colors. The red segment forms most of the circle at 69%, representing the percentage of Miami renters of color that are cost-burdened.

Latino Ethnic Diversity by Census Tract in Miami

Miami is a city with a rich, vibrant and diverse Latino population—a population that has evolved over time due to continued migration and immigration. But often, data about Latinos are presented in aggregate, with little regard to nationality and tenure of residency. Below, the map displays concentrations of certain Latino ethnic groups in Miami. It should be noted that there are significant differences among Miami's Latino ethnic groups with regard to homeownership. For example, the homeownership rate for Cubans is nearly 37%, while the rate for Central Americans is 17%. In contrast, the homeownership rate for whites is 43%—the highest rate of any of the city's resident ethnic groups. These differences in homeownership are attributable to a multitude of factors, such as income, length of residency and education, in addition to the political environment surrounding Cuban migration. These data and the map below provide a snapshot that highlights the financial condition of different Latino ethnic groups to inform programs and practices.

A map of Miami is displayed. The western limit is the Miami International Airport and the eastern limit is the coast. Color-coded dots represent different Latino ethnic groups—Cuban, Puerto Rican, Dominican, Central American, South American, Mexican. The legend reads one dot equals thirty-five people. The largest cluster is made up of Cuban dots. This cluster is on the western end and the furthest cluster from the coast. The Puerto Rican dots do not have a significant enough trend to form a cluster. These dots are fairly evenly scattered across the city. There are roughly as many Dominican dots as there are Puerto Rican dots. The Dominican dots are fairly evenly scattered throughout the state, but there is a small, loose

cluster in the northern half of the city. The second largest cluster is made up of Central American dots. This cluster is located in the center of the city and overlaps part of the large Cuban cluster. There are a few dots scattered up and down the coast and throughout the northern section of the city, but there are no other significant trends. The South American dots make up the only cluster on the coast. The cluster spans the middle portion of the city, neither especially north nor south. There is no significant trend for the Mexican dots. They are the fewest and spread throughout the city, overlapping with all the other dots. The data comes from the U.S. Census Bureau, American Community Survey 2010-2014 Five-Year Estimates.

Racial Wealth Divide in Miami Infographics

Miami, long touted as one of the best places to vacation and retire, is also a city of great economic disparity. The Latino community comprises over 70% of the Miami population, and almost 75% of Latino Miamians are liquid asset poor, meaning they do not have the saving to subsist for even three months at the poverty level in the event of a job loss or other income disruption. There is also strong racial inequality in educational achievement, household income and asset ownership. While the majority of the city's households rent their homes, households of color pay a greater share of their incomes on rent than white renters. These outsize housing costs leave many families without the means to save or build a basic safety net for financial emergencies, let alone build the wealth needed to lay the foundation for upward mobility.

There are ten infographics. They are listed and described below.

Households of Color in Liquid Asset Poverty

An outline of the shape of the city of Miami is divided into two unequal sections. The shaded portion depicts the fact that 74% of households of color live in liquid asset poverty.

Population

There are fifty people-shaped figures standing in five rows with an equal number of men and women. They are divided up into four sections with different colors. Thirty-five and a half figures, or 71% of the total number of figures, are brown and represent Latinos. Eight and a half of the figures, or 17% of the total number of figures, are dark red and represent Blacks. Five and a half figures, or 11% of the total number of figures, are yellow and represent Whites. Half of a figure, or 1% of the total number of figures, is green and represent Asians.

Liquid Asset Poverty by Race

There is a horizontal bar graph with four labels on the x-axis: Black, Latino, White and Asian. The black bar is the longest and reaches 79% on the y-axis. The Latino bar is the second longest and reaches 74% on the y-axis. The white bar is the shortest and reaches 28% on the y-axis. The Asian section has "data n/a" in place of a bar.

Median Household Income

There are four unequal stacks of money placed in ascending order, left to right. The one on the far left is the shortest and labeled with "Black" and "$21,212." To the right is the second shortest stack. It is labeled with "Latino" and "$28,486." The third to the right is labeled with "Asian" and "$67,143." The one on the furthest right is the tallest. It is labeled with "White" and "$70,575."

Households with Zero Net Worth

There is a circle made up of three rings of different colors representing three groups. The innermost ring is yellow and represents Whites. There is a bolded portion of the ring that forms 15% of the rings. The middle ring is brown and represents Latinos. The bolded portion forms 27% of the ring. The outermost ring is dark red and represents Blacks. The bolded portion forms 37% of the ring. Data is n/a for Asians.

Homeownership Rate

There are four houses labeled Black, Latino, Asian and White. Each house is partially shaded a darker color, and no house is shaded in the same amount. The red house represents Blacks and 22% of it is shaded in darker. The brown house represents Latinos and 31% of it is shaded in darker. The green house represents Asians and 39% of it is shaded in darker. The yellow house represents Whites and 43% of it is shaded in darker.

Cost-Burdened Renters

A vertical bar graph with Black, Latino, White and Asian on the x-axis. The Black bar is the highest and reaches 71% on the y-axis. The Latino bar is slightly lower and reaches 69% on the y-axis. The White bar is the shortest and reaches 52% on the y-axis. The Asian column has data n/a in place of a bar.

Bachelor's Degree or Higher

There are four squares of different sizes and colors labeled Black, Latino, White and Asian. The dark red square represents Blacks, and at 12%, it is the smallest. Directly to the right is the brown square representing Latinos. At 21%, it is the second smallest. The square directly below it is yellow and represents Whites. At 58%, it is twice as large as the brown square. The square to the left is green and represents Asians. At 59%, it is about the same size as the yellow square. The text below the infographic reads: "Only 12% of Black adults in Miami finish a Bachelor's degree or higher compared to 58% of White adults."

Unemployment Rate

There are three thermometers of different sizes and colors labeled Black, Latino and White. The dark red thermometer represents Blacks and at 15% is the largest. The brown thermometer represents Latinos. At 8%, it is half the size of the dark red thermometer. The shortest thermometer is yellow and represents whites. At 5%, it is similar in size to the brown thermometer. Asian is also listed as a category but "data n/a" is in place of a thermometer. The text at the bottom reads: "The unemployment rate for Black households in Miami is nearly three times the rate for White households."

Ethnicity

Latinos are the dominant ethnic group in Miami and have been for decades. Among the city's Latino population, Cubans comprise the largest share, but South Americans enjoy the best outcomes. Compared to other Latino groups, South American residents are least likely to live in poverty. They also live in homes with far greater property values and earn college degrees at nearly double the rate of Mexican adults, the Latino group with the next-highest attainment rate.

The infographic is composed of 13 circles, all of different sizes. The largest circle is dark gray. Inside the circle is: "Total population, 416,432." It has four lines connecting it to four different circles. A line connects it to a brown circle directly to its right. The brown circle has text inside it that reads: "Latinos, 71%." There are six beige circles on the right side of the brown/Latino circle. The largest has "Cuban, 35%" inside the circle. The second largest circle is labeled "Central American, 17%." The third largest circle is labeled "South American, 10%." The "Dominican" and "Puerto Rican" circles are both labelled with 3%. The smallest circle is labeled "Mexican, 2%." A line connects the "Total Population" circle to a red circle directly below it labelled "Black, 17%." There are two pink circles beside the red/Black circle, one on the left and one on the right. The larger of the two is on the left and labeled "African American, 12%." The smaller of the two is on the right and labeled "Haitian, 4%." Another line connects the "Total Population" circle to a yellow circle labeled "White, 11%." A line connects the "Total Population" circle to the smallest circle labelled "Asian, 1%."

Ethnic Diversity by Census Tract in Miami

The upper half of the page is taken up by three pictures taken in various locations across Miami. The first is of a small group, mainly African American, walking in a semi-crowded street. The second is an aerial view of a Miami suburb adjacent to a lake. The third depicts two people of color walking down an empty alleyway.

Where in Miami a family lives is closely connected with their racial or ethnic background. Miami's neighborhoods have been largely segregated by race dating back to the early 20th century, and although it is no longer officially codified, residential segregation has persisted in the city to this day. The racial history of Miami's housing patterns has been well documented, with much of the city's current layout the result of deliberate planning and policy choices made during the post-New Deal 1930s, when the city's "Negro Resettlement Plan" was first proposed and redlining was enacted with the blessing of the federal government. Today, as then, Miami's white residents mostly occupy the prime real estate along the coastline, while African American residents live in Liberty City and the surrounding neighborhoods in the city's northwest quadrant. However, the influx of Cuban immigrants in the middle of the 20th century adds wrinkles to what was a historical pattern of discrimination; without reversing that pattern, Cuban households now make up the largest share of the population in 37 census tracts, the majority of which are in West or South Miami. The most diverse tracts are located in the city's center, where white, Cuban, Central

American and other Latino residents intermingle. African-American and Haitian residents, however, are mostly shut out, with the notable exception of the tracts that comprise Miami's historically African American Overtown neighborhood, which remains majority African American. In fact, there is only one majority-African American census tract in which whites comprise more than 10% of the total population; there remain no majority-white tracts in which African Americans comprise more than 4% of the population. Where each group resides is highly correlated with community income, as well. White households make up the largest share of the population in 16 of the 20 most affluent tracts with respect to family income, with South American households holding the largest share in the other four tracts. Of the 20 tracts with the lowest median family incomes, eight are largely black, eight are Central American, three are Cuban, and one is Haitian.

Ethnic Diversity by Census Tract in Miami

One map takes up the entire page. It is a map of Miami similar to the map on page two with the title: "Latino Ethnic Diversity by Census Tract in Miami." The western limit is the Miami International Airport and the eastern limit is the coast. Color-coded dots represent different racial groups: White, Black, Haitian, Cuban and Latino. The legend reads "One dot equals 35 people." The clusters for Whites, Blacks and Latinos are of similar size. The White clusters are most concentrated all along the coast, fairly equally represented from the northern border to the southern border. A few of those dots, negligible in relative size, are scattered inland towards the eastern portion of the city but there are no other noteworthy trends. There are three clusters of Black dots. The largest cluster is concentrated in the northeastern section of the city. The second largest is in the center portion of the eastern coast. The last cluster is significantly smaller and on the southernmost tip. The Latino dots are the most dispersed, overlapping with the White, Black and Cuban clusters. These dots have two large clusters. The first is just north of longitudinal center of the city and extends from the western to eastern border. The second is just south of the longitudinal center and covers the area between the eastern coast and latitudinal center. The cluster of Haitian dots is the smallest. The Haitian dots are clustered in the northern part of the city and overlap with the Black cluster but do not reach the eastern coast. The largest cluster is made up of Cuban dots. This cluster is on the southwestern end along the International Airport and is the least dense at the coast. The data comes from the U.S. Census Bureau, American Community Survey 2010-2014 Five-Year Estimates.

Data Tables
If you would like to review the data tables, please visit this url - http://cfed.org/assets/excels/Miami_DataTable.xlsx and download the file.

Building High Impact Nonprofits of Color Project
In order to address the national challenge of a broad and deep racial wealth divide, communities of color need nonprofits of color with high-impact asset-building services. CFED's Racial Wealth Divide Initiative aims to strengthen the capacity of nonprofits of color to support economic opportunity through the work of the Building High Impact Nonprofits of Color project.

The project has three key goals: to build leadership and organizational capacity, improve organizations' understanding of the connection between assets and the racial wealth divide, and provide networking and convening opportunities so organizations of color can build strong relationships within and across networks.

By the end of 2017, this project will equip more than 20 organizations with strategies and skills to launch, expand or improve wealth-building initiatives for communities of color across the country. CFED's Racial Wealth Divide Initiative will continue partnering with organizations to support their growth and development, share CFED resources and analysis and continue learning about best practices for addressing racial economic inequality at the local level.

Below are the five nonprofit organizations of color that the Racial Wealth Divide Initiative is working with in Miami, FL. Each of these organizations is working within their respective communities to help bridge the racial wealth divide and promote financial literacy and capability in their communities. Despite the widening of the racial wealth gap, these organizations and others like them are developing, piloting, managing and replicating primer programs and best practices to address the inequalities in Miami and the nation.

Miami, Florida: Building High Impact Nonprofits of Color Project

ConnectFamilias, Inc.

ConnectFamilias' (CF) mission is to build communities where children and families thrive and succeed. CF serves families with children under the age of 18 and, between 2014-2016, they provided direct services to 2,028 children (from birth to age 17) and 1,325 adults (18+). CF provides various community development and economic empowerment services including connecting families to resources and opportunities through a cross-sector partnership with over 50 partners.
CF provides early childcare education, arts programs, money management workshops and Community Health Worker trainings and certifications. Through their suite of services, CF has improved the literacy of ESOL/ESL students by 90% and certified 38 Community Health Workers that are culturally representative of the families they serve. One of their strategies to address racial economic inequality is through advocating and educating community leaders, policy makers and practitioners to promote equity and dismantle structural racism, antiquated systems and policies that negatively affect Latino communities.

Haitian Neighborhood Center, Sant La

Sant La's mission is to empower, strengthen and stabilize South Florida's Haitian community through access to resources to ensure its successful integration. Their main constituency is comprised of low- to moderate-income Haitians/Haitian Americans and/or immigrants/refugees. Serving Haitians and Haitian Americans throughout Miami-Dade County, Sant La provides a host of community development and economic empowerment services; including citizenship courses, financial coaching, low income tax preparation, supporting health plan enrollment

and strengthening families. Through Sant La's continued efforts, Haitian health coverage has increased from just 22.7% to 30.9% between 2010-2015; families have received more than $1,300,000 in tax refunds and over $700,000 in earned income tax credits helping low-income families achieve greater economic stability. Sant La provides programing via a breakthrough service model with a two-generation focus. Sant La's strategies to address racial economic inequality include outreach, the promotion of wealth building and wealth protection, working with stakeholders and developing a culture of saving.

Hispanic Unity of Florida, Inc.

Hispanic Unity of Florida, Inc.'s (HUF) mission is to empower immigrants and others to become self-sufficient, productive and civically engaged. HUF serves diverse and multi-cultural working families from the United States and more than 25 other countries. HUF provides a range of wrap-around services to help more than 17,000 clients of all ages, from preschoolers to adults, successfully transition to a productive new life. With their ever-growing dedication to creating and promoting community partnerships, HUF offers 12 programs and 30+ services in four languages. Through their culturally competent programs, HUF has helped 247 clients purchase a qualified health plan, secured more than $5,000,000 in tax refunds and assisted more than 500 families move toward self-sufficiency. HUF's strategies to address racial economic inequality include education, civic engagement, advocacy and economic development through employment services, entrepreneurship, income supports and tax preparation.

Miami Children's Initiative

Miami Children's Initiative's (MCI) mission is to create a community-based network that develops, coordinates and provides quality education, accessible health care, youth development programs, opportunities for employment – all ingredients for safe neighborhoods for children and families. MCI builds self-reinforcing communities of families building a common future that promotes safety and prosperity for its neighborhoods. MCI delivers high-quality, impactful educational enrichment beginning at birth to transform and promote optimism and hope within traditionally underserved communities. MCI geographic focus is Liberty City, FL and it is there that MCI engages and delivers services. MCI is one of the only organizations in Miami driving a place-based "cradle-to-college-to-community" strategy. MCI's strategies to address racial economic inequality include keeping parents and youth actively involved and engaged, providing positive parenting support, strengthening the capacity of core community organizations and improving economic resources and affordable housing.

Partners for Self-Employment, Inc.

Partners for Self-Employment's (PSE) mission is to promote the financial self-sufficiency and the accumulation of assets by low-to moderate-income individuals and families in South Florida via opportunities to make, save and manage money. PSE primarily serves low-to moderate income underserved, underbanked or unbacked communities of color in Miami-Dade and Broward

Counties. PSE has made more than 4,900 loans to small businesses through its microloan programs. PSE has facilitated in the creation of more than 900 full-time jobs, provided over 15,000 hours of financial education and trained more than 750 first-time homeowners and entrepreneurs. PSE's strategies to address racial economic inequality include promoting entrepreneurship as a way to increase income; Individual Development Accounts (IDAs) as an opportunity to become a home owner; culturally relevant financial literacy classes and referral services. Other PSE strategies include providing training and technical assistance to inmates prior to release and increasing the amount of loan capital available to entrepreneurs left out of mainstream financing.

Building High Impact Nonprofits Project Partners

CFED
CFED's work makes it possible for millions of people to achieve financial security and contribute to an opportunity economy. We scale innovative practical solutions that empower low- and moderate-income people to build wealth. We drive responsive policy change at all levels of government. We support the efforts of community leaders across the country to advance economic opportunity for all. Established in 1979 as the Corporation for Enterprise Development, CFED works nationally and internationally through its offices in Washington, DC; Durham, North Carolina, and San Francisco, California.

Racial Wealth Divide Initiative (RWDI) at CFED
Racial Wealth Divide Initiate (RWDI) at CFED works to strengthen the ability of all CFED's programs to proactively address racial wealth inequality and deepen analysis of asset poverty challenges impacting communities of color. RWDI launches and implements projects that highlight best practices for eradicating racial wealth inequality, including collaborating with local and regional organizations. RWDI supports the efforts of CFED and its partners to drive policy solutions that reduce racial economic inequality at the national, state and local levels.

JPMorgan Chase & Co.
JPMorgan Chase & Co. is a leading global financial services firm with assets of $2.4 trillion and operations worldwide. The firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. The firm uses its global resources, expertise, insights and scale to address some of the most urgent challenges facing communities around the world, including the need for increased economic opportunity.

The Center for Public & Nonprofit Leadership
The Center for Public & Nonprofit Leadership at Georgetown University's McCourt School of Public Policy is a leading education, research and training center dedicated to

the development of public, nonprofit and philanthropic leadership. Our programs for students, practitioners and policymakers increase their capacity to work across organizations, communities and sectors to address public needs, tackle public problems and, above all, promote the public good.

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