

Who Wants Mixed-Income?

Mixed-Income development is a social engineering experiment where people of different income levels are artificially “persuaded” to live together against their natural inclination to live separately based on the amount of money they have, or choose, to spend on housing.

What are the possible incentives that could be used to persuade the middle class to live in mixed income developments? A location or amenities that are otherwise unavailable?

Tom Cousins said that the way that **they create demand for their market rate units in Eastlake is by providing a charter school on the grounds of their development for their residents**, one of the only charter schools in Atlanta. He also said that the middle class will not tolerate a lack of security so Eastlake is a gated community that **provides private security** from 6 pm to 6 am seven days a week, at great cost.

The proposed MBS developments in this city cannot offer any major advantage as far as location with 7,671 vacant housing units (3,237 available for rent) within the limited confines of the City limits. This means **there are hundreds of units available within a short drive of any location in the City!**

The proposed MBS developments in this city will NOT offer a new charter school for its residents, a gated community with private security, or any of the other Eastlake amenities, such as an on-site community center, day care center, after school center, and golf course.

For this reason, **the people of this city do NOT believe that mixed-income will work as proposed** and see that it will most likely create an even bigger crisis in the local rental market by **adding hundreds of unneeded units**, so they have overwhelmingly rejected this concept!

So, who wants mixed-income development?

On a national basis Yale Professor Robert C. Ellickson has studied mixed-income development and finds it only slightly better than traditional Public Housing, but **due to the vast sums of money involved it creates powerful special interests that support it, even as the vast majority of the population opposes it!**

Ellickson wrote, “**Financial interests and anti-market ideologies spur much of the support for the production of subsidized housing projects, mixed-income or otherwise.** A government program that annually dispenses billions of dollars—whether for the production of ethanol, submarines, or affordable housing—brings into existence constituencies **whose members then provide continuing political support for the program.**”

Many housing advocates are connected to organizations whose revenues depend on the continued development of affordable projects.

Federal, state, and local politicians all have learned that having the power to influence project approvals can provide leverage to raise campaign contributions. It is hardly news that HUD’s project programs have frequently been rocked by scandal.”

“The staunchest supporters of project-based subsidies, (mixed-income) while not numerous, are sophisticated and well organized. The millions of poor households who would be the primary beneficiaries of an expanded voucher program are diffuse and not mobilized.”

So, who wants mixed-income in this city?

On 10 November 2011, the City Council voted 4-3 AGAINST mixed-income development. Jaworski, Puccetti, and Colbert voted in favor of it; so that's 3 people who want it.

On 27 February 2012, the GHA Board voted 4-0-1 in favor of mixed-income development. Massey, LaRue, Dennis and Temple voted in favor of it; so that's 4 more people for a total of 7 people who want it.

Who else?

The Poverty Industry?

The following link shows their letters of support for the MBS mixed-income development.

To get all of the additional names pay particular attention to the bottom of Page 3 (7 people), the bottom of Page 4 (1 person), the bottom of page 6 (1 person), the top of page 10 (8 people), the bottom of page 15 (1 person), and the bottom of page 19 (1 person); so that's 19 more people for a total of 26 people who want it.

<http://www.galvestonogp.org/gha/Poverty-Industry-Magnolia-12022.pdf>

To be fair, only two of the six organizations listed all of their board members, so these 19 people probably represent a total Board population of about 42?

So there you have it, less than 50 people in the City of Galveston are on the record in support of mixed-income development; and yet the GHA is moving forward full speed ahead to bring this social engineering experiment into a housing market drowning in unneeded units!