



CITY OF DURHAM | NORTH CAROLINA

**Date:** May 27, 2016

**To:** Mayor and City Council and Thomas J. Bonfield, City Manager

**Through:** Keith Chadwell, Deputy City Manager, Constance Stancil, NIS Director

**From:** John Killeen, Neighborhood Compass Project Manager

**Subject:** Tracking Neighborhood Change and Gentrification

Following a presentation to Council on May 19, 2016 illustrating potentially useful indicators of gentrification in Durham, this memo highlights indicators to observe annually. Below are references to measures found in the Neighborhood Compass 2.0 (a prototype of which is linked below) that reflect as discretely as possible the core elements of gentrification: historical disinvestment in place, rapid change in economic and social character, and displacement of current residents.

Staff recommends that the Mayor and Council consider these measures and refer to them in the Neighborhood Compass to further understand changes occurring in Durham neighborhoods. Under each heading, indicators are listed in hi-to-low order for their relevance, usefulness and precision.

At this point in time these measures are reported separately in the Neighborhood Compass. Throughout the summer of 2016 research, community discussions, and journalistic investigation will help us construct a more streamlined application dedicated to this issue. A separate data tool or report function that focuses analysis more narrowly on the measures below can then be developed.

## Measures

<http://compass.durhamnc.gov/tracts>

### Basic Conditions and Historical Context

- Tracts: Historical loss of population 1970-2010 (LTDB)
- Tracts: Historical lack of growth or decline in inflation-adjusted household income, 1970-2010 (LTDB)
- Blockgroups: Age of residential property (DCo Tax)
- Blockgroups: Below county median property values (DCo Tax)
- Proximity to downtown and major job centers

### Desirability and Vulnerability

- Blockgroups: Escalating inflation-adjusted sale values (DCo Tax)
- Blockgroups: Both highly renter-occupied and highly rent-burdened (ACS)

### Change in Character

- Tracts: Ratio of new homeowner median income to existing residents (HMDA and ACS)
- Tracts: The proportion of new mortgages for owner-occupancy compared to the current proportion owner-occupied (HMDA and ACS, not on site yet 5/27/16)
- Tracts: The ratio of median home loan values to current median home value (HMDA and ACS)
- Blockgroups: Significant increase in the burden of property taxes (DCo Tax, available late summer 2016)
- Tracts and blockgroups: Rapidly increasing rents (ACS available now, other sources being explored in summer 2016)
- Blockgroups: Substantial increase in the number and value of building permits for remodeling and new construction (LDO)

### Displacement

- Tracts: Residents reporting landlord-initiated displacement (information on resident complaints about this is being explored for its legal accessibility)

### Potential Measures of Factors Which May Interrupt Gentrification or Prevent Displacement (Not Available Yet)

- An increase in subsidized or otherwise designated affordable units in already affluent and desirable neighborhoods
- Increased housing diversity within all neighborhoods
- Increasing match of job diversity and density with population density

### References

ACS – American Community Survey

HMDA – Home Mortgage Disclosure Act, a resource of the Consumer Financial Protection Bureau

LTDB – Longitudinal Tract Database, which normalizes historical Census data to 2010 Census tract boundaries.

LDO – The Land Development Office database of the City/County Inspections Department.

DCo Tax – Durham County Tax Administration

### **Staff Contact**

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