



Gentrification and Neighborhood Change

**a briefing from the Neighborhood Compass
for City Council Work Session 5/19/2016**

John Killeen

Neighborhood Compass Project Manager
919.475.3054, john.killeen@durhamnc.gov

In these slides

- Defining gentrification
- Replicating Governing's longitudinal assessment for Durham (broadly)
- What can we track annually in the Neighborhood Compass to understand neighborhood change, gentrification, and revitalization?
- What comes next and what do we need to explore more deeply?

Gentrification Definitions

- “the arrival of a more affluent class of residents into a poorer neighborhood, often resulting in displacement.” **GOVERNING**
- “the process by which higher income households displace lower income residents of a neighborhood, changing the essential character and flavor of that neighborhood.” **Brookings**
- “rapid rent growth in low-income neighborhoods.” **Furman Center (NYC)**

Context

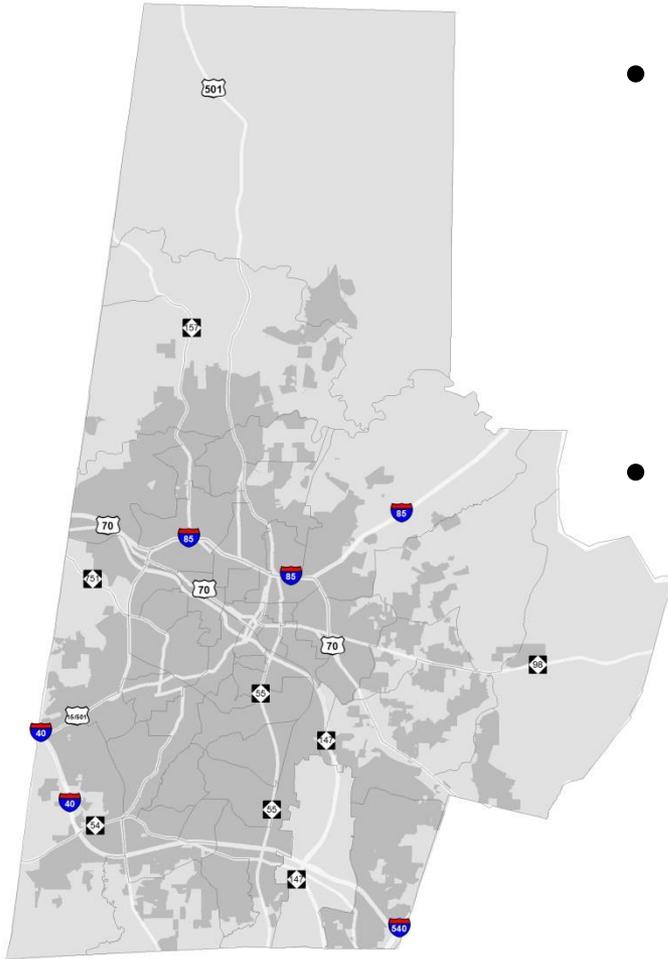
“Gentrification, the process by which decline and disinvestments in inner-city neighborhoods are reversed, has emerged as one of the most controversial issues in the urban United States today. By attracting middle-class residents and spurring investment, gentrification has the potential to revitalize depressed central city neighborhoods. After decades of disinvestment, middle-class exodus, and declining tax bases, some view this as a welcome development.”

Lance Freeman, Columbia University
(author cited by GOVERNING)

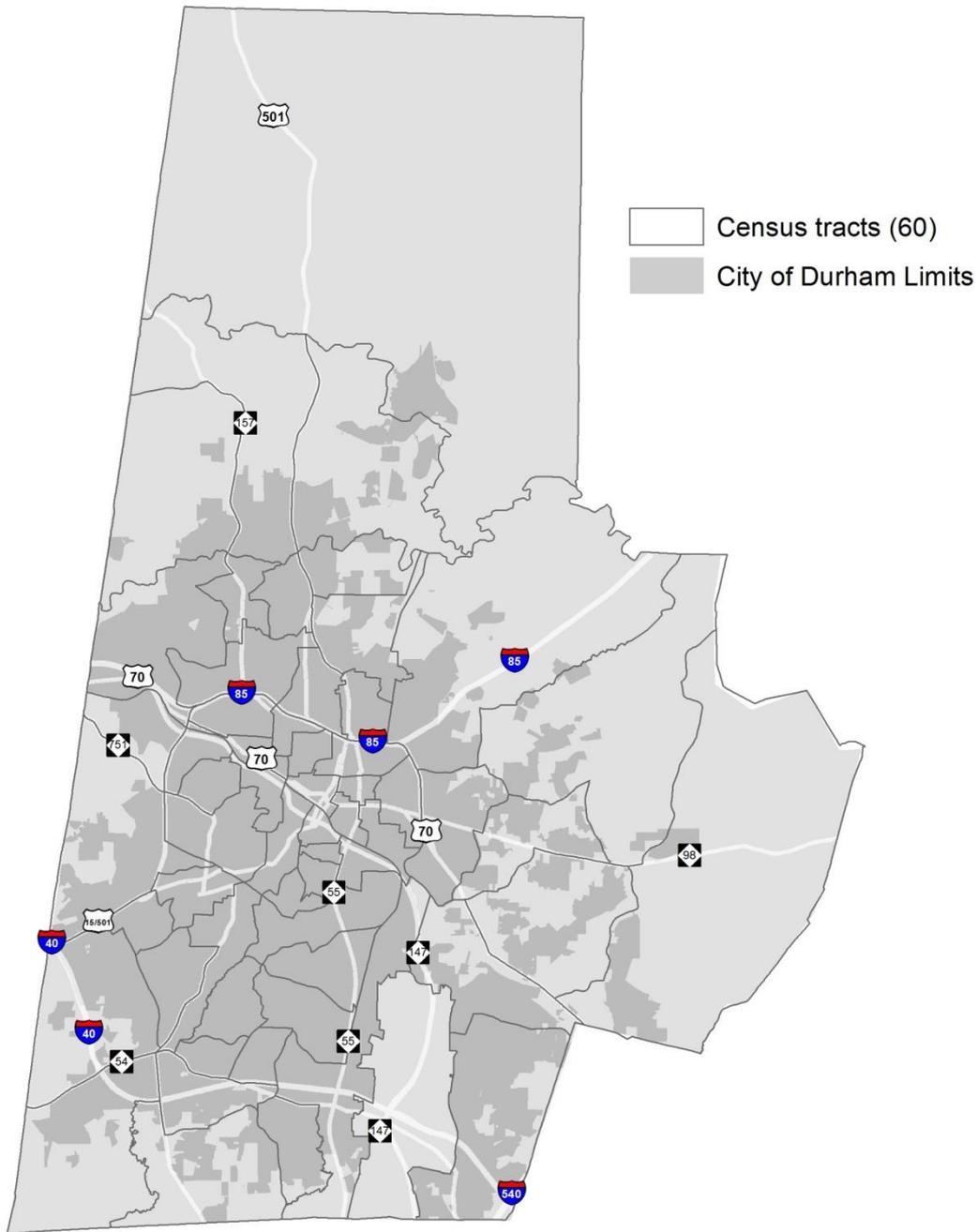
Who?

- “The racial makeup of a neighborhood was not a condition for gentrification to occur. Gentrifying Census tracts were, though, found to experience increases in the concentration of non-Hispanic white residents.” **GOVERNING**
- Young adults (20-34), non-family households, higher income move in, but “The share of the population that identified as black also declined in gentrifying neighborhoods between 1990 and 2010 (37.9 percent to 30.9 percent), but the share of population that identified as white increased...” **Furman Center**
- “The issue of gentrification has historically included a strong racial component—lower income African American residents are replaced by higher income white residents.” **Brookings**

GOVERNING methodology

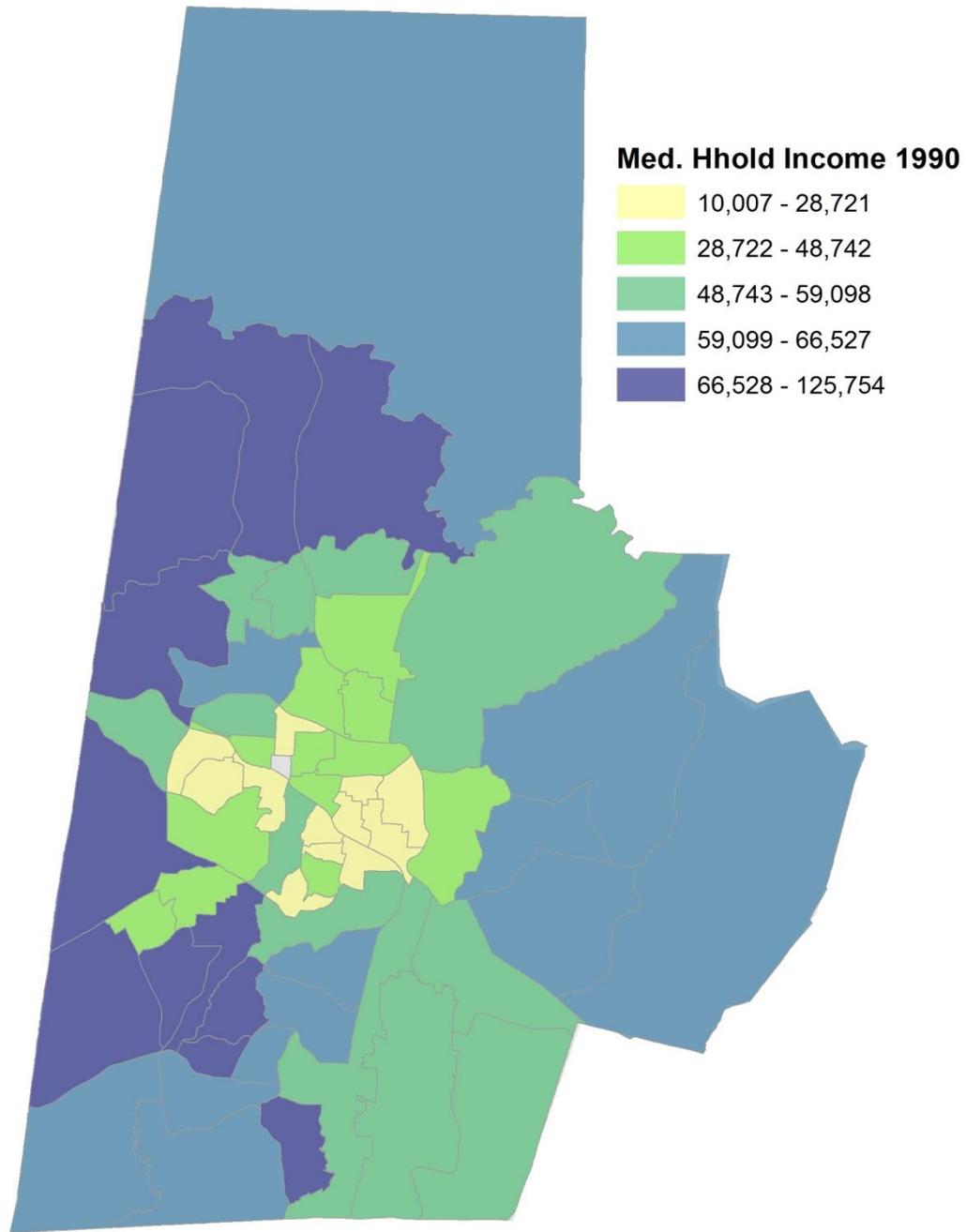


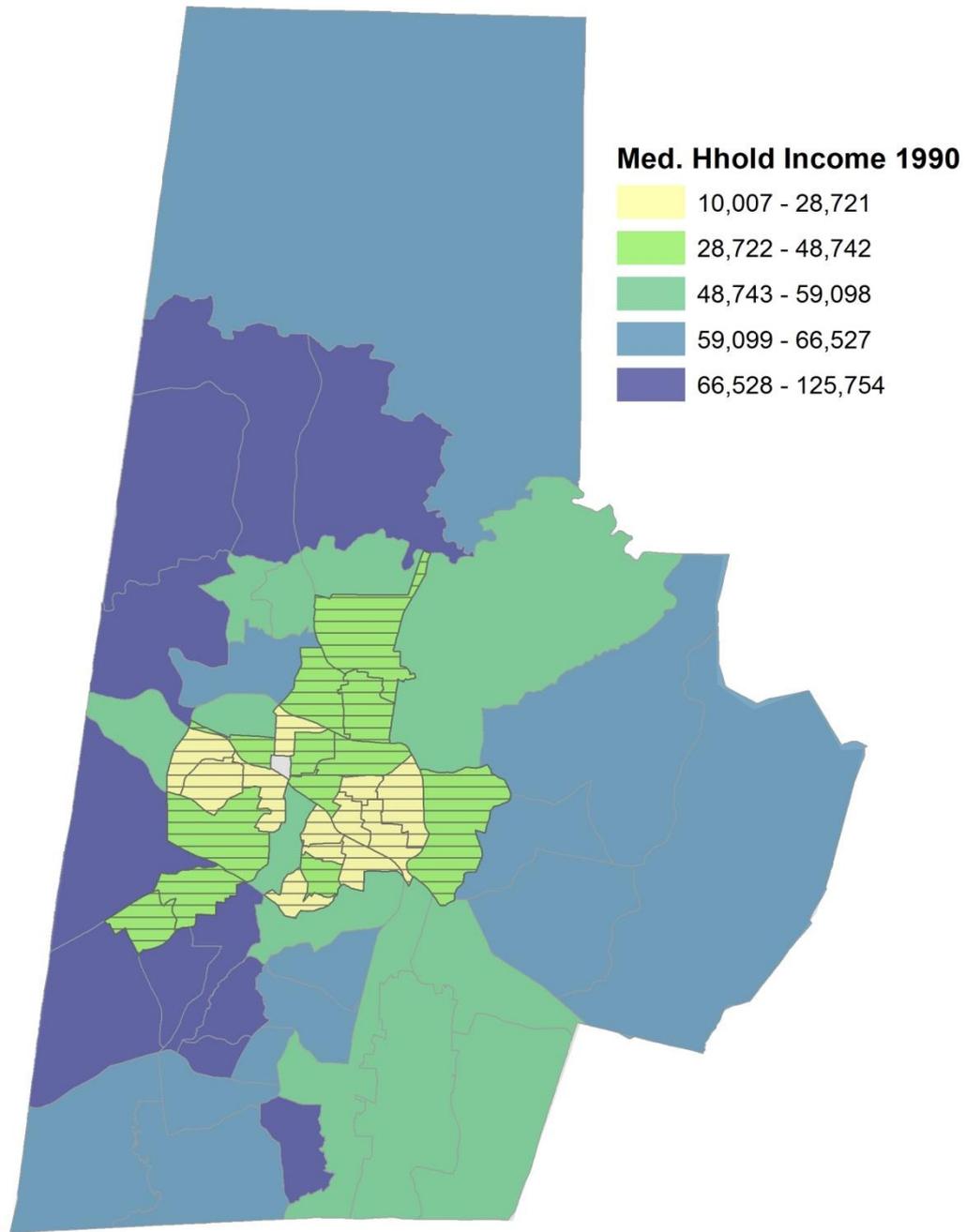
- “eligibility”
 - Population \geq 500
 - Median household income in bottom 40th percentile
 - Median home value in bottom 40th percentile
- gentrified characteristics
 - increase of college degrees in top third of all areas
 - Median household income increased when adjusted for inflation
 - Percentage increase of inflation-adjusted median home values in top third of all areas

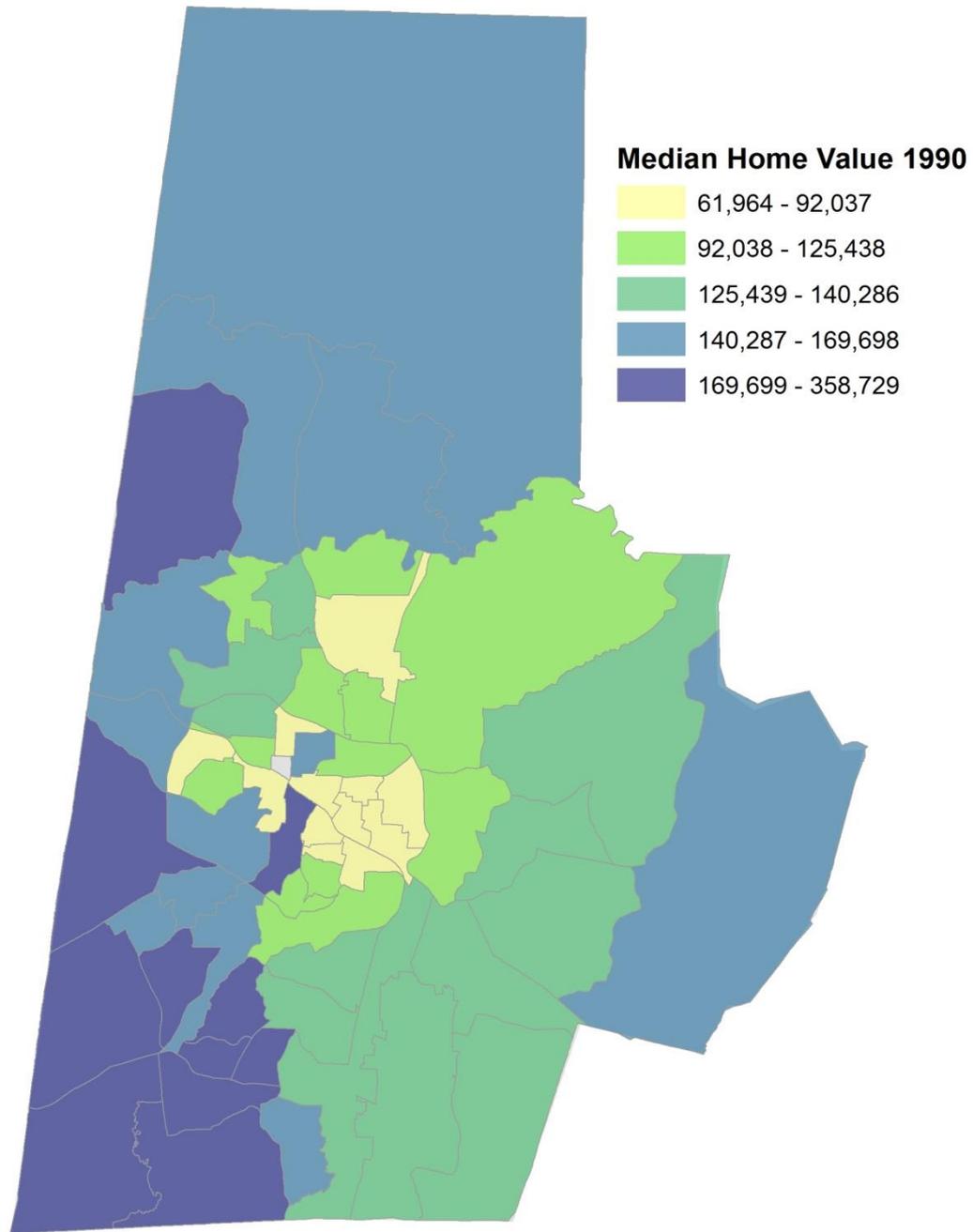


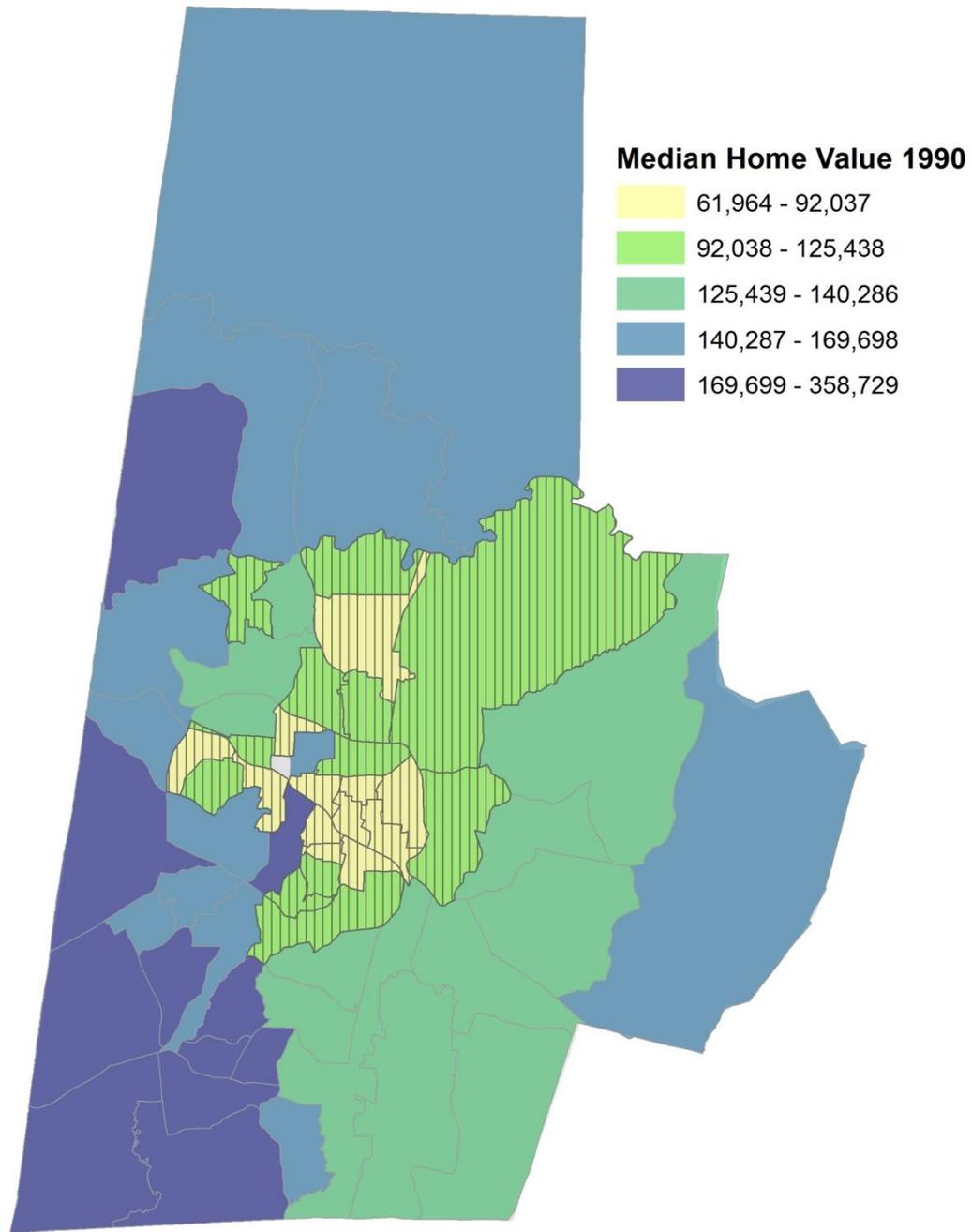
Quick note about displacement...

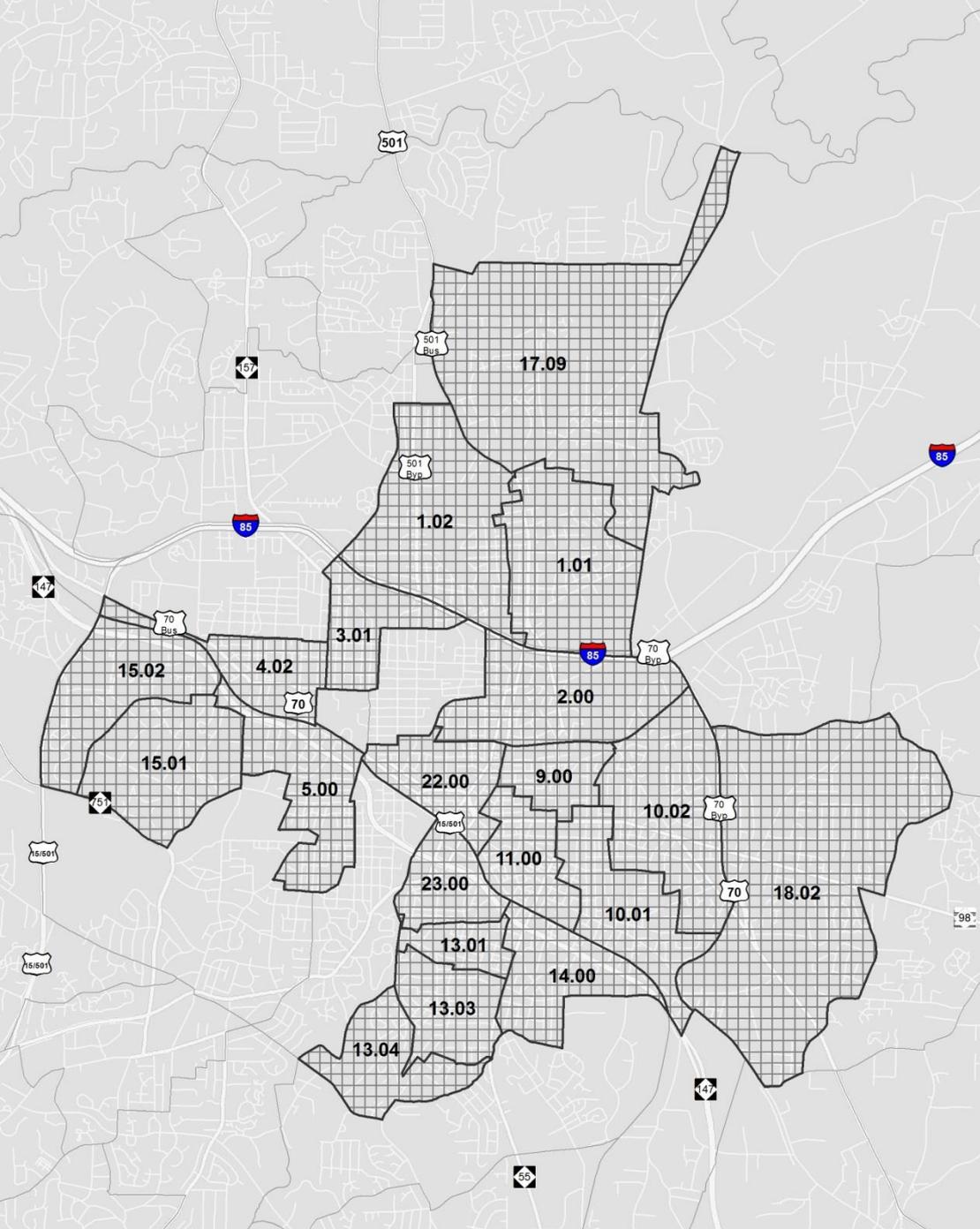
GOVERNING methodology did not include Lance Freeman's assessment of displacement resulting from gentrification, which relied on special access to Panel Study of Income Dynamics (PSID) data.





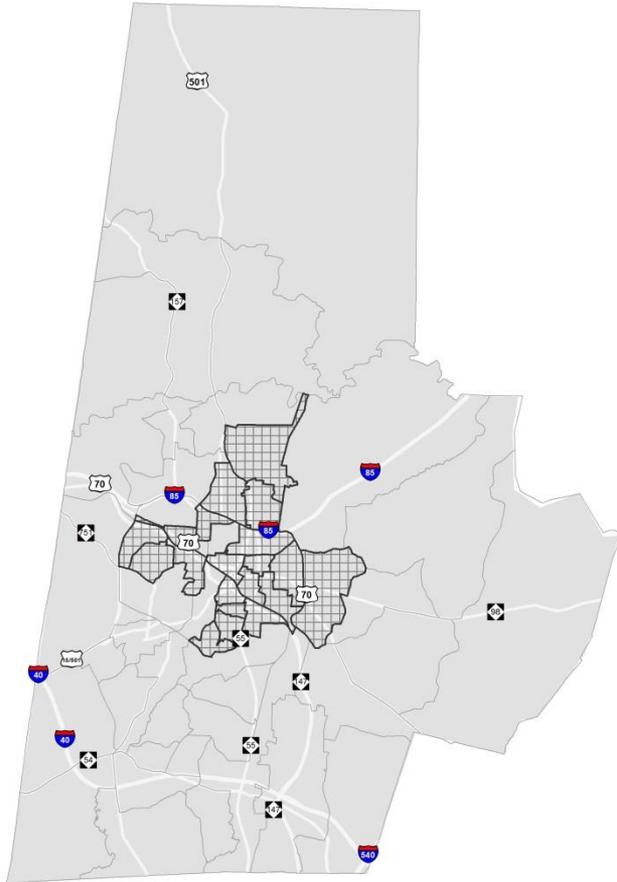




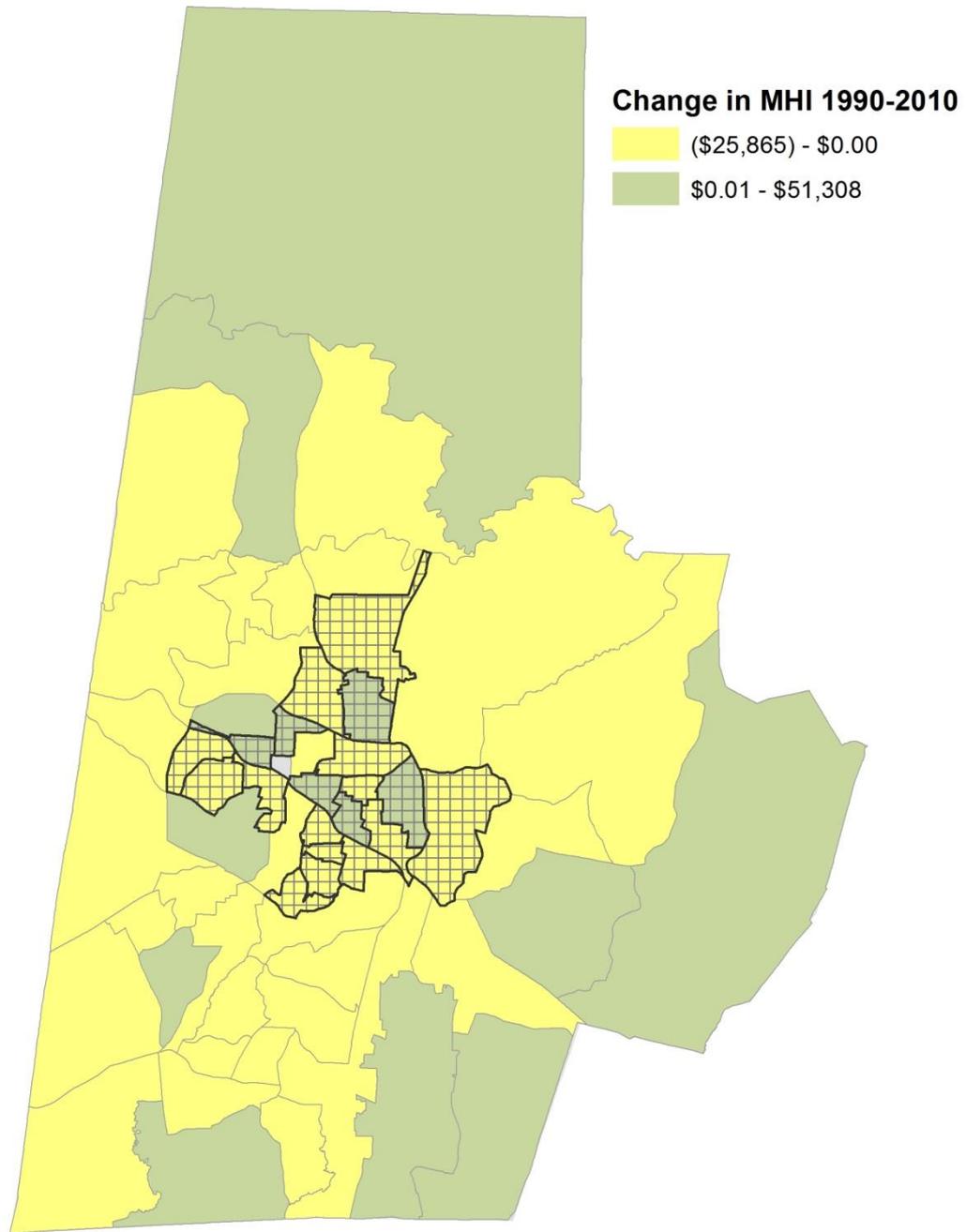


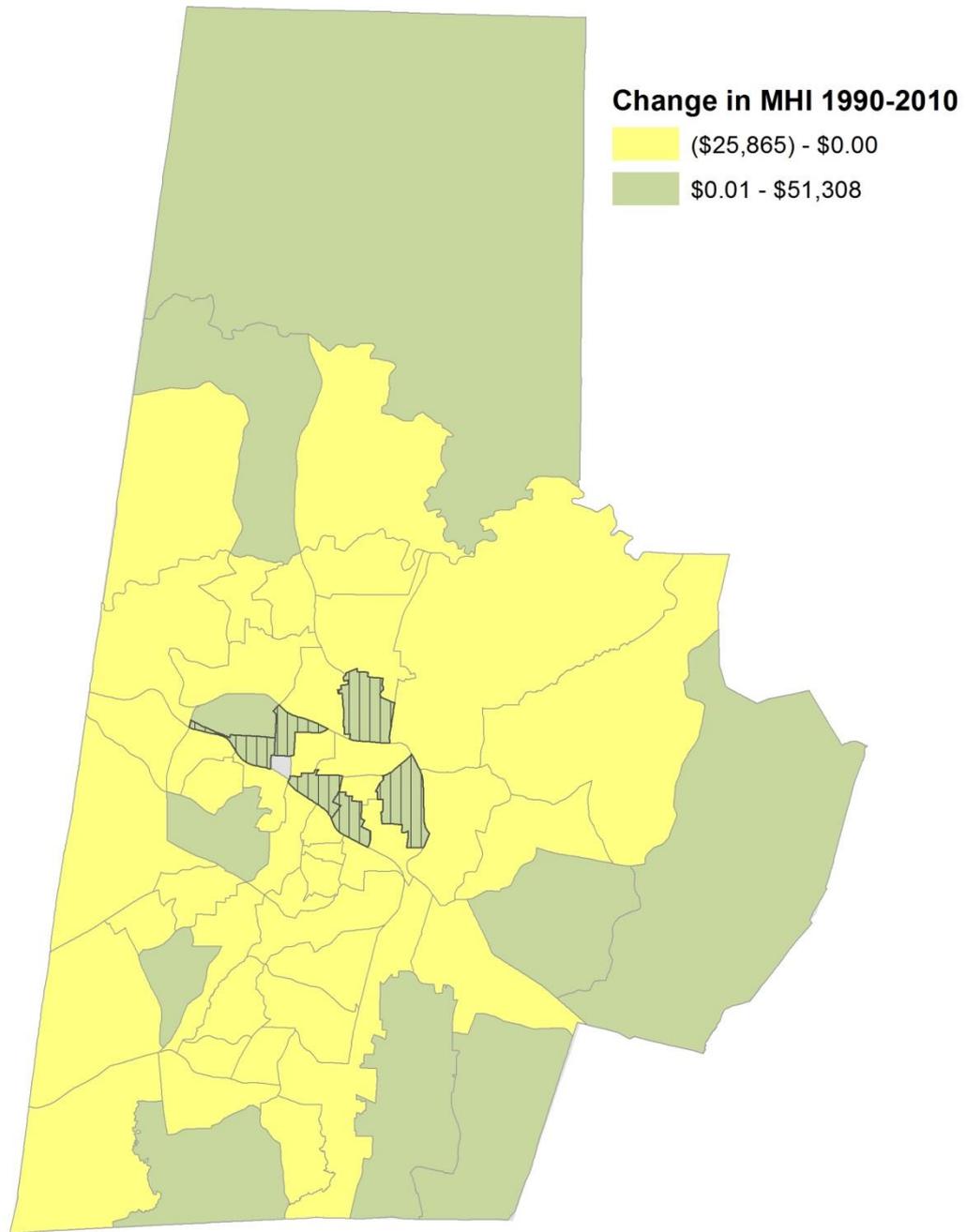
GOVERNING
methodology
“eligible” in
1990

GOVERNING METHODOLOGY: did they gentrify?

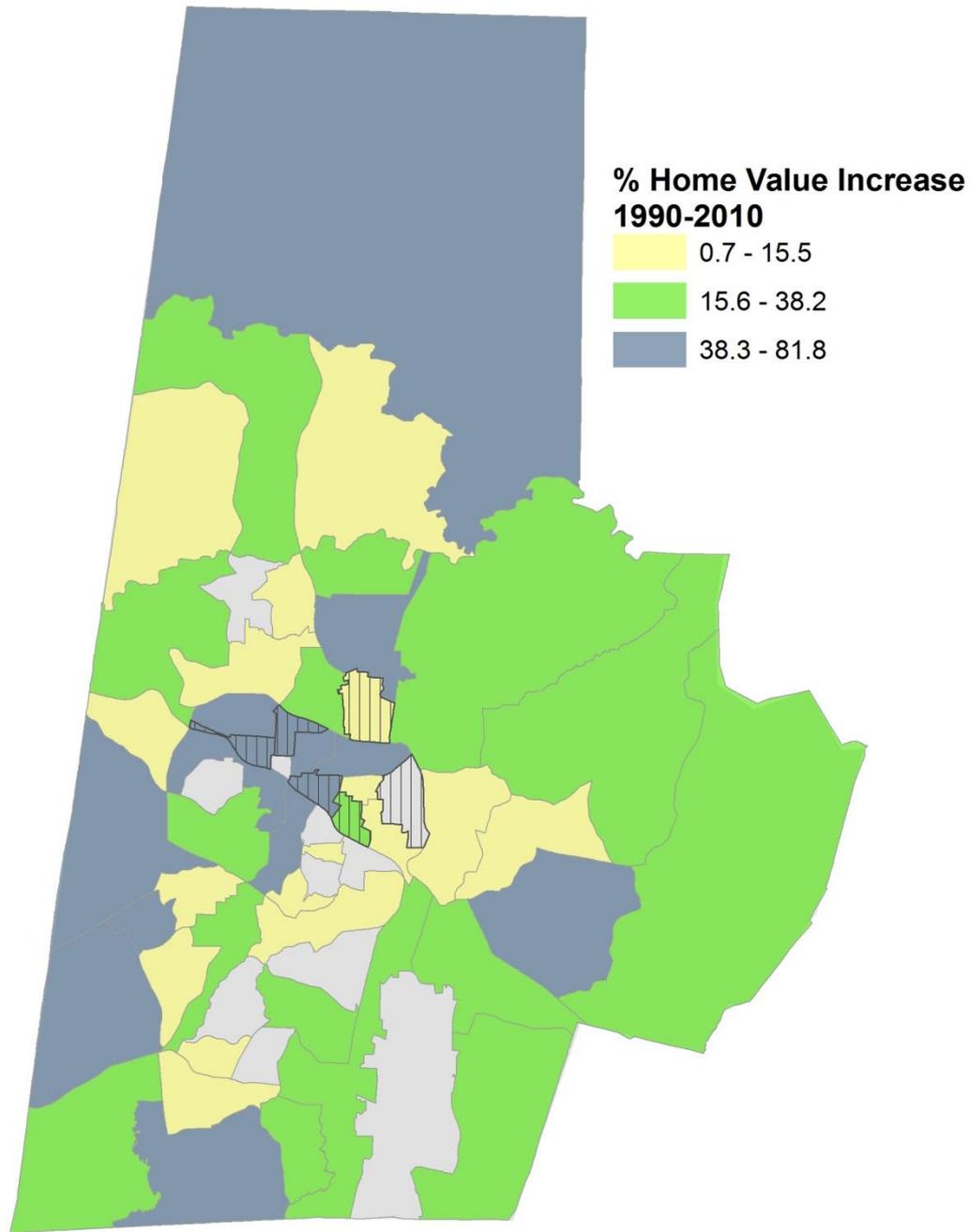


- gentrified characteristics
 - Median household income increased when adjusted for inflation
 - Percentage increase of inflation-adjusted median home values in top third of all areas
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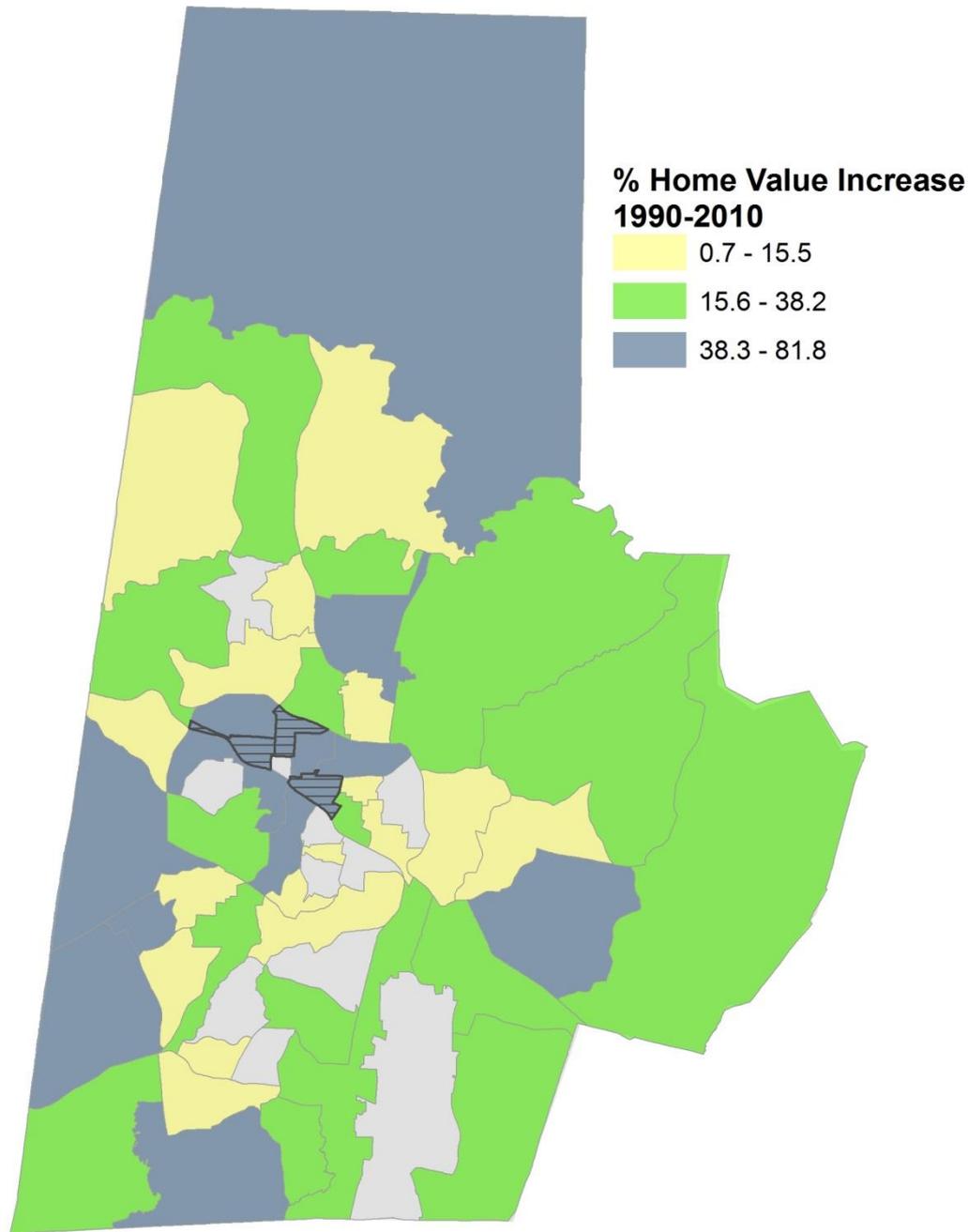


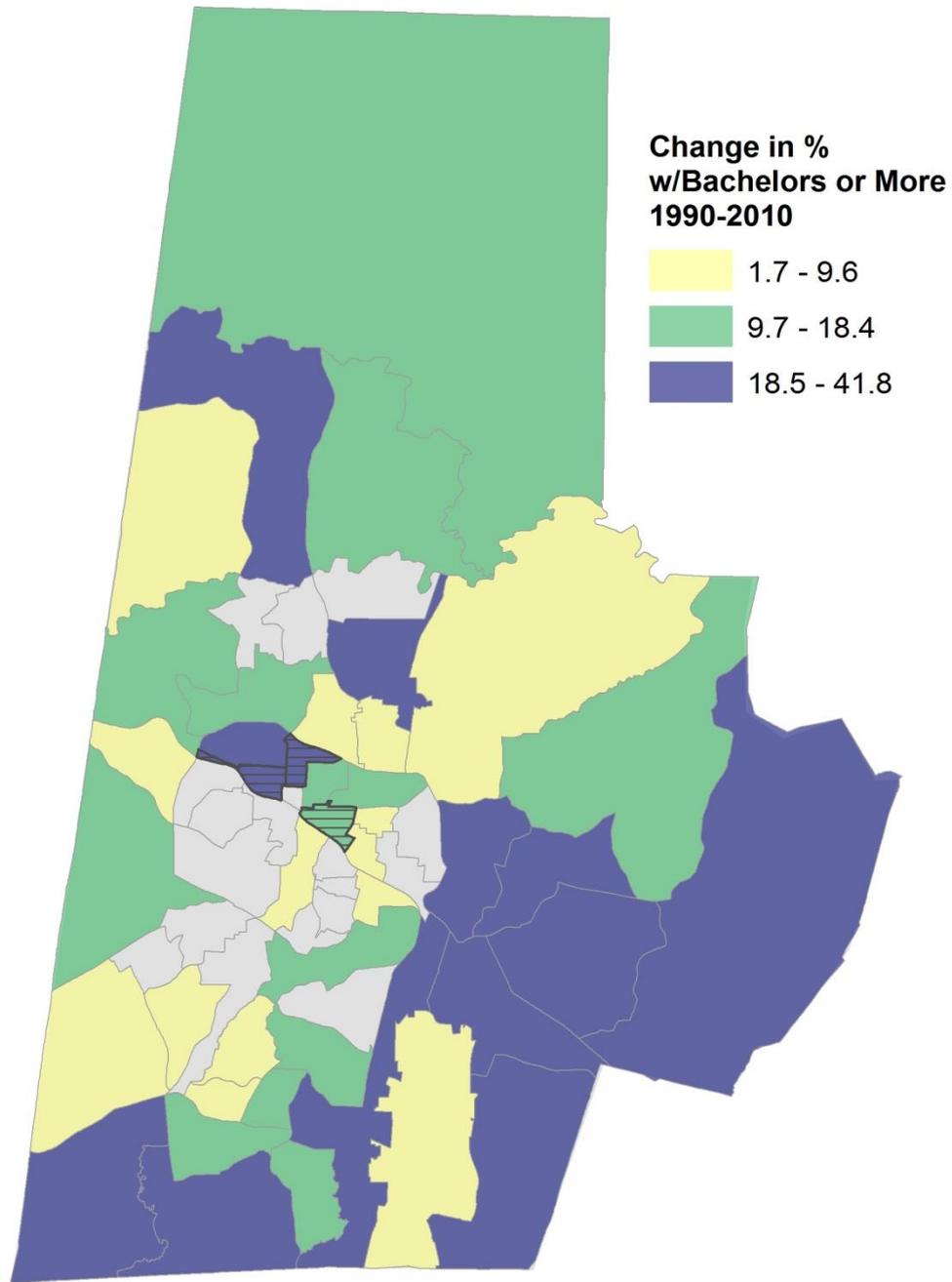


Data source: US 2010, inflation adjusted for 2010 values using Consumer Price Index



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Using the Neighborhood Compass

- Did the racial and ethnic character of these neighborhoods change too?
- Deeper context of neighborhood change (1970-present)
- Desirable, “eligible”, vulnerable neighborhoods
 - Proximity to downtown (and Duke)
 - High transit and job access
 - Age of housing combined with low cost
 - High % renting and rent burdened

These examples make use of a temporary web site that is still in development. Upon completion later this year, the site will replace the existing Neighborhood Compass.

Using the Neighborhood Compass

- Changes across recent years (since 2010)
 - Median homebuyer income and demographics
 - Median home loan value
 - Median gross rent
 - Building permits, residential and commercial
 - Changing tax burden (available summer 2016)
 - Home sales:
 - Days on market (depending on availability)
 - Sale price-*minus*-list price (depending on availability)

Work to Do

- Increase understanding and awareness of the role evictions play in displacement
- Deeper focus on neighborhood social and economic stability over time, across all types of neighborhood (inner city and suburbs alike)
- Recommendations?

What's Next

- Summer program focusing on neighborhood change and gentrification along with chronic neighborhood stress (*Data +*, from May 23rd through July 29, 2016)
 - Final reporting in issue forum, late summer
- Recommendations?

More Information

Displacement or Succession? Residential Mobility in Gentrifying Neighborhoods.

Lance Freeman, Columbia University, March 2005

<http://uar.sagepub.com/content/40/4/463.abstract>

Dealing with Neighborhood Change: A Primer on Gentrification and Policy Choices. Maureen Kennedy and Paul Leonard.

Brookings Institution and Policy Link, April 2001.

<http://www.brookings.edu/~media/research/files/reports/2001/4/metropolitanpolicy/gentrification.pdf>

The Big “G”: Gentrification and the Dynamics of Neighborhood Change. Melissa Norton. Presentation from Duke Human Rights Center, 2015.

<https://www.youtube.com/watch?v=2u66urlaYS4&feature=youtu.be>

Technical Memorandum on Gentrification Issues. Jason Reece. Kirwan Institute for the Study of Race and Ethnicity, Ohio State University. July, 2004.

http://www.kirwaninstitute.osu.edu/reports/2004/07_2004_Gentrification%20and%20Revitalization.pdf

Raleigh Gentrification Maps and Data. Governing.com

http://www.governing.com/templates/gov_print_article?id=290292581

Discussion on Gentrification. Durham City Council Work Session, March 24, 2016.

http://durham.granicus.com/MediaPlayer.php?view_id=5&clip_id=1846

The State of New York City’s Housing and Neighborhoods in 2015: Focus on Gentrification. NYU Furman Center , May 2016.

http://furmancenter.org/files/sotc/Part_1_Gentrification_SOCin2015_6MAY2016.pdf

Contact

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