

Gentrification's Not So Black and White After All

Despite complaints about well-educated white people buying up houses in low-income minority neighborhoods, recent studies show that gentrification often helps the original residents.

BY: Tod Newcombe | March 2014

What does a bus have to do with gentrification? In San Francisco, plenty. For years, high-tech firms such as Apple, Facebook and Google have been using private buses to transport workers from where they live in the city to where they work in Silicon Valley. As the companies have grown, so have the number of buses and so have the number of complaints about blocked public bus stops and bike lanes. But the real battle isn't about buses clogging the streets. It's about the rapid gentrification of San Francisco's iconic neighborhoods by these wealthy, mostly white tech workers.

While frustrated San Franciscans have grabbed headlines with charges that "invaders" and "aliens" are bent on turning the City by the Bay into "Google-land," they are not alone in their concerns. As cities have become increasingly popular in the past decade, gentrification has become a hot-button issue everywhere.

Complaints about well educated white people buying up houses in low-income minority neighborhoods, making housing unaffordable for the original residents and forcing them out are more common. But a number of studies have shown that gentrification is not so, well, black and white.

Late last year, Daniel Hartley, a research economist with the Federal Reserve Bank in Cleveland, released findings that gentrification is actually financially beneficial to the original residents of a low-income neighborhood. Hartley studied credit scores in the gentrifying neighborhoods of 55 cities and found the numbers went up for original residents, whether they owned property or rented.

Lance Freeman, director of the urban planning program at Columbia University, studied urban neighborhoods nationwide and found that low-income residents moved out of gentrifying neighborhoods at the same rate as they did nongentrifying neighborhoods. Freeman also found that gentrification opened up neighborhoods to college-educated minorities. In other words, well educated African-Americans and Hispanics were as likely to move to a gentrified neighborhood as well educated whites.

Underlying all of this is the question of when exactly a neighborhood is considered truly gentrified? Kay Hymowitz, writing about gentrification in the City Journal, looked at the Brooklyn neighborhood Bedford-Stuyvesant—the current epicenter for gentrification in New York City—and found the answer hard to pin down. The black population dropped from 81.9 percent in 1990 to 64.6 percent in 2010. However, the neighborhood's Hispanic population grew slightly from 16.3 percent to 19.9 percent in the same time period. And while the number of whites moving in has soared, they still only make up 10.9 percent of the population; meanwhile, the number of college-educated blacks moving to Bedford-Stuyvesant has increased.

More important, the gentrifying neighborhood still struggles with many urban problems: poverty (30.7 percent of the population was below the poverty line in 2010), poor education (60 percent of students don't read at their grade levels), and high crime (the precinct's crime rates are among the worst in New York City). Not exactly winning numbers for a gentrified neighborhood.

This leads to a final point: There's no doubt that gentrification battles will continue to rage, but the latest studies have made it less clear what exactly the fight is about.

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