Gentrification

Is it the blueprint for neighborhood improvement or displacement?

By Heidi Johnson-Wright
For some, it can signify many positives: affordable, unique housing stock with eye-catching architectural details, funky little boutiques and delightful ethnic eateries, bragging rights about a cool zip code.

For others, it means nothing but negatives: rising rents, a sense of invasion, changing neighborhood identity and an uncertain future.

Gentrification is one of those words that can trigger a variety of reactions and opinions, though its most basic definition is very simple: “people of higher income moving into a neighborhood.”

It can come in various forms and indisputably signals change, but just what those changes are and whom they affect can range across a very broad spectrum.

“Urban change is always a traumatic process, and in part and part of cities themselves. The issues become: what is the rate of change? Who are the losers, and do they have ways of adapting?” said Benjamin Grant, planner, urban designer, writer and teacher in the Urban and Regional Planning Program at San José State.

Looking to his own stomping ground—the San Francisco Bay area—Grant references the San Francisco Mission District as an example. “This type of gentrification involves an immigrant neighborhood of residents who are primarily renters. Before gentrification, it’s a thriving neighborhood with jobs, access to transit, commercial activity and a sense of community. This scenario has a heavy impact on the residents. Political lines are drawn and strange bedfellows come together. Urban pioneers move in—the privileged, the educated, artistic types—drawn by a variety of housing options, access to transit, cultural aspects, the energy, the funkiness.”

“The people who move in—artists, then the hipsters, then the yuppies and the very affluent—are attracted to the same things that drew the original residents, but they are less dependent upon them. What are amenities to those who move in were necessities for those who were displaced,” said Grant.

But not everyone agrees on the phenomenon of displacement.

Lance Freeman, professor in the urban planning program at Columbia University, believes that displacement is not always an automatic, pejorative result of gentrification.

“Some people claim to find high amounts of displacement, and you would think this is pretty widespread. But the studies I’ve seen don’t seem to show a lot of displacement,” said Freeman.

In Freeman’s recent book, “There Goes the ‘Hood,” which focuses on black, inner-city neighborhoods, he states that “…indigenous residents do not necessarily react to gentrification according to some of the preconceived notions generally ascribed to residents of these neighborhoods. Their reactions are both more receptive and optimistic, yet at the same time more pessimistic and distrusting than the literature on gentrification might lead us to believe.”

Freeman doesn’t dispute that negative things can sometimes result from gentrification, yet he cites communities—Boston’s Dudley Street and downtown Brooklyn—that have employed successful programs and mechanisms to turn the negatives into positives.

In a 2005 issue of Poverty & Race, published by the Poverty & Race Research Action Council, former Berkeley, Calif., Mayor Gus Newport wrote about his tenure as the director of Boston’s Dudley Street Neighborhood Initiative (DSNI). His contention is that, in the long run, public affordable housing resources speed up gentrification and displacement. Therefore, community land trusts (CLTs) are a better solution.

“Through a series of policy wins, DSNI became the first community nonprofit organization in the country to be awarded eminent domain powers over vacant land in a 1.3-square-mile area of the city of Boston,” wrote Newport.

“The CLTs’ long-term interest in the land and property assures that this balance of interests is maintained and community wealth is retained. The
value of public subsidies used to develop the affordable housing is permanently tied to the housing, thus recycling subsidy dollars from owner to owner, assuring long-term affordability and community benefit.”

“Through the community-controlled land trust, the residents were able to create a vibrant multicultural community, developing hundreds of affordable homes and providing an opportunity for residents to personally benefit from the community revitalization they themselves planned,” Newport wrote.

Atlantic Yards, a proposed mixed-use Frank Gehry and Laurie Olin-designed development in downtown Brooklyn, will include housing, offices, retail and a boutique hotel surrounded by seven-plus acres of public open space, plus an arena for Brooklyn’s NBA franchise, the Brooklyn Nets. While it has yet to be built, Atlantic Yards has sparked substantial controversy.

Residents were able to create a vibrant multicultural community. The development’s potential affects upon the local community have caused a hue and cry, and served as a catalyst for a deal that’s been struck between the developer, Forest City Ratner and ACORN, the Association of Community Organizations for Reform Now, the nation’s largest community organization of low- and moderate-income families, working together for social justice and stronger communities.

“When Atlantic Yards was originally proposed, it contained only market-rate rental housing and condominiums. Between 1990 and 2000, the African American population of the area surrounding Atlantic Yards decreased by 17.2 percent. For more than a decade, we had seen new high-rise condominiums popping up across the downtown Brooklyn skyline—pushing out longtime residents and exacerbating the area’s housing affordability crisis,” said Bertha Lewis, executive director of New York ACORN.
“Through months of negotiations we arrived at New York City’s first legally binding Community Benefits Agreement and a groundbreaking Memorandum of Understanding between ACORN and Forest City Ratner about the housing component of the project,” Lewis said.

Lewis said under the agreement, half of Atlantic Yards’ 4,500 rental units will be offered at affordable rates. Unlike many NYC affordable apartments that have a limited range of unit types, this development will have different apartments that can accommodate household sizes from one to six. All 4,500 units, including the 50 percent made affordable, will be rent stabilized.

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Eric S. Friedman, a REALTOR® and developer in St. Louis, Mo., believes in the importance of maintaining diversity in creating a real community.

“What happens when we don’t have a sense of community? It does something to the fabric of our society when we must drive everywhere instead of walking. This affects everything, from crime right down to one’s personal health,” said Friedman.

“When you have diversity, it brings new energy and an improved economy to a community. This helps people to take advantage of the value of diversity. To attract diversity, it helps to have range of types and prices of housing in a community.”

Friedman has been very involved in getting a 25-percent state historic tax credit and other tax incentives passed in Missouri.

“We’ve been a throwaway society. Look at how we treat natural resources. The same applies to buildings. The (historic tax credit) program can bring great economic rewards. The program supports the renovation of historic properties and buildings in a historic district and includes home ownership, multifamily housing, rental housing and requires high renovation standards. The tax credit goes to developers as incentives to renovate, especially in a high construction cost market.

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where there can be extra costs like asbestos abatement and environ-
mental issues,” Friedman said.
As Friedman points out, gentri-
fication doesn’t always equate to
hearing down buildings in old
neighborhoods and replacing
them with out-sized monolithic
structures, as sometimes hap-
pened during the first wave of
American urban renewal. With tax
credit programs and creative
redevelopers, restabilizing a
neighborhood can include pre-
serving its character and scale.
As a former four-term mayor of
Indianapolis, author and Urban
Land Institute Joseph C. Canizaro Chair for Public
Policy, William H. Hudnut, III understands a thing
or two about gentrification and effective approa-
ches to it.
“Cities are becoming more sensitive to these
issues. You don’t just go in and slash and burn. You
go in and save,” said Hudnut.
“The government has an obligation, as well as
developers, to work with people and appropriately
relocate them in the same neighborhood, if their
homes must be taken in creating permanently
affordable housing or other development projects.
If redevelopment allows for homes to be saved,
then there needs to be partnerships with communi-
ty development corporations or other nonprofits to
procure grant funds for restoring the properties.”
Hudnut’s advice to communities facing these
issues is to employ patience and respect for the
residents.
“As the mayor of Indianapolis, my mantra was
‘avoid the acute angle.’ Don’t let things degenerate
into a ‘me versus you’ situation. Come to the table
and see what we can work out,” he said.
Regarding the emotional chord that gentrifica-
tion can strike, Hudnut thinks that it’s gotten a
bum wrap.
“People start wailing and weeping and gnashing
their teeth. I think you can say ‘three cheers for
gentrification,’ especially when it serves to coun-
teract abandonment, increase the tax base and sta-
bilize a neighborhood.”
As a good example of a project that utilizes
Smart Growth principles to achieve these goals,
Hudnut points to Martindale on the Monon, a
revival of a historic downtown Indianapolis neigh-
borhood with new single-family housing.
The first 15 home sales happened to be made to
white young professional trendsetters moving into
a neighborhood comprised largely of African
American senior citizens.
When Martindale developer Mike Higbee
arrived on the scene four years ago, he saw a once
thriving community with strong history of home
ownership blighted with abandoned cars, trash and
overgrown weeds. But he knew things could turn
around without displacing those who wanted to
stay. The key was the approach.
“I took us two years to assemble the land, which
had enough empty lots to re-knit the fabric of the
neighborhood. Then we had to earn the trust of the
existing homeowners. We would door to door telling
the residents that no one would be uprooted; no
one’s home would be taken. We also brought in a
community development corporation to get funds
to rehabilitate some of the homes,” said Higbee.
Since those early days when the median house
value was $26,000, they’ve built 22 houses which
have caused the average area home value to jump
to $183,000. Of the new homes built, 40 percent are
affordable and 60 percent are market rate.
With each successive year, they hope to be
adding 40 to 50 more. Townhomes, apartments, and
a live/work district are also planned. Some folks
have already moved in to this neighborhood near a
bike/hike trail, and they include lawyers, artists
and an airline mechanic.
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