Forewarned: The Use of Neighborhood Early Warning Systems for Gentrification and Displacement

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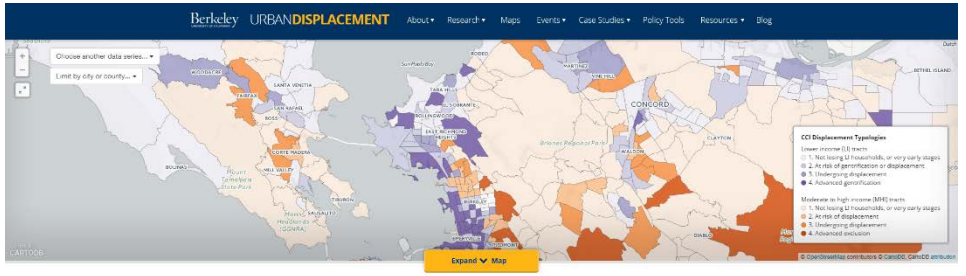
case studies

on Gentrification and Displacement in the San Francisco Bay Area



Mapping Displacement and Gentrification In the San Francisco Bay Area

The Bay Area's booming jobs and housing market necessitates a careful look at the causes and consequences of neighborhood change to protect residents that are most vulnerable to potentially being displaced. Wages for the Bay Area's low income residents have not kept pace with the sky-rocketing housing prices resulting in massive demographic shifts in the area.

UC Berkeley analyzed regional data on housing, income and other demographics to better understand and predict where gentrification and displacement is happening and will likely occur in the future. This analysis, which is summarized in the interactive maps, will allow communities to better characterize their experience and risk of displacement and to stimulate action. The analysis behind these maps was validated through in-depth case studies [add link to case study page] of 9 Bay Area communities and with the support and advice of the Regional Prosperity Plan at the Metropolitan Transportation Commission. In developing 8 neighborhood displacement typologies, communities can better understand where they're at and develop actions to prevent from advancing in the stages of gentrification and displacement.

Census Tract Typology Classification

Lower Income Tracts (≤ 80% of HH are considered Low Income)	Moderate to High Income Tracts (<80% of HH are considered Low Income)
Not losing low income households or very early stages Does not fall within any of the below categories	Not losing low income households or very early stages Does not fall within any of the below categories
At risk of gentrification or displacement • Strong market • In TOD • Historic housing stock • Losing market rate affordable units • Employment Center	At risk of displacement • Strong market • In TOD • Historic housing stock • Losing market rate affordable units • Employment Center
Undergoing Displacement • Already losing low income households, naturally affordable units, and mixing rates of low income residents has declined • Stable or growing in size	Undergoing Displacement • Already losing low income households Decline in either naturally affordable units or in migration of low income residents • Stable or growing in size
Advanced Gentrification • Gentrified between 1990 and 2000 or between 2000 and 2013 based on: o Neighborhood vulnerability o Demographic change o Real estate investment	Undergoing Displacement • Very low proportion of low income households • Very low in-migration of low income households

For More Information:

Methodology & Results

Download data series from maps

Key Findings

- In 2013, 48 percent of census tracts and more than 53 percent of low-income households lived in neighborhoods at risk of or already experiencing displacement and gentrification pressures.
- Neighborhoods with rail stations, historic housing stock, an abundance of market rate developments and rising housing prices are especially at risk of losing low-income households.
- Low income neighborhoods are not the only ones experiencing displacement pressures – many higher income neighborhoods that still house low income households are also rapidly losing low income population.
- The number of tracts at risk of displacement are 50% higher than the numbers already experiencing them, indicating that the transformation of the Bay Area will continue to accelerate.

www.urbandisplacement.org

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The rise, fall, and rise of early warning systems

- Neighborhood early warning systems in the 1980s
- Uses of maps – and critique
- Gentrification and the second generation of NEWS

Surveying the landscape

- **Websites/maps exploring neighborhood issues (24):** Neighborhood development indicators, opportunity maps, racial or economic change
- **Early warning systems for neighborhood change (11)**: Charlotte, Chicago, Houston, Los Angeles, Minneapolis (2), New York, Portland, St. Louis, San Francisco, Washington DC

Portland neighborhoods at risk of gentrification

Portland planners have used housing and demographic data to predict which neighborhoods are at risk of gentrification — urban revitalization that leads to mass displacement of poorer residents and ethnic minorities — and commissioned Portland State University assistant professor Lisa Bates to suggest possible policy solutions. **Read more: Portland study targets neighborhoods next up for gentrification**

ENTER AN ADDRESS: 500 SW Main St. Search! Reset

SUSCEPTIBLE
Near gentrifying areas, but haven't yet seen values rise or dramatic demographic changes.

EARLY, TYPE 1
Prices rising but still low. No big demographic shift yet.

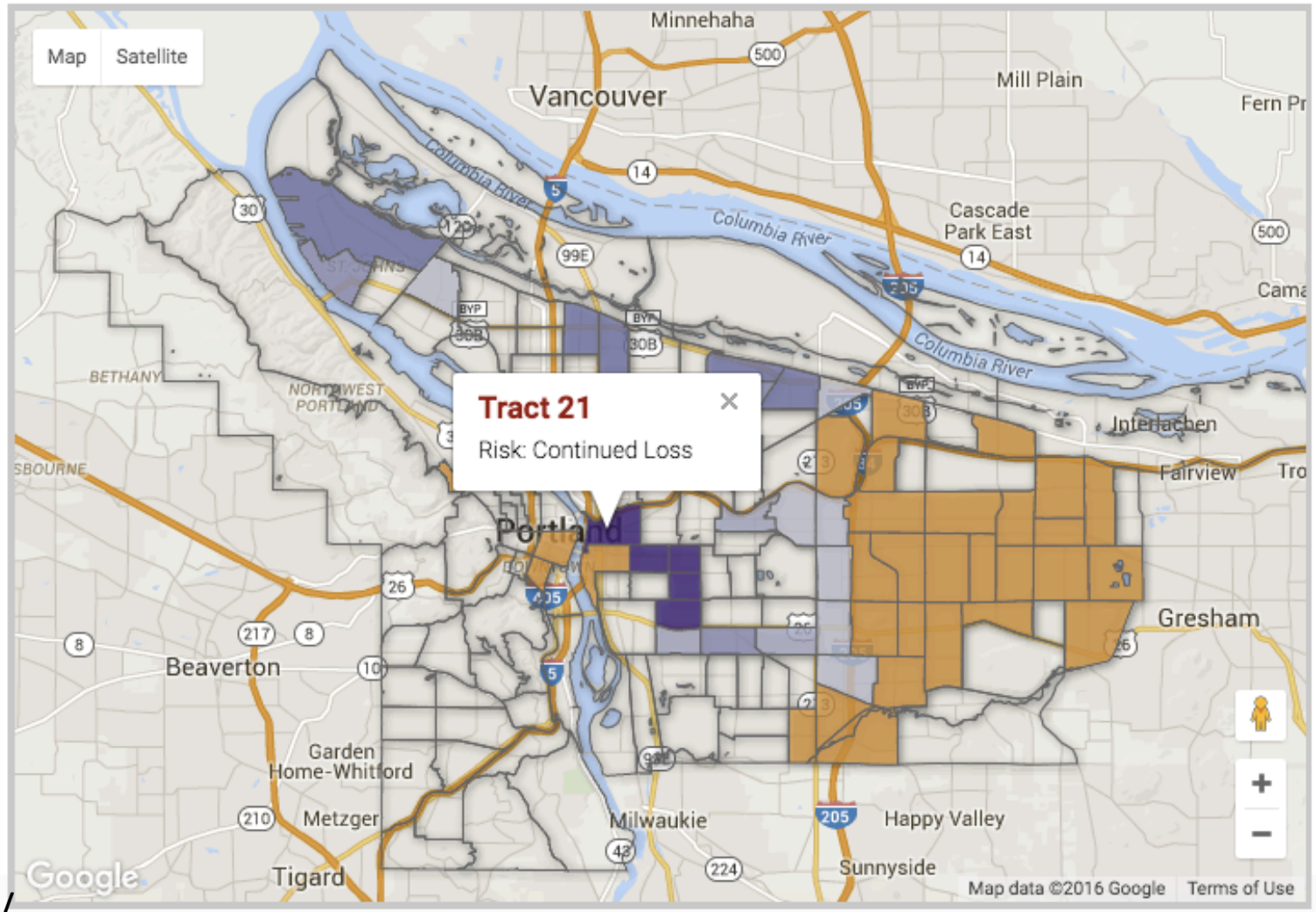
EARLY, TYPE 2
Prices still low, but demographic changes signal gentrification is coming.

DYNAMIC
Prices rising, dramatic demographic change underway.

LATE
Prices up. Vulnerable populations remain, but the overall demographic picture has changed.

CONTINUED LOSS
Property values are high, and vulnerable populations have been largely priced out.

LANDING ZONES
These neighborhoods are seeing an opposite trend: Rising numbers of poor Portlanders, ethnic minorities and people with lower education levels than the citywide average.



MARK FRIESEN/THE OREGONIAN

Portland (Portland State)
http://projects.oregonlive.com/maps/gentrification/

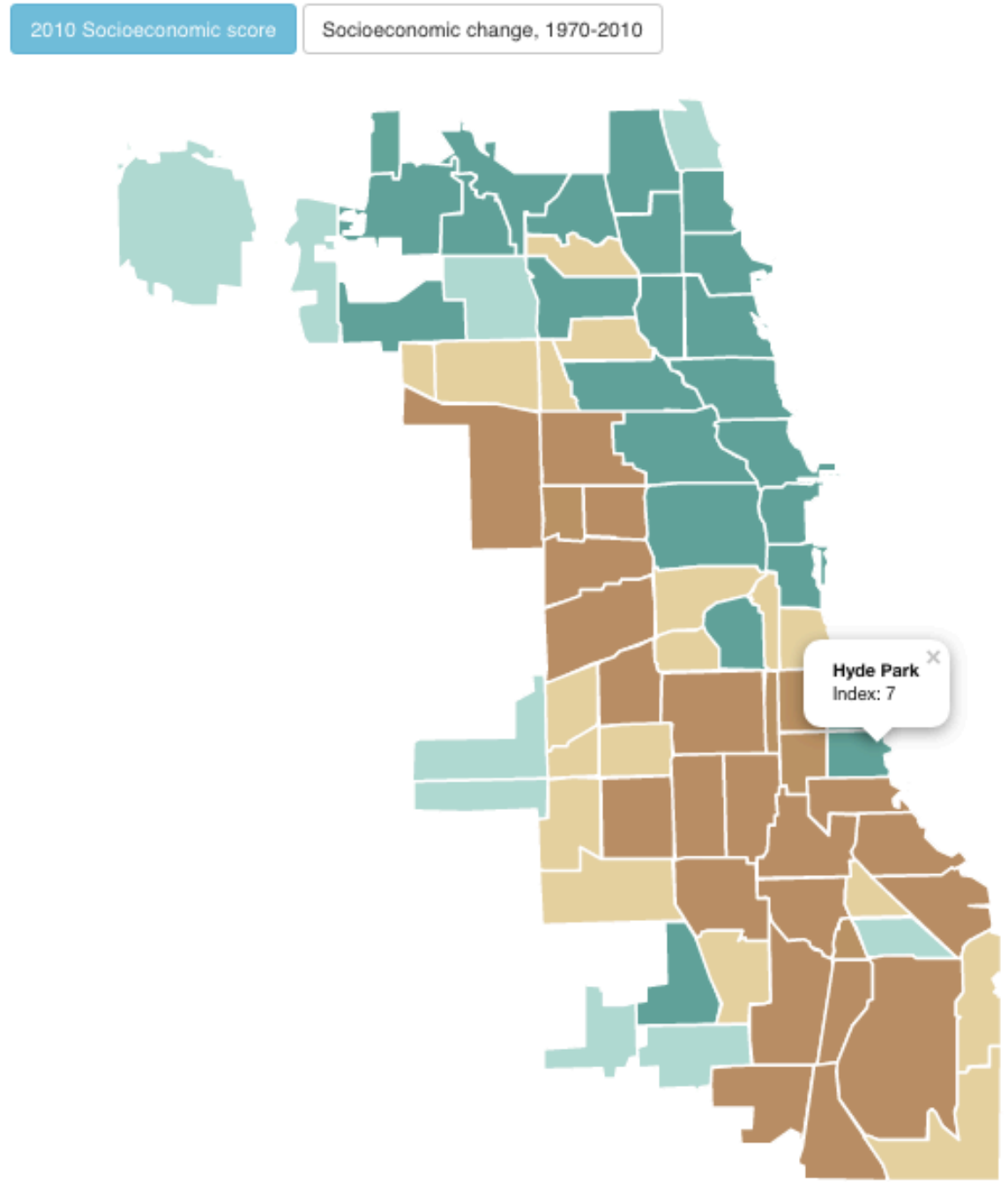
Where is gentrification in Chicago?

To calculate its gentrification index, UIC researchers classified each Chicago community area by 13 socioeconomic factors. A point was added if the area was above the city average and subtracted if it was below. Change the map to see how areas compared in 2010 and how they've changed since 1970.

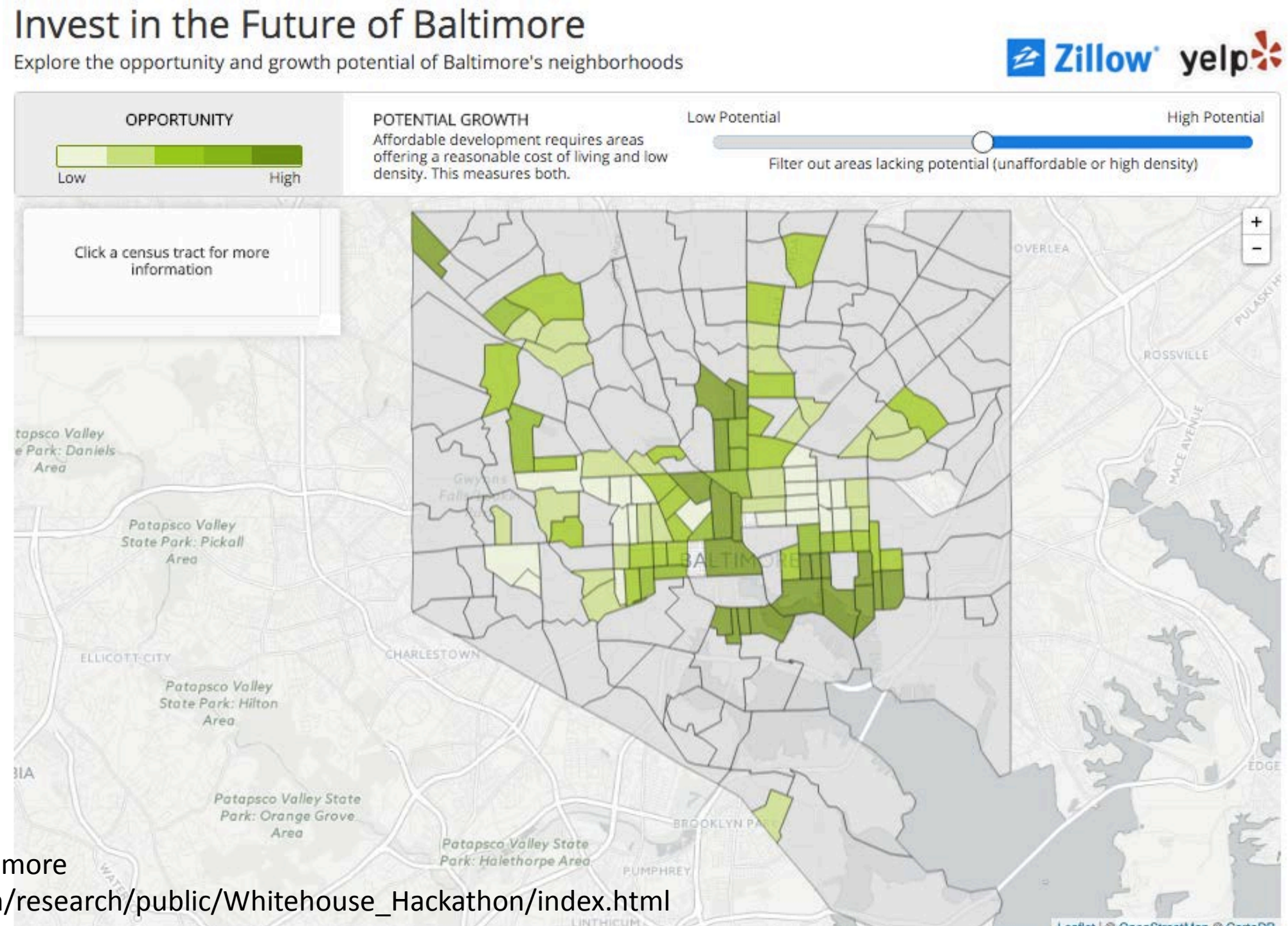
2010 Socioeconomic factors

- -13 to -7
- -6 to 0
- 0
- 1 to 6
- 7+

This map shows how community areas compared in the uic index in 2010. Scroll down to see the data UIC used to make its index.



Chicago (UIC-Voorhees Center)
http://www.voorheescenter.com/#!gentrification-index/ccmx



Invest in the Future of Baltimore
http://files.zillowstatic.com/research/public/Whitehouse_Hackathon/index.html

Strategic use

- **Framing the conversation**:
  - “We had a strategically placed piece of analysis that could help community stakeholders on our side make a point about what policy ought to be. Not a distraction, not something that came out of Washington, DC, saying ‘this is what y’all ought to do.’ Because that would have been suicidal.” (Houston)
- **Target resources**:
  - “It has been very, very, very useful...When you’re involved in politics, and competition for scarce resources, the more facts you can provide, the better you are. The Housing Market Indices are facts. And that speaks much louder than any political will.” (Minneapolis)

Tactical use

- **Validation**
  - “So for the Urban League, [it was like]: ‘See this thing we told you was happening, has happened, is real. It’s in the data.” (Portland)
- **Raising awareness outside of urban core**:
  - “I was able to go in and talk about the typology exercise, which highlighted that adopting tools to ensure affordable housing was a central need for places like Roosevelt. Which helps counter some of the community members who want to use those for parks and open space. [So it] brings data that shows that affordable housing is a real need here.” (Seattle)
  - “It’s like driving down the road using your rearview mirror, and all of this demographic change is in front of you. You’re going to end up in the ditch.” (Twin Cities)

Empowerment

- **Empowerment**:
  - “My main surprise is that when we go out to the neighborhoods that we identified as these rebound neighborhoods, that there really is a—groups on the ground that are talking about this. And it’s sort of, they find it extremely gratifying to be identified as a neighborhood that’s coming back.” (St. Louis)
- **Capacity-building**:
  - “We quickly realized that we needed to show people how different tools are appropriate for different stages of gentrification.” (Chicago)

Developing a New Methodology for Analyzing Potential Displacement

Funded by California Air Resources Board and MTC, March 2014-May 2016

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Defining gentrification and displacement

Gentrification

- Process of neighborhood change characterized by new real estate investment and an influx of new residents with higher income and educational levels
- May result in displacement

Displacement

- When a household moves for reasons beyond their control
- Many causes – related to both disinvestment and reinvestment
- Exclusionary displacement when future generations cannot move in

Mixed-methods approach

- Fieldwork and interviews conducted jointly with community-based organizations
- Multi-level (parcel-tract-city) database:

Dataset	Variables	Years
Census	Race, income, age, educational attainment, HH composition, employment, jobs, tenure, vacancies, crowding, housing units, housing burdened, commute mode, car ownership, rent paid, immirgation status, nativity, linguistic isolation, income inequality, racial segregation, income bipolarity, % moved-in within last year (by race, education, income, tenure)	1990, 2000, 2010, 2009-2013
Parks/Open Space	Small parks (acres/1000 people) and protected areas (acres/1000 people)	2014
Transit Stations	# rail stations per acre and population	1990,2000, 2014
Walkability	Average score	2014
Transit ridership (BART, VTA, CalTrain)	# weekday entrances or exits	1992-2014
Residential Building Permits	# permits per year	1980-2013
Potentially rent controlled units	# of potentially rent controlled apt as percentage of total units	
Evictions (SF &LA only)		1998-2013
Non-profits	Total, rec, youth, social services and housing/advocacy-related	1995, 2000, 2010
PUMS	Movement in/out of neighborhood (with race, income, education)	2011, 2010, 2000
Affordable Housing	# deed restricted and public housing units	1990, 2000, 2013
Section 8	# of vouchers	2000-2013
NETS	# jobs, establishments, sales	
Budget	% of general revenue from property taxes	1992-2011
Anti-displacement policies	Production and preservation policies	

Change in Low Income Households

2000: 970,272 low income households

2013: 1,064,681 low income households

- **Net gain** of 94,408 low income households
- On average tracts **gained** 60 low income households.

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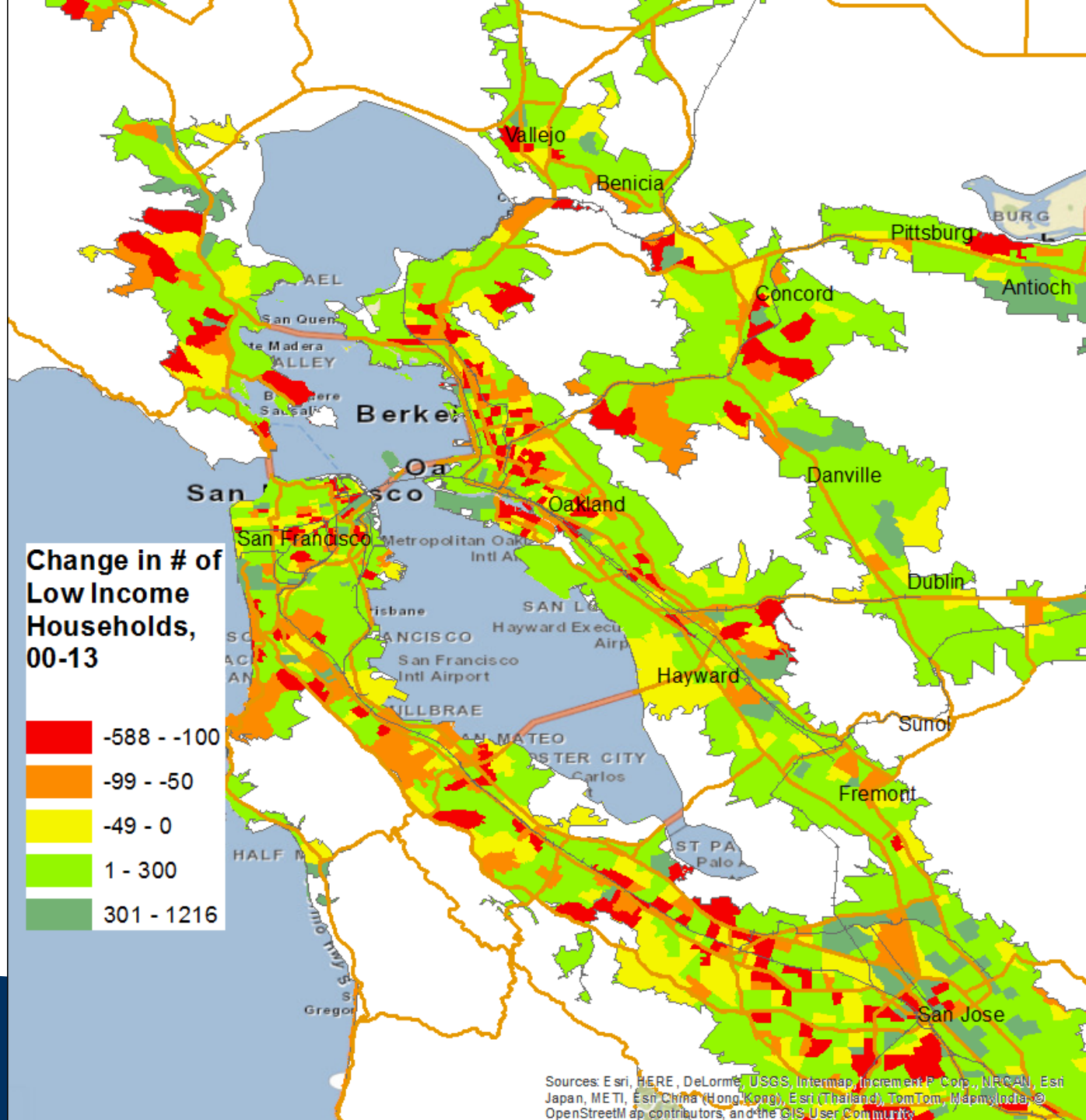
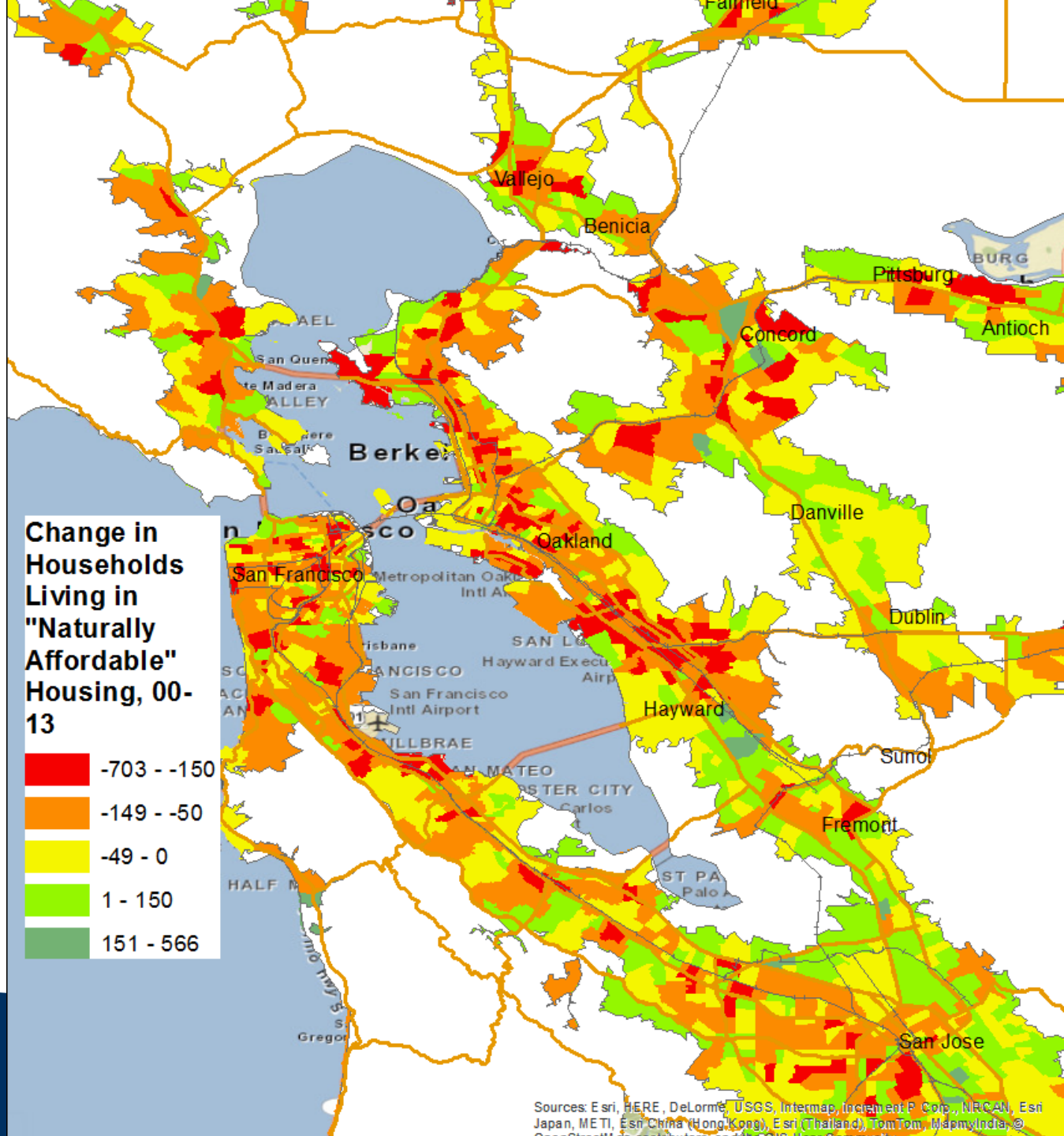


Loss of Naturally Affordable Housing

2000: 223,046 low income households lived in naturally affordable housing

2013: 117,149 low income households lived in naturally affordable housing

- **Loss** of 47% of naturally affordable units *while*
- Number of low income households **grew** by 10%



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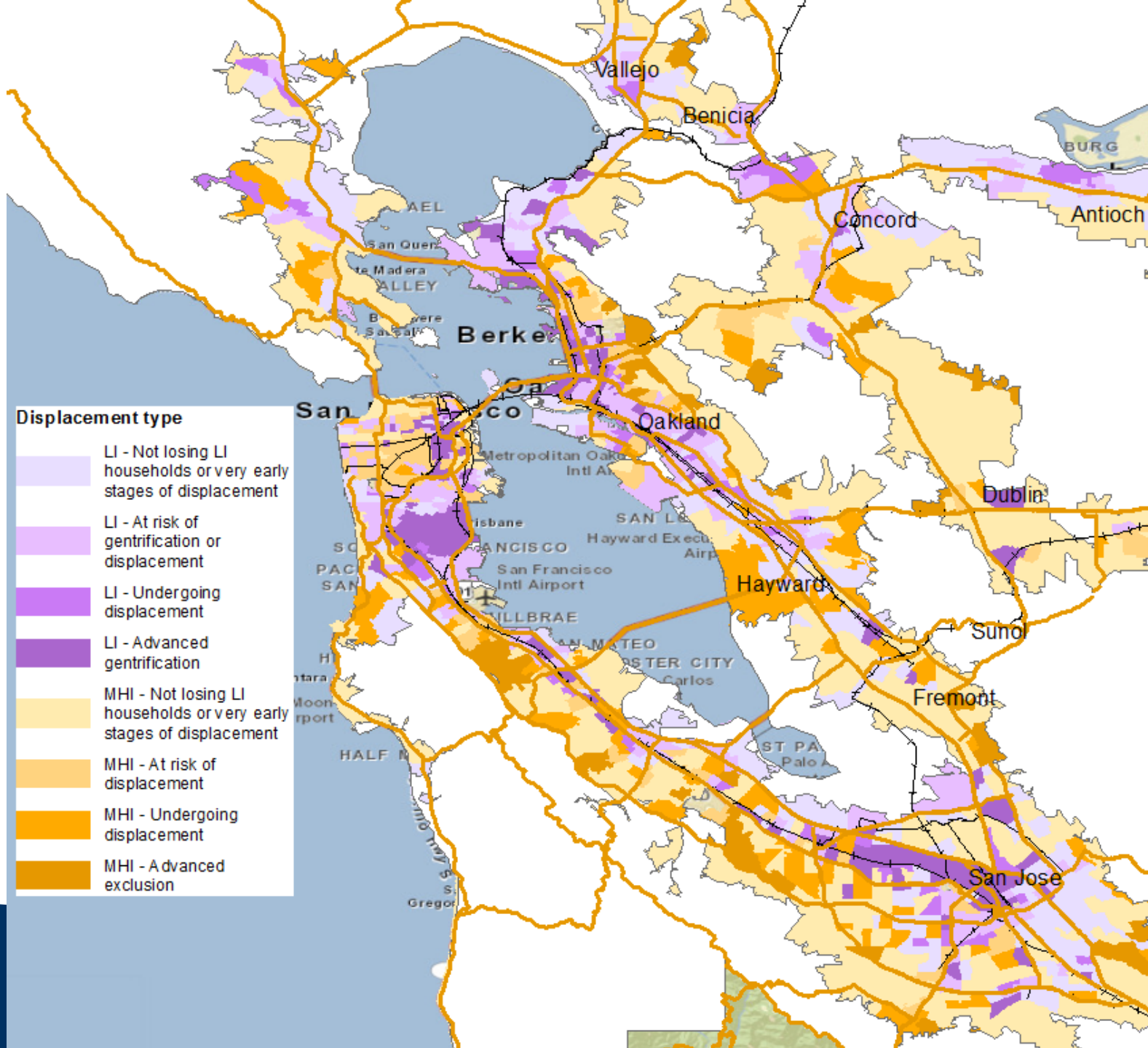
Gentrification/displacement typology

- > 53% of low-income households live in neighborhoods at risk of gentrification and displacement.
- ~ 50% of displacement is happening in moderate/high income neighborhoods



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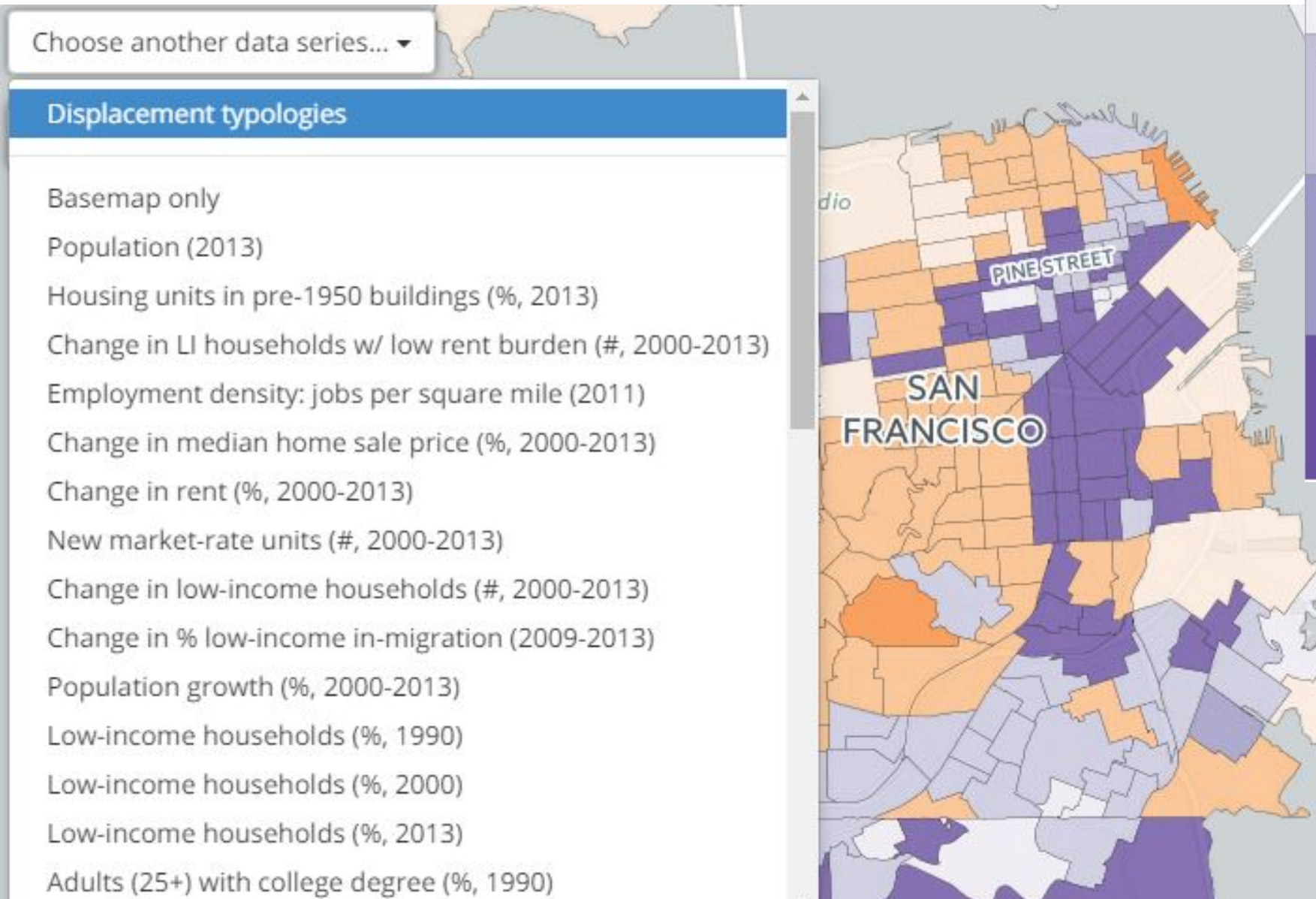
Displacement Early Warning



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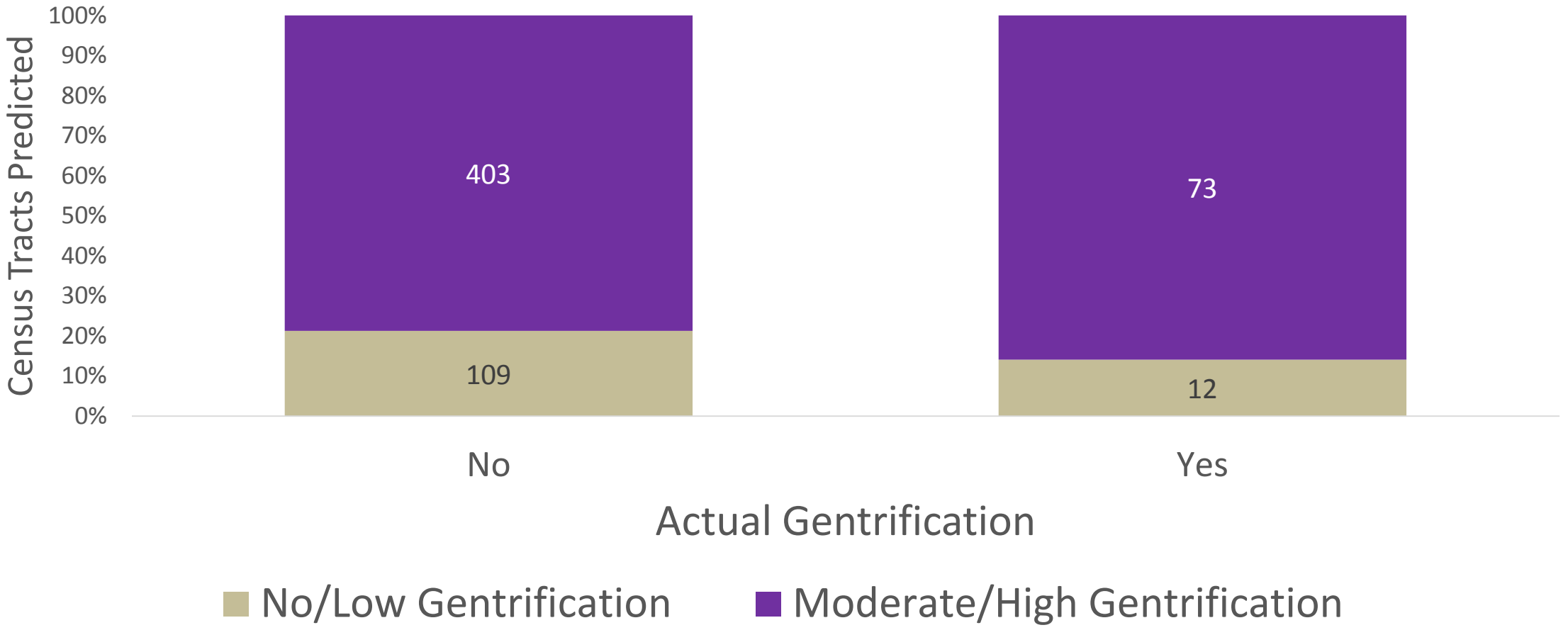
Undergoing displacement • Already losing low income households, naturally affordable units, and in-migration of low income residents has declined • Stable or growing in size	**Undergoing displacement** • Already losing low income households • Decline in either naturally affordable units or in-migration of low income residents • Stable or growing in size
Advanced Gentrification • Gentrified between 1990 and 2000 or between 2000 and 2013 based on: o Neighborhood vulnerability o Demographic change o Real estate investment	**Advanced Exclusion** • Very low proportion of low income households • Very low in-migration of low income households

How predictive are the models, anyway?



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Do we need predictive models?

– “I did not expect that people—especially people in the city—the planning people—to view it as a predictive model…Like, how much more studying of data do you need….So from my perspective, this [should be] a ***wake-up call*** about what’s happening.”

LAW/DEVELOPMENT **POLICY** **PLANNING**

Short-term
Building by building, tenant by tenant

Long-term
City/regional

Seek displacement remedies

- Just Cause, tenant protections
- Discrimination enforcement
- Code enforcement
- Tenant counseling
- Tenant rental assistance
- Tenant right to purchase laws
- Community organizing

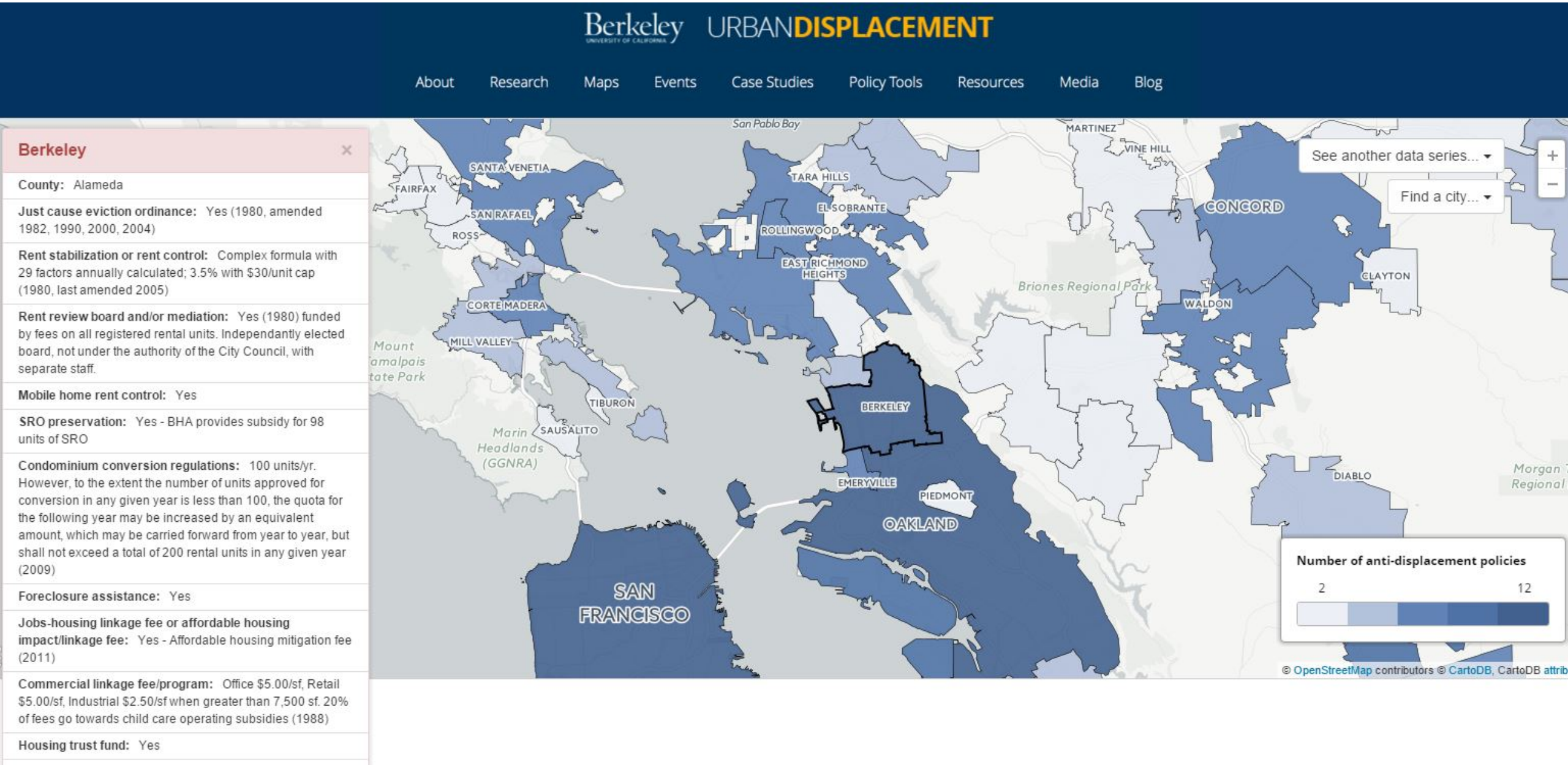
Preserve and fund new affordable housing

- Project-based Section 8 preservation
- Rent control/stabilization
- Rental building acquisition
- Condo conversion restrictions
- Foreclosure prevention
- SRO regulations
- One-for-one replacement
- Mobile home park preservation
- Permit streamlining/fee reduction
- Tax exemptions
- Affordable housing tax
- Bonds for housing construction
- Demolition control
- Housing rehab programs
- Homeownership programs
- Fair housing
- Asset building/minimum wage

Stabilize neighborhoods and promote diversity

- Density bonuses/inclusionary
- Value recapture
- Impact and linkage fees
- Community benefit districts, housing overlay zones
- Zoning/density restrictions
- Station area plans
- Reduced parking requirements
- Reduced barriers to second units
- Public land disposition
- Housing trust funds
- Land acquisition funds/land trusts
- Housing elements
- Transportation investment

New regional policy inventory



Policy Impact

- “[I use the site] to assist in writing public policy for the city I represent as a public official. It is very valuable and useful.”
- Incorporated into San Francisco’s Interim Mission Controls
- Policy inventory used to justify passing new anti-displacement policies in 5 different cities.
- Metropolitan Transportation Commission considering incorporating more stringent anti-displacement targets in its next long-range plan.

Towards Smarter – and More Inclusive? – Cities

But what if city leaders and community groups could get ahead of these changes and act early to direct neighborhood changes towards more inclusive outcomes?

-- Pettit & Greene, 2016:2

The Future of NEWS:

Two paths:

(1)

- incorporate leading indicators/crowdsourced data
- improve predictive analytics
- make efficiency argument

(2)

- or “a wake-up call”?

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