

UNIT



Neighborhood Change: Gentrification

◆ **OBJECTIVES**

- 1) Understand the concept of gentrification
- 2) Understand how policy decisions impact everyday life
- 3) Understand the importance of compromise in formulating public policy

◆ **TOOLS and MATERIALS NEEDED**

- 1) Web access for online projects and research

◆ **ACTIVITIES**

- 1) Group Activity 1: A Where Do I Stand on Gentrification?@

SUMMARY of the LESSON

Many local changes can have a great impact on our community and our daily lives. A democratic nation seeks to serve the majority of its citizens, but in many cases the economic interests of few people can hurt those with less economic and political power. One of those complex and controversial changes is that of neighborhood change known as gentrification. Many urban neighborhoods that once suffered from a lack of investment are now places where new homeowners and businesses are moving in. Yet the renewal of the urban landscape is not without cost. Many of the older, long-term residents and low or middle-income renters find themselves squeezed out of their homes because of higher property taxes and rents. What does gentrification mean and how does it affect community life? What role should the government play in encouraging reinvestment without displacement of one group for another? This lesson will explore various issues raised by this often difficult issue.

Gentrification

Implementation Outline

- 1. Introduction: What is Gentrification?**
- 2. Why does gentrification happen?**
- 3. Where does it happen?**
- 4. What factors contribute to a neighborhood's gentrification?**
- 5. How can you measure gentrification?**
- 6. What are some of the advantages of gentrification?**
- 7. What are some of the disadvantages of gentrification?**
- 8. What can be done about the disadvantages brought on by gentrification?**

TEACHER'S GUIDE to CLASS DISCUSSION

UNIT 9: Gentrification

Teacher's Note!

Units 9 and 10 will be most applicable to youth who live in urban neighborhoods. Unit 9 deals with the complex public policy issue of gentrification, which most likely impacts the lives of the students in your class or community group. The questions for your students are: Is gentrification right or wrong? Good or bad? How should governmental units deal with gentrification?

1. Introduction: What is Gentrification?

- Gentrification signals change in a neighborhood. In economic terms, it means that the value and cost of neighborhood housing is higher. This change encourages some people to invest in homes, condominiums, apartments and businesses, while it forces others to leave. Gentrification means different things to different people. Some consider it a positive sign of reinvestment in a neighborhood while others resent the changes in population and character. Some are happy to see a Starbucks on the corner, while others see a local coffee shop losing customers and retail space.
- One way to think about gentrification is to play the game of Monopoly. In this game, the goal is to become the wealthiest player through buying, renting and selling property. In every game, there are winners and losers, and we see parallels to everyday life. Sometimes the gains and losses involved affect the same person. For example, many long-term homeowners consider their property to be a central investment for retirement and want their homes to increase in value. When property values rise, the value of their home improves. So what is the problem? When the value of a home increases, so does the property tax assessed. For retired senior citizens on fixed incomes, tax increases can force them to leave their homes. Many working people with low to moderate-incomes find it harder to purchase their own homes or cover the rent increases in developing neighborhoods.



Student Activity 1: Where Do I Stand on Gentrification? In this exercise, consider how different people from different communities look at the question of gentrification. Various scenarios present different situations surrounding this topic. As students assume different identities, they gain a fresh perspective about this complex issue.

2. Why does gentrification happen?

- The reasons are complex. Local government usually welcomes development because these investments generate taxes. As the value of a property increases, tax rates rise. These taxes are used to provide basic city services such as road maintenance, police and fire protection,

and health resources. Sometimes city governments will develop public and private projects to encourage others to invest in a neighborhood previously ignored by banks, developers and businesses. This can be done with special tax incentives to businesses and other financial incentives. Often developers and local businesses expect support from politicians because they contribute to campaigns and pay property taxes.

- Many young professional who once moved to the suburbs now hope to stay closer to the urban core. They are looking for neighborhoods close to the transportation networks of big cities, where property values are cheaper than more established neighborhoods, where one can find older buildings with interesting architectural elements. In addition to the young, many retired suburbanites are returning to the urban center because they no longer need or want the large home in the suburbs and want to be closer to the cultural opportunities of the city.
- American society and its economic culture encourage change. Unlike many cultures, we do not settle in communities with our relatives and neighbors and remain for generations. Many American families will move three and four times and live far away from relatives. This mobility fuels the real estate, banking, and home improvement industries that profit from gentrification taking place.

3. Where does gentrification happen?

- Traditionally, gentrification occurs in low-income neighborhoods that have previously suffered from disinvestments. Many of these neighborhoods were changed by the middle class flight to the suburbs in the sixties and seventies. Why did people leave in the first place? Many think that the suburbs are safer and provide better schools. Others want larger homes and yards for children and animals.
- Government policies supported a freeway system that encouraged development farther and farther away from the urban center. Many businesses located out in the suburbs because of real estate costs and urban tax rates. Now, many of the people and companies that left the city are returning and a new generation of young professionals has decided to live closer to downtown, even though many of them now commute out to the suburbs for work. This social change is reflected by the “reverse commute” phenomenon whereby the traffic backs up going in and out of the city morning and evening.

4. What factors contribute to a neighborhood’s gentrification?


- Access to urban centers via proximity or transportation networks
- Low housing costs vis-à-vis the rest of the real estate market
- Interesting architecture and building detail
- Large numbers of rental units in the area whose rates can be increased or buildings converted into condominiums

5. How can you measure gentrification? Can be measured objectively and subjectively?

- There are different factors you can review to get an idea of how a neighborhood changes. Although walking around a neighborhood can show signs of change, you may want to see the facts of gentrification. Some of the information can be found by reviewing census information. Unfortunately, this information can be hard to track down and compare easily. Chicago residents should begin their inquiries with the *Local Community Fact Book: Chicago Metropolitan Area 1990* edited by the Chicago Fact Book Consortium (Academy Chicago Publishers, Chicago, 1995). Data are available from the City and County Assessor Office every three years. This office measures how much a piece of property is worth and its correspondent property tax.

☀ Some change indicators to look for:

- Look at property value and tax rate changes between each census
- Review turnover rates in rental units
- Income level of residents (new and long-term)
- Ethnic and racial mix of residents (new and long-term, stable or not?)
- The kinds of businesses that move into or out of the neighborhood
- The kinds of work that exists in the neighborhood (e.g., factory jobs vs. service jobs)
- The kinds of cars parked on the street
- The kinds of community organizations in the neighborhood
- The presence or absence of new religious communities or ethnic associations in the area

<p>Internet Resources</p> 	<p>Researching Gentrification</p> <p>Based on the list of changes usually associated with gentrification, you can start your own investigation on the issue of gentrification on line at the U.S. Census Bureau homepage</p> <p>At http://www.census.gov/</p>
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6. What are some of the advantages of gentrification?

- Housing values increase for homeowners
- Increase of tax revenues for city services
- Reinvestment is made in infrastructure, roads, water mains, local schools
- Businesses expansion or change to serve new populations
- Renovation and upgrading of existing housing stock
- Development of job opportunities, temporary and long term
- Redevelopment of urban core
- Reduction of commuting for those working downtown
- Concentration of population and public services in existing areas thereby reducing suburban sprawl

7. What are some of the disadvantages of gentrification?

- Higher income investors displace lower income residents
- Burden of economic displacement placed on those least able to afford it
- Disrupts community institutions rooted in neighborhoods
- Forces people to move away from community institutions built to serve their needs
- Can increase racial and economic conflict during the transition period
- Markets can be manipulated to serve developer interest at the expense of older residents and new investors
- Increases urban density and parking/traffic problems in a neighborhood

8. What can be done about the disadvantages brought on by gentrification?

- Provide tax relief for long term home owners
- Promote mixed income and non-profit development for housing and community space
- Support neighborhood organizations rooted in local history and ethnic traditions
- Establish Community Land Trusts: A (CLT) is a non-profit organization that seeks to own and preserve that benefits the whole community as opposed to private landowners. This land can be used to develop public space for parks or used to provide low-income housing in a neighborhood

WHAT HAVE WE LEARNED?

- ❏ **Gentrification is a complex phenomenon that happens in many cities of the United States, especially in low-income neighborhoods that have previously suffered from disinvestments**
- ❏ **Gentrification leads low and moderate-income residents to leave their neighborhoods due to increasing property taxes**
- ❏ **Gentrification can be measured objectively and subjectively**
- ❏ **Gentrification offers both advantages and disadvantages for investors and residents of poor neighborhoods**
- ❏ **There are strategies to moderate gentrification to assist those vulnerable to displacement**

KEY TERMS or CONCEPTS

*Unless otherwise noted, all definitions are taken from Webster Dictionary at <http://www.m-w.com>

- ❏ **Gentrification:** The process of renewal and rebuilding accompanying the influx of middle-class or affluent people into deteriorating areas that often displaces earlier usually poorer residents.
- ❏ **Disinvestment:** The withdrawing of investment
- ❏ **Policy:** A definite course or method of action selected from among alternatives in light of given conditions to guide and determine present and future decisions. A high-level overall plan embracing the general goals and acceptable procedures especially of a governmental body.



ILLINOIS LEARNING STANDARDS INDEX

The Illinois Learning Standards for Social Science were developed using the 1985 Illinois State Goals for Social Science, the National Standards for World History, the National Standards for United States History, the National Geography Standards, and National Standards for Civics and Government, other various state and national work, and local standards contributed by team members.

Online Resource:

Information regarding the Illinois State Board of Education Learning Standards can be found online at: <http://www.isbe.state.il.us/ils/default0.html>

Illinois Learning Standards Alignment

State Goal	15	Understand economic systems, with an emphasis on the United States.
Learning Standards	A, B, C, D	
Major Emphasis	17.C.3a-c, 17.C.4b-c, 17.D.5	
State Goal	17	Understand world geography and the effects of geography on society, with an emphasis on the United States.



NATIONAL COUNCIL FOR SOCIAL STUDIES (NCSS)

The Curriculum Standards for Social Studies were developed by a Task Force of the National Council for the Social Studies and approved by the NCSS Board of Directors in April 1994. Its *Expectations of Excellence: Curriculum Standards for Social Studies* focuses on ten thematic strands in social studies considered essential for educators and students. More information can be found at their website: <http://www.socialstudies.org/standards/>

This unit addresses the following thematic standards:

- ☒ Culture
- ☒ Individuals, Groups, and Institutions
- ☒ Power, Authority, and Governance
- ☒ Individual Development and Identity
- ☒ Civic, Ideals, and Practices

DICTIONARY and INFORMATION LINKS

There are many helpful resources online for you and your students. Those below will just get you started.

LibrarySpot.com

This is one of the best places to begin any kind of information search. It provides direct links to encyclopedias, dictionaries, curriculum ideas and library resources.

<http://www.libraryspot.com/>

Dictionary.com

Free online English dictionary, thesaurus and reference guide, crossword puzzles and other word games, online translator and Word of the Day.

<http://www.Dictionary.com>

Webster Dictionary at www.m-w.com

Online version of the Merriam-Webster Collegiate Dictionary. Simply enter keywords for a comprehensive definition, with thesaurus option.

<http://www.m-w.com>

AllWords.com - Dictionary, Guide, Community and More

allwords.com provides English definitions plus a multi-lingual search. Search in German, Dutch, French, Italian, Spanish and English. It provides a helpful pronunciation guide and gives students a chance to see how words often share cultural roots with geographic, and cultural neighbors.

<http://www.allwords.com/>

AskJeeves.com

One of the best search engines on the web. Web users simply put questions to AJeeves@the butler, who then searches the web for relevant information and web sites.

<http://www.askjeeves.com/>

INTERNET RESOURCES on GENTRIFICATION



Visit the following web sites for more information on how to connect your students to public life. Some of these sites provide information while others outline opportunities for getting students connected to their communities. Unless otherwise noticed, all quoted material is taken directly from the listed web sites.

⊕ ***National Housing Institute & Shelterforce: The Journal of Affordable Housing and Community Building***

This journal provides academic research on this topic and is published by the National Housing Institute.

At <http://www.nhi.org/online/index.html>

The May/June 2001, issue 117, “Managing Gentrification: Tools and Timing” has many helpful articles on this topic.

At <http://www.nhi.org/online/issues/117/Rose.html>

⊕ ***Gotham Gazette***

The Gotham Gazette works as four publications in one : a daily digest of news about New York City; a news operation in itself; a policy magazine; and a reference tool for students and serious researchers. The Gotham Gazette has published a good article (with links) on “The New Gentrification.”

At <http://www.gothamgazette.com/iotw/gent/>

⊕ ***The On-Line Conference On Community Organizing and Development (COMM-ORG)***

COMM-ORG is a listserv and web site that houses many interesting resources related to community organizing and development. In the year 2000, a paper entitled “Gentrification and West Oakland: Causes, Effects and Best Practices” was published. Although dealing with specific issues about Oakland, the paper includes information about gentrification in many American cities.

At <http://comm-org.utoledo.edu/papers2000/gentrify/contents.htm>

⊕ ***PolicyLink.org***

Provides valuable information and resources on the topic of gentrification. They provide a “Beyond Gentrification Toolkit” that is devised to help communities plan for and steer new investments to their communities. It draws from the best practices and creative policy work of culturally diverse communities who have worked to prevent displacement as their neighborhoods improve.”

More information can be found at their web site,

At <http://www.policylink.org>

or link directly to the Toolkit at <http://www.policylink.org/gentrification/>

CURRICULUM DEVELOPMENT

This curriculum was developed with the support of a grant to the Center for Urban Research and Learning (CURL), Loyola University Chicago, from the Technology Innovation Challenge Grant Program sponsored by the U.S. Department of Education. The project team consisted of:

- ✦ Brian C. Shea, Ph.D. candidate, Department of Philosophy, coordinator and principal author;
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- ✦ Nelson Portillo, Ph.D. candidate, Department of Psychology, evaluation, editing, and web design;
- ✦ Yolanda Suarez-Balcazar, Ph.D., Department of Psychology, evaluation supervision;
- ✦ Linda Von Dreele, Associate Director of CURL, oversight and editing.

The original community partners were Erie Neighborhood House (ENH), Howard Area Alternative High School (HAAHS), and Family Matters (FM) where the curriculum was piloted on a limited basis. The project is indebted to Ric Estarda and Maria xx (ENH), Chris DeNevue (HAAHS), and Twanna Brown and Kim DeLong (FM).

We value the help of Phyllis Henry, Ph.D. candidate, who contacted many of the reviewers for the evaluation process. We also appreciate the assistance of all reviewers who helped us improve the quality of our civic engagement curriculum, including Erin Peterson, David Arredondo, Ratib Al-Ali, Andrew Coneen, Vanessa Lal, Jennifer Lemkin, Demetra Makris, Jacqueline McCord, Joan Podkul, and Christopher Wilberding. The constructive critique of these educators from Chicago and as far away as Ohio and California has greatly enhanced the potential for the curriculum's implementation as a quality tool for youth civics education.

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