

Issue: Gentrification

Gentrification

By: Kathleen Murray

 **SAGE** businessresearcher

Pub. Date: August 28, 2017

Access Date: August 31, 2017

DOI: 10.1177/237455680325.n1

Source URL: <http://businessresearcher.sagepub.com/sbr-1863-103843-2833123/20170828/gentrification>

©2017 SAGE Publishing, Inc. All Rights Reserved.

Are the social costs too high?

Executive Summary

Cities across the United States, from Boston to Seattle and San Francisco, are grappling with the consequences of gentrification as growth industries attract highly paid professionals. The influx of these professionals into urban neighborhoods pushes up housing costs and pushes out longtime residents. This surge in gentrification has prompted a debate: Supporters say the trend reflects a strong economy and the natural evolution of cities, while critics cite the social costs, such as rising inequality and changes in the character of neighborhoods. The consequences have included growing protests over perceived harbingers of gentrification, such as new coffee shops or bicycle lanes, and demands for a more controlled process of urban development.

Key takeaways include:

- The rate of gentrification in lower-income U.S. neighborhoods has doubled in the past 15 years.
- Cities once eager to grant incentives for corporate relocations are reconsidering such policies.
- Some companies are seeking to mitigate their role in gentrification by offering funding for programs to help displaced residents.

Full Report



A staffer for the nonprofit Mary's Place plays with a child at a Seattle homeless shelter in a building owned by Amazon. The company will incorporate a shelter in its new corporate headquarters. (Jason Redmond/AFP/Getty Images)

In May, online retail giant [Amazon](#) announced that the newest office building in its sprawling Seattle headquarters will include an amenity not typically found in a corporate setting. Half of the six-story structure is slated to become a homeless shelter that can accommodate as many as 65 families. ¹

While the move might seem merely the latest outsized gesture from an industry that prides itself on social responsibility, there is more going on. By offering space in its new building, some public policy experts say, Amazon is addressing a problem it helped create. ²

Over the past few years, the e-retailer and other tech firms have lured thousands of highly paid professionals to Seattle. This has spurred

gentrification, pushing housing costs to an all-time high and displacing many of the city's working-class residents. In 2015, with tent cities popping up on highways, Seattle Mayor Ed Murray declared a homelessness state of emergency that allowed the city to tap additional funding and state and federal assistance to deal with the crisis.³ Even now, rents there continue to rise faster than anywhere else in the United States, according to a 2016 study by realtor Zillow.⁴

Similar stories are playing out in San Francisco, Boston, New York, Austin, Texas, Raleigh, N.C. and other cities where industries from high tech to healthcare have prompted pricey urban redevelopment.

As the United States experiences an unprecedented gentrification boom, a debate is taking place about how to cope with problems associated with it.⁵ Since 2000, almost 20 percent of U.S. neighborhoods with lower income and home values – defined as the bottom 40 percent – have gentrified, according to *Governing* magazine, which did an analysis of census tract data in 2015.⁶ This is more than double the 9 percent rate in the 1990s, according to the magazine.⁷

Supporters of gentrification assert that redeveloped neighborhoods are a sign of a strong economy and part of the natural cycle of cities.⁸ Global companies and startups, they say, are smart to locate where the talent is, as college-educated professionals show a preference for shorter commutes and urban amenities.⁹

At the same time, the social costs of gentrification are difficult to ignore. Rising property values and rents make homes unaffordable for lower-income residents, increasing inequality and changing the character of neighborhoods. With protests these days springing up at the first whiff of a new coffee shop or bike lane, even those who agree the clock cannot be turned back acknowledge the need for a more controlled process – whether through smarter land use and zoning reform, creation of more affordable housing, incentives to protect small businesses or requiring more community input.¹⁰ As urbanist Richard Florida wrote in his recent book, “The New Urban Crisis,” the alternative is “a winner-take-all urbanism, in which the talented and advantaged cluster and colonize a small, select group of superstar cities, leaving everybody and everywhere else behind.”¹¹

Defining the Problem

Gentrification has likely been with us as long as humans have sought to improve their circumstances. The Romans who upgraded their shops into villas during the 2nd and 3rd centuries were not that different from the 21st-century artists and writers who moved into renovated lofts in Manhattan.¹²

British sociologist Ruth Glass coined the term in 1964 to describe the displacement of working-class residents from the London community of Islington by the wealthy “gentry.”¹³ Since then, gentrification has generally been understood to mean the process of change neighborhoods undergo when wealthier – typically white – newcomers and investment flow in. Over time, some have broadened the definition to include the rise in affluence brought about by redevelopment and urban renewal, such as planner Robert Moses’ efforts to replace slums in New York with high-rise towers, says DePaul University sociologist John Joe Schlichtman, co-author of the recently released “Gentrifier.”



Lance Freeman of Columbia

There is less agreement over gentrification's fallout. It causes rent increases and hurts affordability, yet research on displacement has been inconclusive. In 2005, Columbia University urban planning professor Lance Freeman published a study that seemed to defy the conventional wisdom with its finding that low-income residents in gentrifying neighborhoods were not much more likely to move than such residents in non-gentrifying neighborhoods.¹⁴ Another study found that unskilled workers even tend to benefit from gentrification.¹⁵ Most experts agree that more consistent and updated research on displacement is needed to provide an accurate picture. “One of the things the studies do show,” says Schlichtman, “is that even if they're not displaced, the low-income workers still suffer the most from gentrification.”

Gentrification can vary by city, but the underlying patterns are the same, says Peter Moskowitz, the Brooklyn-based author of “How to Kill a City: Gentrification, Inequality and the Fight for the Neighborhood.” While young, affluent professionals may be credited with starting gentrification, he says, it really does not occur on a major scale until a neighborhood has sunk to a level where it is profitable for investors and developers to buy in and undertake projects.

White flight and the loss of industry in the 1960s and the 1970s left U.S. cities struggling. Property values in urban areas fell and blacks and minorities moved into these neighborhoods. After New York almost went broke in the 1970s and 1980s, for example, the city was primed for a recovery, according to Moskowitz.

Business and civic leaders set the wheels in motion by moving industry out and residents in, repurposing the city as a real estate and financial center.¹⁶

Entrepreneurial Cities

Today's gentrification boom is unique in both its reach and depth. American University public affairs professor Derek Hyra says the extent of the transformation in some cities that began when development heated up after 2000 took many analysts by surprise. “What's different

this time is that you have this wave of whites moving into really poor areas,” he says. “These are neighborhoods that had remained untouched in previous bouts of urban renewal,” including New York’s Harlem and parts of Washington. “And today they’re fighting for their lives.”

This can be attributed to an increased preference for urban life and proximity to city amenities such as sports stadiums and arenas, which can themselves be triggers for gentrification. Falling crime rates also have lured college-educated whites to once-poorer areas.¹⁷ Federal government budget cuts play a role by forcing city officials to get entrepreneurial about wooing companies in order to survive. Moskowitz points to New Orleans’ effort to attract the movie business and San Francisco’s decision to give [Twitter](#) and other technology companies big tax breaks to locate there. Some of these moves are so shortsighted, he says, that they are likely to come back to haunt the cities that made them.

“Detroit has so much land and they’re broke, so you’ve got things that go to not even the highest, but any bidder,” Moskowitz says. “Cities need to be thinking 10 years down the road and they’re not doing it.”

Gentrification From Coast to Coast

Boston, Seattle, New York topped cities losing low-price housing



Source: Daniel Hartley, “Gentrification and Financial Health,” Federal Reserve Bank of Cleveland, Nov. 6, 2013, <https://tinyurl.com/y8b3we6l>.

From 2000 to 2007, U.S. cities from Boston to Seattle experienced significant gentrification in areas that were previously lower-income, changing the demographics of neighborhoods and contributing to the displacement of residents.

Another development many urbanists did not anticipate: the clustering of industries in cities – particularly tech startups. In the late 1990s and 2000s, for example, there was much talk about how technology would allow people to work from anywhere. But that is not how it played out, according to Florida. “The urban shift of the high-tech startup companies and talent is a real sea change ... one I would never have predicted even a decade ago,” he wrote.¹⁸ Even companies that don’t seem dependent on being in a city where the action is want their online operations there: When [Walmart](#) wanted to open an online sales division, it did it in San Francisco.¹⁹ As University of California, Berkeley, economics professor Enrico Moretti put it in his book, “The New Geography of Jobs”: “Despite all the hype about ... the flat world, where you live matters more than ever.”²⁰

This clustering has brought problems, as anyone who has followed the tech industry is well aware. Beginning in 2013, buses that ferried employees of [Google](#), [Yahoo](#) and other tech companies from city digs in San Francisco to corporate campuses in Silicon Valley were attacked by protesters who resented the industry’s impact on affordability in the city.²¹

Globalization and the increasing drive to squeeze more revenue from housing stock have further exacerbated gentrification. Foreign buyers who pluck up homes in expensive cities help inflate housing costs. In tourist meccas such as New York, San Francisco and Washington, [Airbnb](#) and other home-sharing services have increased the affordability problem, as landlords and property owners rent to tourists instead of tenants, which squeezes the housing supply and drives up rents. A recent study by McGill University urbanist David Wachsmuth estimated as many as 13,000 long-term rental units in New York were lost to short-term rentals during 2016. “The result has been a massive and concentrated loss of rental housing in the city,” the study said.²²

Sean Coffey, a program evaluation manager for the California Reinvestment Coalition, a nonprofit in San Francisco's Mission District that helps low-income and minority communities get access to credit, has experienced gentrification from both sides. "It's been a really big issue in the Mission, with families getting pushed out," he says. Coffey says the coalition has avoided the same fate only because the building where it is located is owned by a trust and cannot be sold. Two hundred feet from his office, Coffey says, a bodega was recently closed to make way for a gourmet grocer. "Without the trust, that could have been us," he says.

Coffey and his wife live in more affordable Oakland, a place he concedes they have likely helped gentrify since they moved in nearly 10 years ago. But in 2012, when they looked to purchase a home in the city's up-and-coming Temescal neighborhood where they were renting, two-bedrooms were regularly selling for as much as \$800,000. The Coffeys ultimately bought a place farther out, not as close to restaurants and rapid transit. "I'd be curious what would happen if the tech bubble bursts," Coffey says. "Houses are still routinely going for well over their asking prices."

The Pushback

There are signs that things are reaching a turning point. While cities are still spending to lure or keep marquee companies, some are getting stingier about offering tax incentives or attaching conditions to them. A review of large incentive packages tracked by Good Jobs First, a Washington-based policy organization that promotes corporate and government accountability in economic development, shows that while megadeals – defined as those worth at least \$50 million – are up, the overall number of agreements remains down from pre-recession levels.²³

[United Airlines](#), for example, was initially offered a big incentive package after announcing it was moving its corporate headquarters to Chicago in 2007. When United decided to switch to another location downtown in 2013, it agreed to pay back \$5.6 million in incentives to the cash-strapped city.²⁴ [McDonald's](#) received no package for relocating its headquarters from the Chicago suburb of Schaumburg to downtown, a move expected to lure many of the company's 2,000 employees to live in the city.²⁵ [Mead Johnson Nutrition](#) and [Archer Daniels Midland](#) also received no sweeteners when they announced similar headquarters moves.²⁶ When [Kraft Heinz](#) announced it would relocate downtown from suburban Northfield last year, Chicago Mayor Rahm Emanuel was quick to point out that the city had offered no tax incentives.²⁷

In the larger cities, such benefits increasingly come with strings attached. A tax break that saved Twitter \$34 million in employment taxes when it relocated its headquarters to San Francisco's gritty Tenderloin district required the social media company to sign a community benefit agreement.²⁸ As part of this contract, Twitter opened and operates a \$3 million community center known as the NeighborNest, which offers low-income residents free technology training and childcare among other benefits.²⁹ The city can renegotiate its contracts with Twitter and other companies that have benefited from the tax break, such as software provider [Zendesk](#) and music streamer [Spotify](#), which helps insure that the firms are upholding their part of community benefit agreements.³⁰

In Seattle, Amazon allowed Mary's Place, a nonprofit that helps the homeless, to set up a 200-bed shelter in an old Travelodge the company owned in the city's South Lake Union neighborhood. That motel is one of several structures to be torn down to make room for the rest of Amazon's urban headquarters – a complex that will include three towers, three biodomes and more than 30 buildings.³¹ In order to keep pace with the rising cost of housing in the region, residents must earn an additional \$1,248 each year compared to a nationwide average of \$168, Zillow estimates.³²

Amazon – whose employees were once dubbed "Am-holes" by longtime Seattle residents for perceived lack of awareness about their impact on the city – was not the first company to take steps to mitigate its impact on local housing markets.³³ A foundation owned by [Microsoft](#) co-founder Paul Allen, for example, pledged \$30 million last year to build a shelter in Seattle for homeless families and children.³⁴ Another foundation run by [Facebook](#) founder Mark Zuckerberg and his wife, Priscilla Chan, donated \$3 million towards helping San Francisco residents fight eviction notices.³⁵



Twitter's headquarters in San Francisco. The company signed a community benefit agreement in exchange for tax benefits. (David Paul Morris/Bloomberg via Getty Images)

The fact that Amazon is getting involved now suggests that company officials see the potential for damage to their business if the current situation continues, says DePaul's Schlichtman.

The company disputes this. "Amazon has always been committed to supporting the communities where our employees live and work in innovative and impactful ways," spokesperson Allison Flicker said in a statement. "This is something that has been important to us for a long time and will continue to be important as we grow." Flicker said the company has committed more than \$30 million to homeless support, STEM education and job training programs in Seattle over the past year.

Companies based near San Francisco, New York and Seattle already face an uphill battle in recruiting due to the skyrocketing costs of living in these hub cities. Christopher Gil, a marketing manager with the Mission Economic Development Agency (MEDA), which develops affordable housing in San Francisco, says even large firms are having a harder time getting people to move to the area. "They can still get the young, single people, because they don't care so much where they're living," he says. "But if you're older, have a family, they can't always pay enough for you to live here."

Google and Facebook have announced plans to build affordable housing near their offices in suburban San Francisco for both workers and residents.³⁶ Google is experimenting with modular apartments to provide temporary housing for employees at its planned Bay View campus near NASA's Moffet Field.³⁷

Facebook also recently agreed to donate \$18.5 million to a fund for building affordable housing in the Bay Area communities of Menlo Park and Palo Alto, primarily to meet the needs of the existing area residents, although one local activist said it took the threat of a lawsuit to bring the company to the table.³⁸ (A Facebook spokesperson declined to comment.)

"Companies are being held accountable," says Schlichtman. "There is now a formula and a model where communities say if you locate here, we know what's going to happen. We're not just going to see everyone getting new jobs and having marching bands play.... I think that's the future."

Gil acknowledges that figuring out what companies should be contributing can be tricky. He says the cloud computing company [Salesforce](#), which is building a large Bay Area headquarters, has instituted a 1-1-1 policy in which it donates to charity 1 percent of its sales in dollars, 1 percent in kind and 1 percent in volunteerism. For MEDA, this has meant free access to a Salesforce database that has helped the group connect with partners in a way that was not possible in the past. "Even though it's a miniscule amount to them, it's been great for us," Gil says.

What Can Be Done?

Dealing effectively with gentrification and its impacts requires more coordination and effort at the local and government levels, urban planning experts say.

In cities such as Seattle and San Francisco, policymakers are encouraged that planning documents now promise efforts to avoid displacing residents. More than 130 housing-related bills are pending in California's state legislature.³⁹

Land use and zoning reform would also be a good start, says author Moskowitz. He points to Germany, which has government land-use control and where municipalities release land only when necessary because of population growth. German zoning regulations are also more flexible, allowing for much more mixed-use development, which promotes affordability, he says. In rapidly gentrifying Berlin, rent increases are capped at 10 percent of the area's average rent, removing the incentive for landlords to evict tenants when an area begins to develop, Moskowitz says.



Urbanologist Richard Florida

Florida, the urbanologist, also takes issue with zoning restrictions and believes more affordable housing needs to be built – especially for renters. Many are cost-burdened – meaning they pay more than 30 percent of their income in rent – but also more likely to work in and commute to urban areas. Meanwhile, nearly half of the 100 largest U.S. metro areas posted declines in low-rent units (those costing less than \$800 a month) between 2005 and 2015, while high-end apartments increased, according to Harvard University's Joint Center for Housing Studies.⁴⁰ "It's time to redirect federal subsidies away from affluent homeowners to the less advantaged renters who really need them," Florida wrote in "The New Urban Crisis."⁴¹

President Trump's proposed federal budget cuts for fiscal 2018 imperil current provisions for affordable housing. The president's budget would slash \$7.4 billion from the Department of Housing and Urban Development, including cuts to tenant housing vouchers and community block grants. In addition, a July analysis by The Washington Post found the administration's plan to lower corporate tax rates has already reduced investments in low-income tax credits, which help builders offset the cost of building affordable

housing by 10 percent.⁴²

Some policy experts argue that incentives should benefit existing residents rather than businesses and developers. "We give tax breaks to corporations, so why can't we give mom-and-pop small businesses tax breaks so they can remain in the city?" says American University's Hyra, who recently wrote "Race, Class, and Politics in the Cappuccino City," a study of gentrification in southeast Washington.

This idea is gaining traction. A proposed measure in Washington would give long-time residents and small businesses low-interest loans and grants to help them buy their properties and stay in business, Hyra says. In so doing, they could reap some of the benefits as real estate values rise. In Washington's fast-gentrifying 14th Street neighborhood, for example, Whitman-Walker Health, a nonprofit clinic, recently announced that instead of selling and moving its office it plans to develop the property.⁴³

In San Francisco's Mission District, MEDA's "Adelante" program, introduced in 2015, offers loans of \$5,000 to \$100,000 to help residents and small businesses stay in what had been a predominantly Latino neighborhood before tech workers began moving there. "If we can figure it out here at Ground Zero for gentrification, it really can be a model that can be replicated throughout the country," Gil says.

About the Author

Kathleen Murray is a longtime business reporter who writes frequently about wage and employment issues. Her articles have appeared in The New York Times, The Washington Post, Forbes, CBS Moneywatch and Time, among other publications. She lives in Vienna, Va. She previously reported for SAGE Business Researcher on [wage stagnation](#) and the [underground economy](#).

Chronology

1900–1960

From open doors to "Negro removal."

1914

Italian immigrant realtor Vincent Pepe promotes town houses he renovated in New York City's Greenwich Village in newspapers and writes the influential guide "How Would You Like to Open One of These Doors in Greenwich Village?" An emerging middle class continues renovating dilapidated 19th-century tenements, town houses, horse stables, wooden piers and industrial lofts in the city through the 1920s.

1949

The U.S. Housing Act calls for more affordable public housing with the goal of ensuring that every American has housing within a generation.

- 1950** Multimillionaire R.K. Mellon successfully pushes Pittsburgh to become the first U.S. city to undergo urban renewal, a program aimed at regenerating blighted neighborhoods. Such programs are later dubbed “Negro removal” by author James Baldwin because of the way they target and disrupt minority neighborhoods.
- 1960–1999** **Battles won and lost in city neighborhoods.**
- 1961** Activist Jane Jacobs writes “The Death and Life of Great American Cities,” arguing that urban planning and redevelopment is destined to fail when it ignores the diverse communities and neighborhoods that make cities work. An early proponent of mixed-used developments, Jacobs helps protect Greenwich Village from being demolished and replaced with high rises by planner Robert Moses and works to defeat Moses’ plan for a highway that would have cut through the Manhattan neighborhoods of Little Italy and what is now called SoHo.
- 1964** British sociologist Ruth Glass coins the term “gentrification.” In her book, “London: Aspects of Change,” she points out how “middle-class gentry” from the countryside are taking over certain neighborhoods.... The completion of Prudential Tower in Boston’s South End spurs gentrification as younger professionals move into the area for jobs.
- 1968** Congress passes the Fair Housing Act, barring discrimination in housing, seven days after the assassination of civil rights leader Martin Luther King. The act codifies and strengthens previous measures and court decisions that banned discrimination against buyers and sellers of housing. While it has some impact, the act does not completely stop redlining, which prevents blacks from buying homes in certain neighborhoods.
- 1974** Everett Ortner, founder of Brooklyn’s Brownstone Revival Committee, hosts the first Back-to-the-City conference sponsored by a real estate industry group and a gas company to attract white middle- and upper-class residents to Brooklyn. Ten years later, he publishes an article in his Brownstoner magazine asserting that “gentrification is not ‘genocide’, but ‘genesis’.”
- 1976** A study by the Urban Land Institute, a Washington think tank, finds that half of U.S. cities with a population of more than 50,000 have gentrified.
- 1979** Geographer Neil Smith devises the “rent gap” theory to explain gentrification, arguing that the more run-down and ignored by investors a neighborhood becomes, the more profitable it is to gentrify.
- 1985** California passes the Ellis Act, which gives landlords a way to convert their rent-controlled apartments to market rate. Policy makers and activists blame the act for today’s rising eviction rate in San Francisco.
- 1986** The federal Tax Reform Act creates the Low Income Housing Tax Credit, a dollar-for-dollar tax credit to encourage developers to build affordable housing. Today, the credit is responsible for close to 90 percent of affordable housing.
- 2000–Present** **Gentrification spreads along with protests.**
- 2005** In April, New York’s Department of City Planning rezones 75 blocks of waterfront in the Greenpoint and Williamsburg sections of Brooklyn, setting off a gentrification boom as residential high-rises replace a former manufacturing sector. ... In August, Hurricane Katrina devastates New Orleans, disproportionately affecting African American residents, many of whom lived in areas most damaged by the storm and flooding. Black residents also found it more difficult to move back after the waters receded; about 75,000 of the 175,000 African Americans who left after the storm did not return as their former neighborhoods gentrified. Today, the city is both more affluent and whiter than before Katrina.
- 2011** Washington loses its black majority for the first time in 50 years as redevelopment lures affluent whites to the city.
- 2013** Activists block and board a Google bus in San Francisco’s Mission District to protest Silicon Valley tech companies’ use of private shuttles to ferry employees to and from work. The “Google bus protests” spread to Oakland and Seattle, where buses owned by Apple, Facebook and Yahoo are also targeted as signs of gentrification. In 2015, San Francisco decides these buses can continue to operate because they reduce traffic and pollution, but begins to regulate them and charge user fees for each stop.
- 2014** Controversy erupts in San Francisco when employees of tech firm Dropbox challenge the right of local youths to be on a soccer field that the employees reserved online.
- 2015** Seattle declares a homeless crisis, which city officials say will make it easier to draw upon and allocate resources to help the record numbers of people living on the streets. The city creates a \$5 million fund to pay for crisis and prevention services, including more shelter beds and support.
- 2016** Anti-gentrification protests begin in Los Angeles against art galleries moving into the predominantly Latino neighborhood of Boyle Heights. After a gallery closes, protesters turn to a coffee shop as another sign of unwanted gentrification – even though the shop’s owner is a Latino immigrant.



Resources for Further Study

Bibliography

Books

Florida, Richard, "[The New Urban Crisis](#)," Basic Books, 2017. A University of Toronto professor and senior editor at the Atlantic magazine looks at winner-take-all gentrifying cities and offers ideas on making cities capable of providing prosperity for everyone.

Hyra, Derek S., "[Race, Class, and Politics in the Cappuccino City](#)," University of Chicago Press, 2017. An American University public policy professor who previously studied gentrification in Harlem and Bronxville assesses changes in Washington's Shaw neighborhood.

Moscovitz, Peter, "[How to Kill a City: Gentrification, Inequality and the Fight for the Neighborhood](#)," Hachette Books, 2017. A Brooklyn-born journalist uncovers the causes and impact of gentrification in four U.S. cities and offers solutions on how residents can get their power back.

Schlichtman, John Joe, Jason Patch and Marc Lamont Hill, "[Gentrifier](#)," University of Toronto Press, 2017. Three professors look at the United States' fastest-growing cities from the viewpoints of both academics and gentrifiers.

Articles

Bousquet, Chris, "Using Mapping to Understand Gentrification, Prevent Displacement," Government Technology Magazine, June 6, 2017, <https://tinyurl.com/yarqyqc9>. A researcher explains how some cities have found mapping to be a good way to identify gentrification trends and intervene before low-income residents are affected.

Cortright, Joe, "In Defense of Gentrification," The Atlantic, Oct. 31, 2015, <https://tinyurl.com/ycd2cr49>. A journalist highlights research showing gentrification displaces fewer low-income families than generally thought and that residents of public housing in gentrified areas experience higher incomes and less violence.

Ellis, Emma Grey, "How Those Tech Campuses Hinder Diversity and Help Gentrification," Wired, Feb. 18, 2017, <https://tinyurl.com/z2kljv8>. A tech writer shows how enclosed campuses of companies such as Google and Facebook, with their private stores and amenities, can make gentrification worse.

Fuller, Thomas, "San Francisco Asks: Where Have All the Children Gone?" The New York Times, Jan. 21, 2017, <https://tinyurl.com/zqogrcs>. A journalist highlights how gentrification has led to fewer kids and families living in San Francisco.

Maciag, Mike, "Gentrification in America Report," Governing, February 2015, <https://tinyurl.com/z473uzb>. Census tract data from 2015 yield an exhaustive look at the U.S. gentrification boom.

Reports and Studies

Baum-Snow, Nathaniel, and Daniel Hartley, "Accounting for Central Neighborhood Change, 1980- 2010," Federal Reserve Bank of Chicago, September 2016, <https://tinyurl.com/y89szfdk>. Researchers study why so many affluent, college-educated whites have returned to urban living.

Edlund, Lena, Cecilia Machado and Maria Micaela Sviatschi, "Bright Minds, Big Rent: Gentrification and Returning Rewards to Skill," National Bureau of Economic Research, November 2015, <https://tinyurl.com/ycsemqbu>. Economists argue that a reduced tolerance for long commutes is one reason so many professionals are returning to the city to live.

Ellen, Ingrid Gould, Keren Mertens Horn and Davin Reed, "Has Falling Crime Invited Gentrification?" New York University Furman Center, Oct. 18, 2016, <https://tinyurl.com/ya8rkvrk>. Researchers find falling crime has led to gentrification, as more whites gravitate to low-income neighborhoods near the central business district when they perceive them as safer.

Naik, Nikhil, et al., "Computer vision uncovers predictors of physical urban change," Proceedings of the National Academy of Sciences of the United States of America, May 25, 2017, <https://tinyurl.com/yckf6n6t>. Researchers from Harvard University and the Massachusetts Institute of Technology use artificial intelligence to predict gentrification via Google Street View.

Wachsmuth, David, and Alexander Weisler, "Airbnb and the Rent Gap: Gentrification Through the Sharing Economy," McGill University School of Planning, July 4, 2017, <https://tinyurl.com/y8y7s34s>. Two urbanologists quantify the impact Airbnb is having on rents in New York City.

The Next Step

Businesses

Dai, Serena, "Locals Blast Crown Heights Bar as 'Racist' With Signs on Nostrand Avenue," Eater New York, July 19, 2017, <https://tinyurl.com/y86s9nv6>. After a new "boozy sandwich shop," Summerhill, in Brooklyn's Crown Heights neighborhood, bragged about fake bullet holes as décor, incensed locals plastered the street nearby with signs declaring the establishment "racist," "colonialist" and a "gentrifier."

Kilkenny, Katie, "A Brief History of the Coffee Shop as a Symbol for Gentrification," Pacific Standard, July 25, 2017, <https://tinyurl.com/yclk44zx>. The arrival of high-end coffee shops often signals an incoming wave of gentrification to neighborhood residents, even though scholars remain divided on whether the trend actually influences housing costs.

Scheinin, Richard, "Real estate: Developer describes 'epic' impact of Google's downtown San Jose plans," The Mercury News, Aug. 14, 2017, <https://tinyurl.com/yb49mkzr>. Large tech businesses such as Google and Adobe are proposing development plans that would completely remake downtown San Jose.

Pushback

Friedersdorf, Conor, "How Venice Beach Became a Neighborhood for the Wealthy," The Atlantic, July 24, 2017, <https://tinyurl.com/ybjum3r>. Residents of many Los Angeles districts and neighborhoods are growing increasingly irritated by large projects and subsequent changes caused by developers. Communities are forcing development projects to scale back, but have been unable to stop them altogether.

Hui, Mary, "D.C. cultural activist fights to preserve black art, history in gentrifying Southeast," The Washington Post, Aug. 14, 2017, <https://tinyurl.com/y74z5do81>. A Washington native, artist, curator and longtime cultural activist in the local arts community has launched Made East River, a directory of artists and creative services offered in Wards 7 and 8, areas facing encroaching gentrification. Made East River aims to help residents preserve their culture despite the risk of displacement from gentrification.

Rodriguez, Joe Fitzgerald, "Mission advocates resist bikeshare push, point to existing community programs," San Francisco Examiner, Aug. 13, 2017, <https://tinyurl.com/y7wohx9m>. Some residents of the predominantly Latino Mission district of San Francisco have asked the bike share program Ford GoBike to stop putting new stations in their neighborhood. Groups representing the community say they fear the program would add to already increasing gentrification in the area.

Organizations

Department of Housing and Urban Development

451 7th St., S.W., Washington, DC 20410

1-202-708-1112

<https://portal.hud.gov/hudportal/HUD>

Federal department that administers housing programs and oversees community development assistance programs.

Harvard Joint Center for Housing Studies

1 Bow St., Suite 400, Cambridge, MA 02138

1-617-495-7908

<http://jchs.harvard.edu/history>

Policy group that researches housing trends, policies and markets, known for annual affordability study.

Historic District Development Corporation

522 Auburn Ave., N.E., Atlanta, GA 30312

1-404-215-9095

<https://sites.google.com/site/historicdistrictdevelopment/home>

Community development group dedicated to the preservation, revitalization and non-displacement of residents in the Martin Luther King Jr. historical district in Atlanta.

LISC (Local Initiatives Support Corporation)

501 7th Ave., 7th Floor, New York, NY 10018

1-212-455-9800

www.lisc.org/

Nonprofit that provides assistance to community organizations and public entities focused on the redevelopment of urban and rural neighborhoods.

National Association of Realtors

430 N. Michigan Ave., Chicago, IL 60611-4087
1-800-854-6500

www.nar.realtor/

Industry group that provides research and statistics on real estate.

San Francisco Planning Department

1650 Mission St., Suite 400, San Francisco, CA 94103-2479
1-415-558-6378

<http://sf-planning.org/>

City department tasked with regulating building and zoning in San Francisco.

Notes

[1] “Amazon to Build a Permanent Mary’s Place Shelter within its Seattle Headquarters,” Amazon Blog, May 10, 2017, <https://tinyurl.com/yccpj9jf>.

[2] Laurel Wamsley, “New Amazon Building in Seattle Will Include a Homeless Shelter,” NPR, May 10, 2017, <https://tinyurl.com/n7vy7dd>.

[3] “Murray, Constantine, City Council declare emergency, announce new investments to respond to homelessness,” Office of the Mayor, Seattle.gov, Nov. 2, 2015, <https://tinyurl.com/yd4jb96h>.

[4] “Rents set to continue upwards in the US, led by tech hubs in West,” Property Wire, Oct. 12, 2016, <https://tinyurl.com/y8g78dp2>.

[5] Jackelyn Hwang and Jeffrey Lin, “What Have We Learned About the Causes of Recent Gentrification,” Working Paper 16-20, Federal Reserve Bank of Philadelphia, July 1, 2016, p. 32, <https://tinyurl.com/y94vau6l>.

[6] Mike Maciag, “Gentrification in America Report,” Governing, February 2015, <https://tinyurl.com/z473uzb>.

[7] Ibid.

[8] Enrico Moretti, “The New Geography of Jobs,” p. 177, Mariner Books, Houghton, Mifflin, Harcourt, 2013.

[9] Eric Jaffe, “Why the Wealthy Have Been Returning to City Centers,” City Lab, Nov. 17, 2015, <https://tinyurl.com/y8jwuhqb>.

[10] Jason McGahan, “Gentrification Conflict Brews Over New Boyle Heights Coffee Shop,” LA Weekly, June 19, 2017, <https://tinyurl.com/y752wvt5>.

[11] Richard Florida, “The New Urban Crisis: How our cities are increasing inequality, deepening segregation, and failing the middle class—and what we can do about it,” Basic Books, 2017.

[12] Helen Parkins and Christopher Smith, editors, “Trade, traders, and the ancient city,” p. 197, Routledge, 1998.

[13] Peter Moskowitz, “How to Kill a City: Gentrification, Inequality and the Fight for the Neighborhood,” p. 41, Nation Books, 2017.

[14] Lance Freeman, “Displacement or Succession: Residential Mobility in Gentrifying Neighborhoods,” Urban Affairs Review, March 1, 2005, <https://tinyurl.com/ybbc27aq>.

[15] Lei Ding, Jackelyn Hwang and Eileen E. Divringi, “Gentrification and Residential Mobility in Philadelphia,” Federal Reserve Bank of Philadelphia, Oct. 19, 2015, <https://tinyurl.com/yc3p949h>.

[16] Moskowitz, op. cit., p. 7.

[17] Ingrid Gould Ellen, Keren Mertens Horn and Davin Reed, “Has Falling Crime Invited Gentrification?” New York University Furman Center, Oct. 18, 2016, <https://tinyurl.com/ya8rkvrk>.

[18] Florida, op. cit., p. 42.

[19] Moretti, op. cit., pp. 123–4.

[20] Ibid., p. 17.

[21] Alexei Oreskovic, “Protesters Block Apple, Google Buses in San Francisco Area,” Reuters, Dec. 20, 2013, <https://tinyurl.com/yc486b42>.

- [22] David Wachsmuth, "Airbnb and the Rent Gap: Gentrification Through the Sharing Economy," ResearchGate, July 2017, p. 13, <https://tinyurl.com/y949tbc5>.
- [23] Philip Mattera and Kasia Tarczynska with Greg LeRoy, "Updated List of Megadeals," Good Jobs First, June 2017. <https://tinyurl.com/hj9aoj3>.
- [24] Gregory Karp, "United Completes HQ Move to Willis Tower," Chicago Tribune, July 23, 2013, <https://tinyurl.com/y7ru3fm7>.
- [25] Stephanie Lulay, "McDonald's Bringing 2,000 Jobs, 'Iconic' Brand Back to Chicago with HQ," DNA Info, Dec. 6, 2016, <http://tinyurl.com/y9z7zmy4>; "McDonald's moving headquarters to Chicago," Reuters, June 13, 2016, <http://tinyurl.com/yd4akfb6>.
- [26] Joe Cahill, "Who needs tax breaks to lure a big corporate HQ?" Crain's Chicago Business, March 4, 2015, <https://tinyurl.com/q67knbp>.
- [27] Jessica Wohl and Greg Trotter, "Kraft Heinz Headquarters to Move to Chicago," Chicago Tribune, July 16, 2015, <https://tinyurl.com/ybc6fojo>.
- [28] Oscar Perry Abello, "SF Tax Break Tapped by Twitter is Intended to Help Struggling Neighborhoods," Next City, May 31, 2017, <https://tinyurl.com/y7b45bho>.
- [29] Alejandro Lazo, "The yin and yang of Twitter's tax breaks in San Francisco," The Wall Street Journal, April 30, 2016, <https://tinyurl.com/ybmv299>.
- [30] Ibid.
- [31] Kirk Johnson, "With Seattle Shelter Effort, Amazon Shows Glimmers of a 'Good Neighbor'," The New York Times, April 21, 2016, <http://tinyurl.com/ybkppxp5>; Rob Thubron, "Amazon aims to inspire employees with the three Biospheres it's building at the new company HQ," Techspot, June 30, 2016, <http://tinyurl.com/yc47e46x>; Elizabeth Stinson, "Amazon's Expansive Biodomes Get Their First of 40,000 Plants," Wired, May 6, 2017, <http://tinyurl.com/jwolztg>.
- [32] Sarah Anne Lloyd, "How much more will Seattle renters need to make to keep up with housing costs?" Curbed Seattle, April 7, 2017, <http://tinyurl.com/y9apqgk5>.
- [33] Amy Rolph, "Angry Seattle: What's the deal with all those Am-holes?" Seattle Post Intelligencer, Jan. 13, 2012, <https://tinyurl.com/y7s5gmyx>.
- [34] Wamsley, op. cit.
- [35] Richard Scheinin, "Chan Zuckerberg Initiative Gives \$3.6 million to fight housing crisis," The Mercury News, March 1, 2017, <https://tinyurl.com/yak6w38w>.
- [36] Emmie Martin, "Facebook and Google are both building more affordable housing in Silicon Valley," CNBC, July 10, 2017, <https://tinyurl.com/y87hwwfx>.
- [37] Ethan Baron, "Google's Moffett Field modular apartment plan hailed as possible housing crisis fix," The Mercury News, June 14, 2017, <https://tinyurl.com/yb7xwsqn>.
- [38] Kevin Kelly, "Fund manager hopes to quadruple Facebook's \$18.5 million housing fund," The Mercury News, Aug. 3, 2017, <https://tinyurl.com/yb6tsys8>.
- [39] Richard Scheinin, "Housing Crisis Causes Legislative Avalanche: 130 bills proposed in Sacramento," The Mercury News, May 19, 2017, <https://tinyurl.com/y7cw5l7r>.
- [40] "The State of the Nation's Housing 2017," Joint Center for Housing Studies of Harvard University, June 2017, pp. 27–28. <http://tinyurl.com/y6ud27d8>.
- [41] Florida, op. cit., pp. 120-121.
- [42] Robert McCartney, "Trump's budget plans have already cut financial support for low-cost housing," The Washington Post, July 1, 2017, <https://tinyurl.com/ybu3zbnmg>.
- [43] Perry Stein, "How one nonprofit is using D.C's luxury rental market to serve its low-income clients," The Washington Post, July 30, 2017, <https://tinyurl.com/ycntohcq>.