

## What is Gentrification?

Change is constant in modern city life. So what do we mean by "gentrification?" How does it happen? Who wins and who loses? What comes next? Writer and urbanist Benjamin Grant explains.

Flag Wars tells the story of what happened to the Olde Towne East community in Columbus, Ohio when the neighborhood went through the process of gentrification in the mid-to-late 1990s. For much of the twentieth century, urbanists, policymakers, and activists were preoccupied with inner city decline across the United States, as people with money and options fled cities for the suburbs. But widespread reports of the American city's demise proved premature. Beginning in the 1970s, urban life slowly began to regain prestige, particularly among artists and the highly educated. By the turn of this century, many cities were thriving again, and their desirability among the wealthy and upwardly mobile was putting intense pressure on rents, real estate prices, and low-income communities.

### What is Gentrification?

Gentrification is a general term for the arrival of wealthier people in an existing urban district, a related increase in rents and property values, and changes in the district's character and culture. The term is often used negatively, suggesting the displacement of poor communities by rich outsiders. But the effects of gentrification are complex and contradictory, and its real impact varies.

Many aspects of the gentrification process are desirable. Who wouldn't want to see reduced crime, new investment in buildings and infrastructure, and increased economic activity in their neighborhoods? Unfortunately, the benefits of these changes are often enjoyed disproportionately by the new arrivals, while the established residents find themselves economically and socially marginalized.

Gentrification has been the cause of painful conflict in many American cities, often along racial and economic fault lines. Neighborhood change is often viewed as a miscarriage of social justice, in which wealthy, usually white, newcomers are congratulated for "improving" a neighborhood whose poor, minority residents are displaced by skyrocketing rents and economic change.

**Demographics:** An increase in median income, a decline in the proportion of racial minorities, and a reduction in household size, as low-income families are replaced by young singles and couples.

**Real Estate Markets:** Large increases in rents and home prices, increases in the number of evictions, conversion of rental units to ownership (condos) and new development of luxury housing.

**Land Use:** A decline in industrial uses, an increase in office or multimedia uses, the development of live-work "lofts" and high-end housing, retail, and restaurants.

**Culture and Character:** New ideas about what is desirable and attractive, including standards (either informal or legal) for architecture, landscaping, public behavior, noise, and nuisance.

### How does it happen?

America's renewed interest in city life has put a premium on urban neighborhoods, few of which have been built since World War II. If people are flocking to new jobs in a region where housing is scarce, pressure builds on areas once considered undesirable.

Gentrification tends to occur in districts with particular qualities that make them desirable and ripe for change. The convenience, diversity, and vitality of urban neighborhoods are major draws, as is the availability of cheap housing, especially if the buildings are distinctive and appealing. Old houses or industrial buildings often attract people looking for "fixer-uppers" as investment opportunities.

Gentrification works by accretion — gathering momentum like a snowball. Few people are willing to move into an unfamiliar neighborhood across class and racial lines. Once a few familiar faces are present, more people are willing to make the move. Word travels that an attractive neighborhood has been "discovered" and the pace of change accelerates rapidly.

## Consequences of Gentrification

In certain respects, a neighborhood that is gentrified can become a "victim of its own success." The upward spiral of desirability and increasing rents and property values often erodes the very qualities that began attracting new people in the first place. When success comes to a neighborhood, it does not always come to its established residents, and the displacement of that community is gentrification's most troubling effect.

No one is more vulnerable to the effects of gentrification than renters. When prices go up, tenants are pushed out, whether through natural turnover, rent hikes, or evictions. When buildings are sold, buyers often evict the existing tenants to move in themselves, combine several units, or bring in new tenants at a higher rate. When residents own their homes, they are less vulnerable, and may opt to "cash them in" and move elsewhere. Their options may be limited if there is a regional housing shortage, however, and cash does not always compensate for less tangible losses.

The economic effects of gentrification vary widely, but the arrival of new investment, new spending power, and a new tax base usually result in significant increased economic activity. Rehabilitation, housing development, new shops and restaurants, and new, higher-wage jobs are often part of the picture. Previous residents may benefit from some of this development, particularly in the form of service sector and construction jobs, but much of it may be out of reach to all but the well-educated newcomers. Some local economic activity may also be forced out — either by rising rents or shifting sensibilities. Industrial activities that employ local workers may be viewed as a nuisance or environmental hazard by new arrivals. Local shops may lose their leases under pressure from posh boutiques and restaurants.

Physical changes also accompany gentrification. Older buildings are rehabilitated and new construction occurs. Public

improvements — to streets, parks, and infrastructure — may accompany government revitalization efforts or occur as new residents organize to demand public services. New arrivals often push hard to improve the district aesthetically, and may codify new standards through design guidelines, historic preservation legislation, and the use of blight and nuisance laws.

The social, economic, and physical impacts of gentrification often result in serious political conflict, exacerbated by differences in race, class, and culture. Earlier residents may feel embattled, ignored, and excluded from their own communities. New arrivals are often mystified by accusations that their efforts to improve local conditions are perceived as hostile or even racist.

Change — in fortunes, in populations, in the physical fabric of communities — is an abiding feature of urban life. But change nearly always involves winners and losers, and low-income people are rarely the winners. The effects of gentrification vary widely with the particular local circumstances. Residents, community development corporations, and city governments across the country are struggling to manage these inevitable changes to create a win-win situation for everyone involved.

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"What is Gentrification?"

Name \_\_\_\_\_ Pd. \_\_\_\_\_

1. How does the author define gentrification?
2. What are some of the desirable aspects of gentrification?
3. Why has gentrification often been viewed as a miscarriage of social justice?

How are each of the following affected by gentrification?

4. Demographics
5. Real Estate Markets
6. Land Use
7. Culture and character
8. What factors brought a renewed interest in city life?
9. What are the social impacts of gentrification?
10. What are the economic effects of gentrification?
11. What physical changes accompany gentrification?
12. What political conflicts result from gentrification?