Displacement and Neighborhood Change: Research and Practice

New Partners for Smart Growth, St. Louis
February 2, 2017
Introductions and History

Julie Seward
Today’s agenda

• Introductions and History
• Market and Policy Context
  – Discussion
• Turning the Corner Project
• Local Perspectives – Detroit and Twin Cities
  – Discussion
• Small Group Discussion
• Report Out and Wrap-up
History of *Turning the Corner*

- Originated as FPI discussion about post-recession changes in gentrification and displacement
- How can local communities better use data to make informed neighborhood growth decisions?
- Funded by Kresge Foundation for the cross-site work starting in January 2016
- Funded by a number of local funders for the city-specific work
Market and Policy Context

Kathy Pettit
Emerging growth in weak and moderate markets

Rent in Detroit is on the rise with no end in sight

Downtown Detroit sales prices rise to 'insane' levels

Despite years of tough economic times, Buffalo is on the up-and-up once again.

LATTE CITY OR JUST CITY? WILL BLACKS RISE OR BE FORGOTTEN IN THE NEW BUFFALO?

Up: the only direction for post-gentrification RoRo
Concerns about displacement

• Physical: Current low-income households forced to move (not all moves)
  – Indirectly, by new low-income households shut out by loss of affordable housing options

• Cultural:
  – Change in social connections and norms
  – Commercial stores or institutions forced to move

• Political: low-income residents are excluded from neighborhood development decisions
New local action and measurement

FOSTERING INCLUSIVE GROWTH
Revitalizing Detroit for all Detroiters

Neighborhood Stabilization Policies and Tools

- Condo Conversion Restrictions
- Rent Control/Stabilization
- Just Cause Evictions Protections
- Community Land Trusts
- Right of First Refusal
- Landlord Anti-Harassment Protections
- Tenant Counseling
- Rental assistance
- Community Organizing

Housing

Vacancy Control

Responsive

Preventative

Relocation Benefits

Right to Return

People

Managing Neighborhood Change: Anti-Displacement Strategies Toolkit

#BRIDGEPARKEQUITY

CENTRAL CORRIDOR FUNDERS COLLABORATIVE
INVESTING BEYOND THE RAIL

NATIONAL NEIGHBORHOOD INDICATORS PARTNERSHIP
Project Details
Project steering committee
Goals for participating cities

- Produce meaningful and more frequent measures of neighborhood dynamics
- Facilitate informed community conversations to prevent displacement and equitably restore neighborhoods
Goals for the field

Share:

• findings on monitoring change and incorporating analysis into local decisions

• policies and programs from places with varying housing markets

• protocols and methods that can be adapted by other places
Framing

- Focus for cross-site on continuum of neighborhood revitalization rather than one definition of gentrification
- Defer to local coalitions on framing and communications
- Supply facts from local research on changing neighborhood conditions for informed discussion
Participating cities

**Work Underway**
- Detroit
- Twin Cities

**Late planning stages**
- Buffalo
- Cleveland
- Hartford
- Milwaukee
- Phoenix
Project timeline

1. Project launch and design (January–December 2016)
2. Local implementation and early learning (January–December 2017)
3. Cross-site summary and dissemination (January-June 2018)
Local perspectives

Tom Woiwode, Erica Raleigh and Michael Grover
DETROIT
FUNDERS’ PERSPECTIVE

Community Foundation
FOR SOUTHEAST MICHIGAN
Detroit Context

- 2010-2014 mortgage/tax foreclosures: 110,000+
- 2016 properties eligible for tax foreclosure: 20,000
- Q3 2015 vacant/no stat addresses: 110,000 (30%+)
- Dec. 2016 speculator-owned properties: ~80,000
- Dec. 2016 Detroit Land Bank Authority-owned properties: ~95,000
Mean Sale Prices by District, Detroit

Source: Urban Institute calculations from CoreLogic data.
Note: All series are based on three-month moving averages.
Median Rent by District, Detroit

Source: Urban Institute calculations from Zillow data.
Detroit Context

- 2014 purchase mortgages: < 500

- Urban Institute noting:
  - 44% corporate buyers in 2014
  - 54% quit claims (land contracts?) in 2014
City of Detroit, Expansion of Development from Greater Downtown
How can we monitor neighborhood change closer to real time, understand how people feel about it, and provide the information to people who can do something about it?

Our answer: Turning the Corner
Our Local Work

- Cross Site Learning
- Citizen Advisory Board
- Quantitative Sources Research
- Qualitative Research
- Communications and Dissemination
Quantitative Research

- Detroit advantages:
  - Motor City Mapping project
  - City’s move toward open data

- Disadvantages:
  - Despite better property data, lacking “people” data
Researched over 50 potential data exhaust streams

Ideal seems to be a combo:
- Utility shut offs / transfers
- Property value & rent levels
- Business opens / closes by type
- Credit card spending
- Tax Auction Bids

May have enough to test causal model and identify leading indicators
Qualitative Progress

- Interviews (Ongoing)
  - Established business owners in neighborhoods anecdotally experiencing neighborhood change

- Focus groups (Testing Protocols)
  - Residents in those same target neighborhoods
Initial Experiences

- **Resident Protocols**
  - Seems best to ask the “big picture” questions up front, because residents are eager to answer them.
  - Residents want to maintain political and cultural relevance and are concerned about the changing atmospheres.

- **Business-owner Protocols**
  - Hopefulness and concern reveal complex relationships with neighborhood change.
  - Branching, detail-oriented questions yield clear and discrete answers.
Resident Storytelling

- Newly-funded expansion of the project will center on resident storytelling.
Thanks!

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@D3detroit
Turning the Corner Project

Twin Cities Case Study

Michael Grover, PhD
Community Affairs Officer, Federal Reserve Bank of Minneapolis
Neighborhood change in the Twin Cities – myth or reality?

If Twin Cities gentrification is a myth, what’s the real problem?

By Bill Lindeke | 01/14/16

Gentrification accelerates in Minneapolis and St. Paul

High apartment rents are outpricing homes and pressuring the poor.

By Adam Belz Star Tribune | NOVEMBER 28, 2016 — 3:41PM
Overview

- Project background and objectives
- Roles and responsibilities of local partners
- Scope of work
- Timeline
Project background and objectives

- Gain a better understanding neighborhood dynamics
  - Employ both quantitative and qualitative data
- Inform community stakeholders and policymakers
- Cross-site analysis that will produce protocols and methodology for others to use
Roles and responsibilities of local partners

- *Center for Urban and Regional Affairs (CURA)* at the University of Minnesota – quantitative analysis
- *Wilder Research* – qualitative analysis
- *Twin Cities LISC* – project administrator
- *Federal Reserve Bank of Minneapolis* – contribute to all facets of the study and link to national analysis
- *McKnight Foundation* – study funder
Scope of work

- **Employ quantitative data** to identify neighborhoods experiencing change

- **Gather local and regional stakeholder perspectives** on gentrification at the local neighborhood level in the Minneapolis-Saint Paul metropolitan area

- **Gather neighborhood stakeholder and resident perspectives** in three local neighborhoods about how gentrification is impacting and changing their neighborhoods
  - Key informant interviews (N=10-12)
  - Neighborhood stakeholder interviews (N=5 x 3 neighborhoods)
  - Neighborhood resident focus groups (N=1 x 3 neighborhoods)
  - Neighborhood convening (N=1 x 3 neighborhoods)

- **Analyze and interpret** the findings and provide data monitoring and policy considerations

- **Engage** community stakeholders and policymakers in post-report forums
## Identifying neighborhoods

<table>
<thead>
<tr>
<th>Neighborhood Type</th>
<th>Vulnerable Population?</th>
<th>Demographic Change?</th>
<th>Housing Market Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Susceptible</td>
<td>Yes</td>
<td>No</td>
<td>Adjacent</td>
</tr>
<tr>
<td>Early Stages</td>
<td>Yes</td>
<td>Yes</td>
<td>OR Accelerating</td>
</tr>
<tr>
<td>Actively Gentrifying</td>
<td>Yes</td>
<td>Yes</td>
<td>Accelerating</td>
</tr>
<tr>
<td>Late Stages</td>
<td>Yes or No</td>
<td>% white &amp; % with BA increasing</td>
<td>Appreciated</td>
</tr>
</tbody>
</table>

The map illustrates the distribution of different neighborhood types across the region, with colors indicating the stages of gentrification.
CONTACT INFORMATION
Michael Grover, PhD, Community Affairs Officer
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Federal Reserve System Community Development
Research Conference — March 23-24, 2017

For details and registration, click the conference link at
minneapolisd fed.org
Discussion
Potential topics

• Framing the issue
• Partnership building
• Approach to research and data
• Community and resident engagement
• Working with institutions (Federal Reserve and others)
• Funding the work
Turning the Corner: Monitoring Neighborhood Change for Action

Funder: The Kresge Foundation
Contact: Kathryn Pettit kpettit@urban.org
Date: January 2016 - December 2017
Resources

• Berkeley-UCLA Urban Displacement Project (Bay Area)
• MAPC Anti-Displacement Toolkit (Boston)
• Displacement & Relocation Tied to Multifamily Redevelopment (Detroit)
• Equitable Development Policy Platform (Philadelphia)
• Central Corridor Collaborative (Twin Cities)
• 11th Street Bridge Park (DC)
• Inclusive Development Strategy in the context of Gentrification (Portland)
• Early Warning Systems for Gentrification
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