



Class Thirteen

Urban Policy
4211/6606

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Class Thirteen

Urban Change, Gentrification and the Evolution of Cities

We have discussed how the root causes of poor urban outcomes are the distressed conditions in neighborhoods

- Exposure to sources of toxic stress impede the healthy development of children
- These distressed conditions were engineered through generations of mal-intended public policies and private actions
- Efforts to reverse the impact of these policies are focused on place-based transformation
 - Reversing the cycle of disinvestment
 - Sustaining Growth Phases of neighborhoods in their panarchic cycles
- But how do you ensure you don't simply gentrify away the residents you most want to reach?

Does improving the quality of neighborhoods automatically lead to gentrification?

- What do we mean by “**gentrification**”?
 - The process by which more affluent residents “replace” incumbent residents
 - The generation of racial and cultural change in a neighborhood
 - Changes in power dynamics; loss of political influence of Black people



From Ellen et al.:

“This research provides support for the notion that **reductions in central city violent crime and homicides are inviting high-income and college-educated households to move into central cities**, and more specifically to low-income and largely minority central city neighborhoods. ”

From Richardson et al.

“Gentrification and displacement of long-time residents was **most intense in the nation’s biggest cities, and rare in most other places.**”

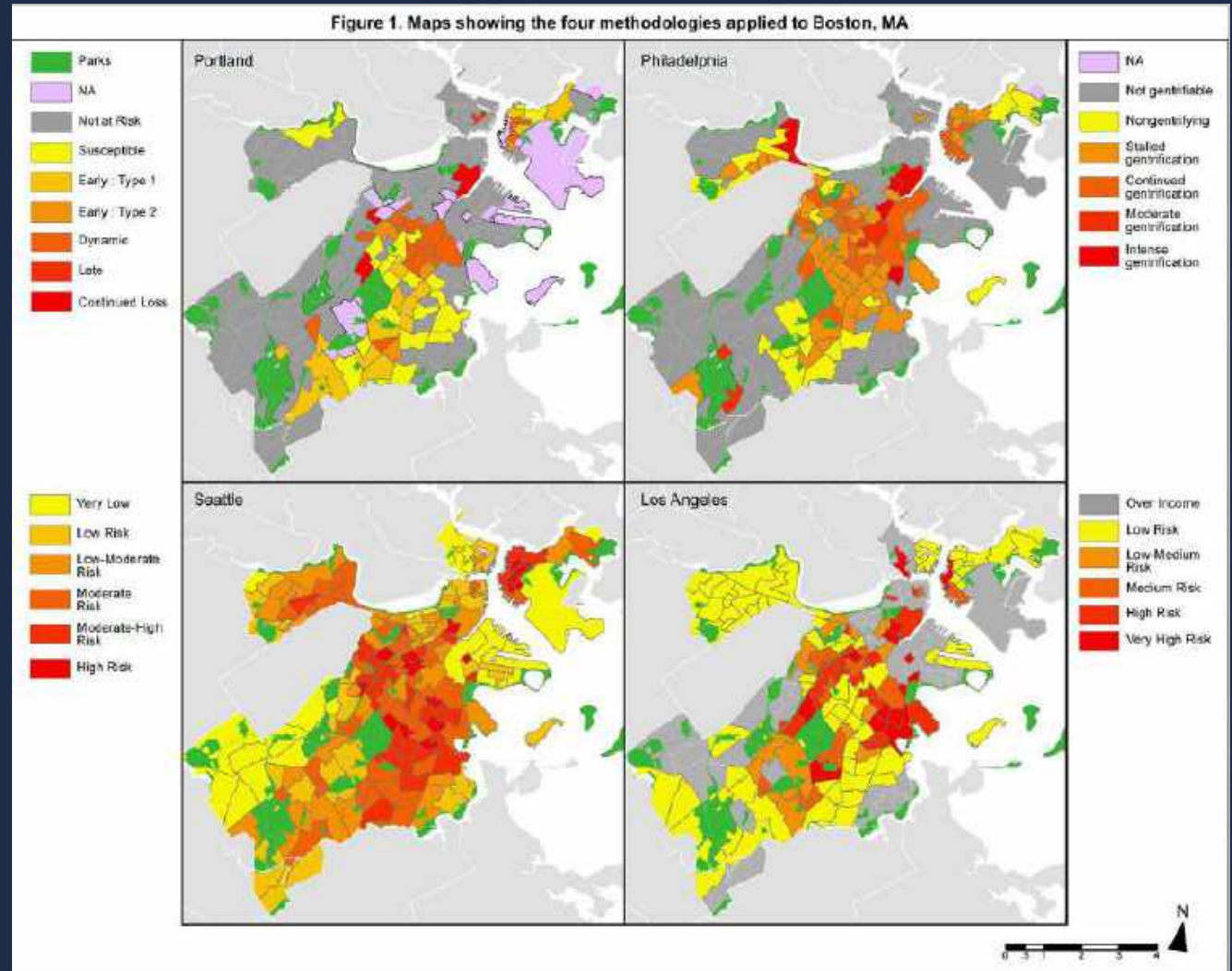
“**Seven cities accounted for nearly half of the gentrification nationally:** New York City, Los Angeles, Washington, D.C., Philadelphia, Baltimore, San Diego and Chicago.”

“Most low- to moderate-income neighborhoods did not gentrify or revitalize during the period of our study. **They remained impoverished, untouched by investments and building booms that occurred in major cities**”

The varying means of measuring gentrification can have significant impacts on policies

- Applied the models used by Los Angeles, Portland, Seattle and Philadelphia to Boston
- There are only seven tracts that all four models agree are at high risk of gentrification and displacement
- The **model you choose could have significant impacts** on policy
 - Grove Park building moratorium
 - Focus of housing policies and tax abatements
 - Nonprofit strategies

From: Benjamin Preis & Justin Steil
"Mapping Gentrification And Displacement
Pressure: An Exploration Of Four Distinct
Methodologies" Article in Urban Studies ·
February 2020



Has the Old Fourth Ward gentrified or revitalized?

- ~23,000 people — mostly working-class Blacks — lived here in 1960
 - By the 1970s, more than half of the population had abandoned the area as drugs, gang violence and a migration to the suburbs took hold
- Between 2010 and 2018 Old Fourth Ward/Sweet Auburn population grew from 11,306 to 16,566, an increase of 5,260
 - Reclaiming of abandoned property increased the number of housing units
- Low income population dropped from 5,956 to 5,896, or 60 net loss
 - Low-income rate has dropped from 45% to 33%
 - Black population decreased from 63% to 52%
- Transiency rate has declined from 37% to 18%
- Home prices are up by over 50% since 2013



BEFORE: City Hall East



AFTER: Ponce City Market



BEFORE: City Hall East Parking Lot on North Avenue



AFTER: New Housing Lining HOFW Park



BEFORE: Abandoned Industrial Property on Angier



AFTER: New Housing and Park on Angier



BEFORE: Ralph McGill Empty Lots



AFTER: Ralph McGill New Housing and Commercial Uses



BEFORE: Empty Lots in Old Fourth Ward



AFTER: New Housing in Old Fourth Ward



BEFORE: Empty Lots on Sampson



AFTER: New housing on Sampson



BEFORE: Empty Lots on Boulevard



AFTER: New housing on Boulevard



BEFORE: Empty Lots on Boulevard



AFTER: New housing on Boulevard



BEFORE: Abandoned rail corridor



AFTER: Eastern BeltLine trail



Grove Park In Transition

2015

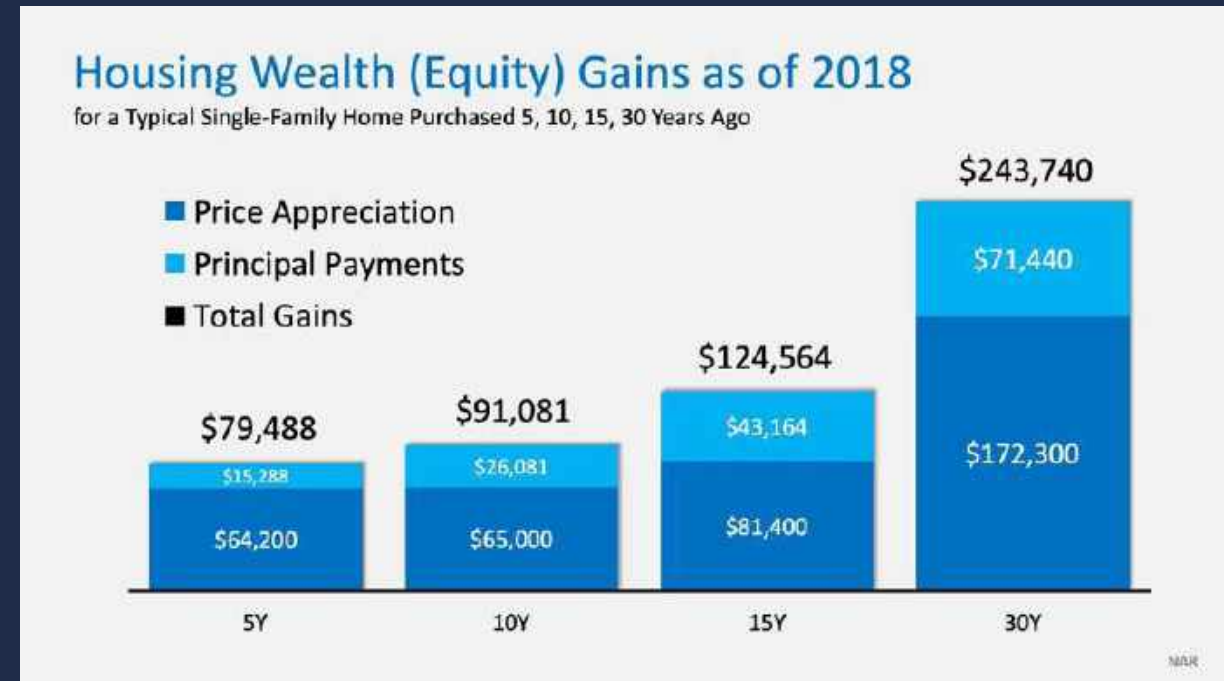
2017

2020

2023

But how do we ensure that the wealth that is generated rebounds to the benefits of those we are serving

- Home ownership – particularly when over the long term – has been shown to be **an effective means to generate family wealth**
 - Residential equity constitutes about 2/3 of family wealth
- The re-urbanization of our cities has created an **unprecedented opportunity to expand the wealth of low-income Black families**. But there are risks:
 - Speculative real estate investors that hold property but do not make real investments
 - Equity theft by unscrupulous actors
- Key question: how do you increase home ownership while ensuring that the wealth that is generated is **retained by the target community**?



Gavin McGuire is the Executive Director of the Grove Park Foundation

- Gavin has deep roots in Atlanta
- Executive Director, Andrew and Walter Young Family YMCA in Southwest Atlanta
- Chief Operating Officer, New Look Foundation
- COO, Boys & Girls Clubs of Detroit
- Morehouse College graduate



Land trusts are an increasingly popular approach



- Urban Oasis plans to build 65 housing units with 55 of those being for sale, the others for rent.
- Through a partnership with **Atlanta Land Trust**, 30 of the home options will be locked in as **permanently affordable housing**

- **Acquires land and maintains ownership of it permanently**
 - Homeowners enter into long-term renewable leases of the land
- In return, the homeowner **agrees to sell the home at an affordable price** to another lower income homebuyer using one of two different resale formulas:
 1. Permits homeowners to realize **25%** of the appreciated value of the home
 2. Uses average income growth to determine how much equity a homeowner can realize
- Homeowner is able to own a home and build wealth while the organization **preserves the future affordability of that home**