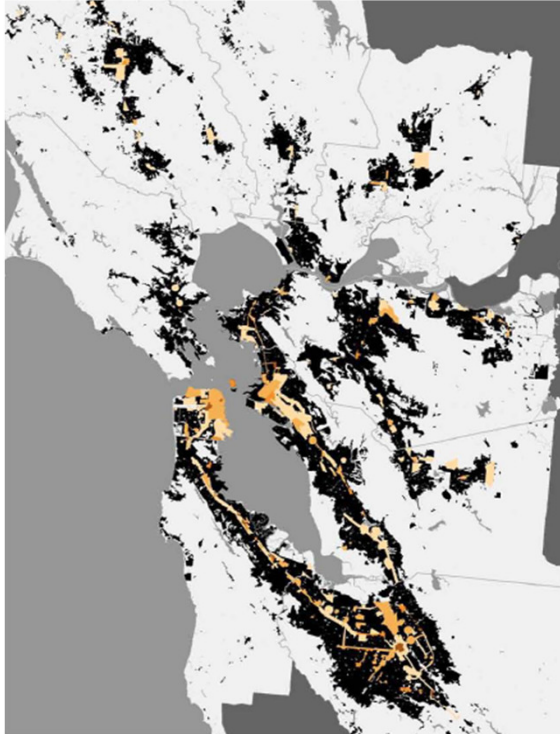


Understanding Transit Investment- Induced Gentrification and Displacement

PROF. KAREN CHAPPLE
UC BERKELEY

Motivation



=

Transit-Oriented Displacement?



Developing a New Methodology for Analyzing Potential Displacement

*Funded by California Air Resources Board and
MTC, March 2014-May 2016*



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ABAG

ASSOCIATION
OF BAY AREA
GOVERNMENTS



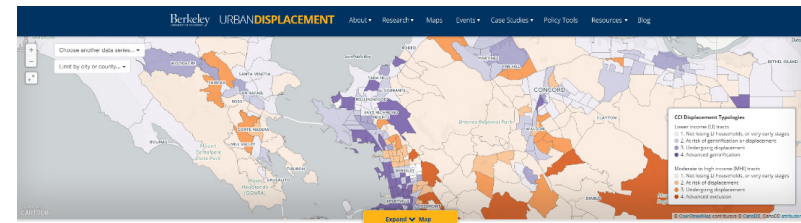
case studies

on Gentrification and Displacement in the San Francisco Bay Area



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Mapping Displacement and Gentrification in the San Francisco Bay Area

The Bay Area's booming jobs and housing market necessitates a careful look at the causes and consequences of neighborhood change to protect residents that are most vulnerable to potentially being displaced. Wages for the Bay Area's low income residents have not kept pace with the skyrocketing housing prices resulting in massive demographic shifts in the area.

UC Berkeley analyzed regional data on housing, income and other demographics to better understand and predict where gentrification and displacement is happening and will likely occur in the future. This analysis, which is summarized in the interactive maps, will allow communities to better characterize their experience and risk of displacement and to stimulate action. The analysis behind these maps was validated through in-depth case studies (paid link to case study page) of 9 Bay Area communities and with the support and advice of the Regional Prosperity Plan in the Metropolitan Transportation Commission, in developing 8 neighborhood displacement typologies, communities can better understand where they're at and develop actions to prevent from advancing in the stages of gentrification and displacement.

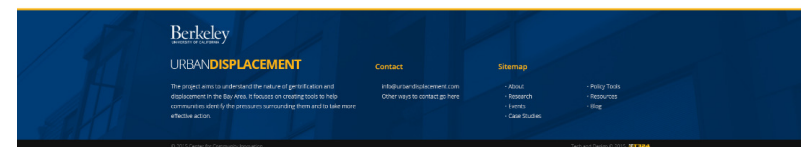
Census Tract Typology Classification	
Lower Income Tracts (3-10% of all low income census tracts)	Moderate to High Income Tracts (3-10% of all moderate to high income census tracts)
Not losing low income households or very early stages Displacement of any of the below categories:	Not losing low income households or very early stages Displacement of any of the below categories:
At risk of gentrification or displacement - Low income - Low income households - Low income households with high income households - High income households	At risk of displacement - Low income - Low income households - Low income households with high income households - High income households
Displacement - Displacement - Displacement - Displacement - Displacement	Displacement - Displacement - Displacement - Displacement - Displacement
Displacement - Displacement - Displacement - Displacement - Displacement	Displacement - Displacement - Displacement - Displacement - Displacement

For More Information:

[Berkeley & Bay Area](#)
[Download data series from maps](#)

Key Findings

- In 2013, 48 percent of census tracts and more than 50 percent of low income households lived in neighborhoods at risk of or already experiencing displacement and gentrification pressures.
- Neighborhoods with rail stations, historic housing stock, an abundance of market rate developments and rising housing prices are especially at risk of losing low-income households.
- Low income neighborhoods are not the only ones experiencing displacement pressures - many higher income neighborhoods that still house low income households are also rapidly losing low income population.
- The number of tracts at risk of displacement are 50% higher than the numbers already experiencing them, indicating that the transformation of the Bay Area will continue to accelerate.



www.urbandisplacement.org

Definitions

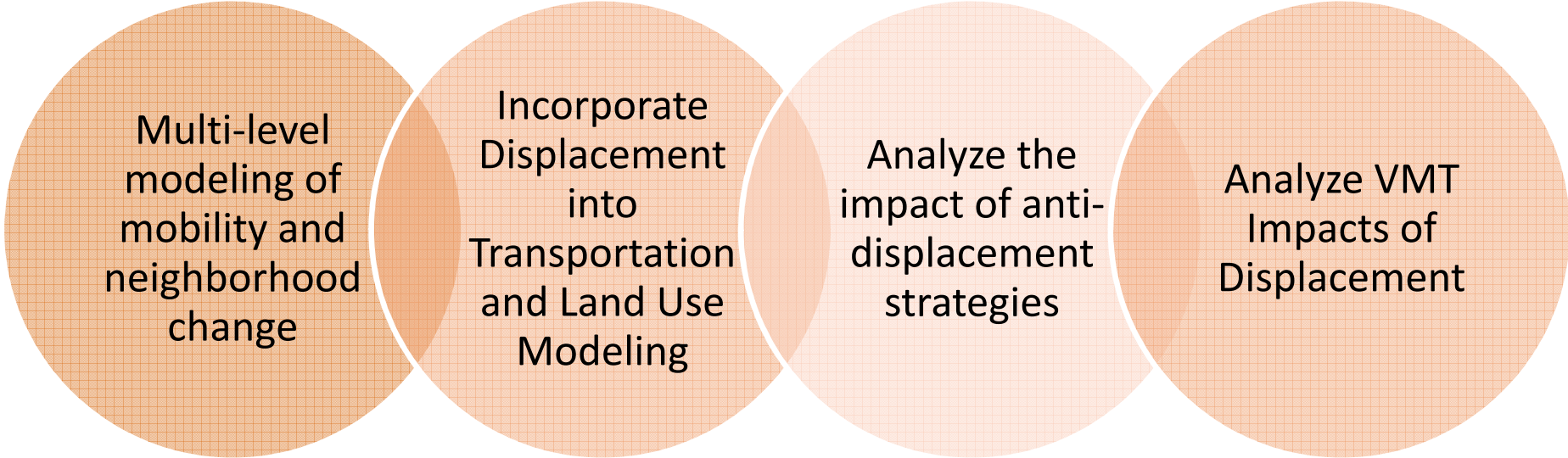
Gentrification:

Transformation of historically disinvested urban neighborhoods of the working-class and communities of color into higher income residential and/or commercial areas.

Displacement:

When households are forced to move or are prevented from moving into a neighborhood due to conditions which are beyond their ability to control or prevent (e.g., rent increases).

- Occurs in all types of neighborhoods
- May be physical, economic, or exclusionary



Multi-level
modeling of
mobility and
neighborhood
change

Incorporate
Displacement
into
Transportation
and Land Use
Modeling

Analyze the
impact of anti-
displacement
strategies

Analyze VMT
Impacts of
Displacement

Datasets Analyzed

Dataset	Variables	Years
Census	Race, income, age, educational attainment, HH composition, employment, jobs, tenure, vacancies, crowding, housing units, housing burdened, commute mode, car ownership, rent paid, immigration status, nativity, linguistic isolation, income inequality, racial segregation, income bipolarity, % moved-in within last year (by race, education, income, tenure)	1990, 2000, 2010, 2009-2013
Parks/Open Space	Small parks (acres/1000 people) and protected areas (acres/1000 people)	2014
Transit Stations	# rail stations per acre and population	1990,2000, 2014
Walkability	Average score	2014
Transit ridership (BART, VTA, CalTrain)	# weekday entrances or exits	1992-2014
Residential Building Permits	# permits per year	1980-2013
Potentially rent controlled units	# of potentially rent controlled apt as percentage of total units	
Evictions (SF &LA only)		1998-2013
Non-profits	Total, rec, youth, social services and housing/advocacy-related	1995, 2000, 2010
PUMS	Movement in/out of neighborhood (with race, income, education)	2011, 2010, 2000
Affordable Housing	# deed restricted and public housing units	1990, 2000, 2013
Section 8	# of vouchers	2000-2013
NETS	# jobs, establishments, sales	
Budget	% of general revenue from property taxes	1992-2011
Anti-displacement policies	Production and preservation policies	

Change in Low Income Households

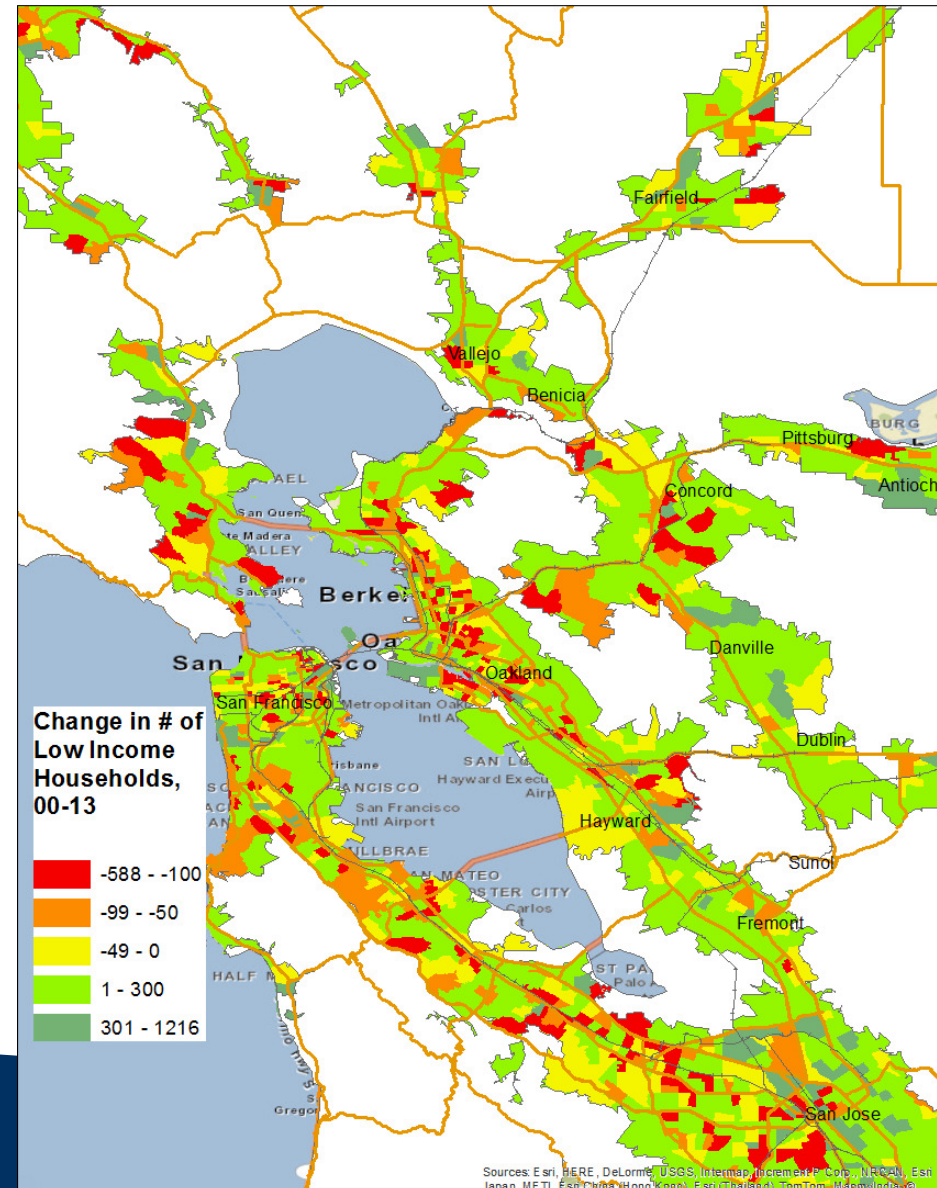
2000: 970,272 low income households

2013: 1,064,681 low income households

- **Net gain** of 94,408 low income households
- On average tracts **gained** 60 low income households.

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URBAN**DISPLACEMENT**

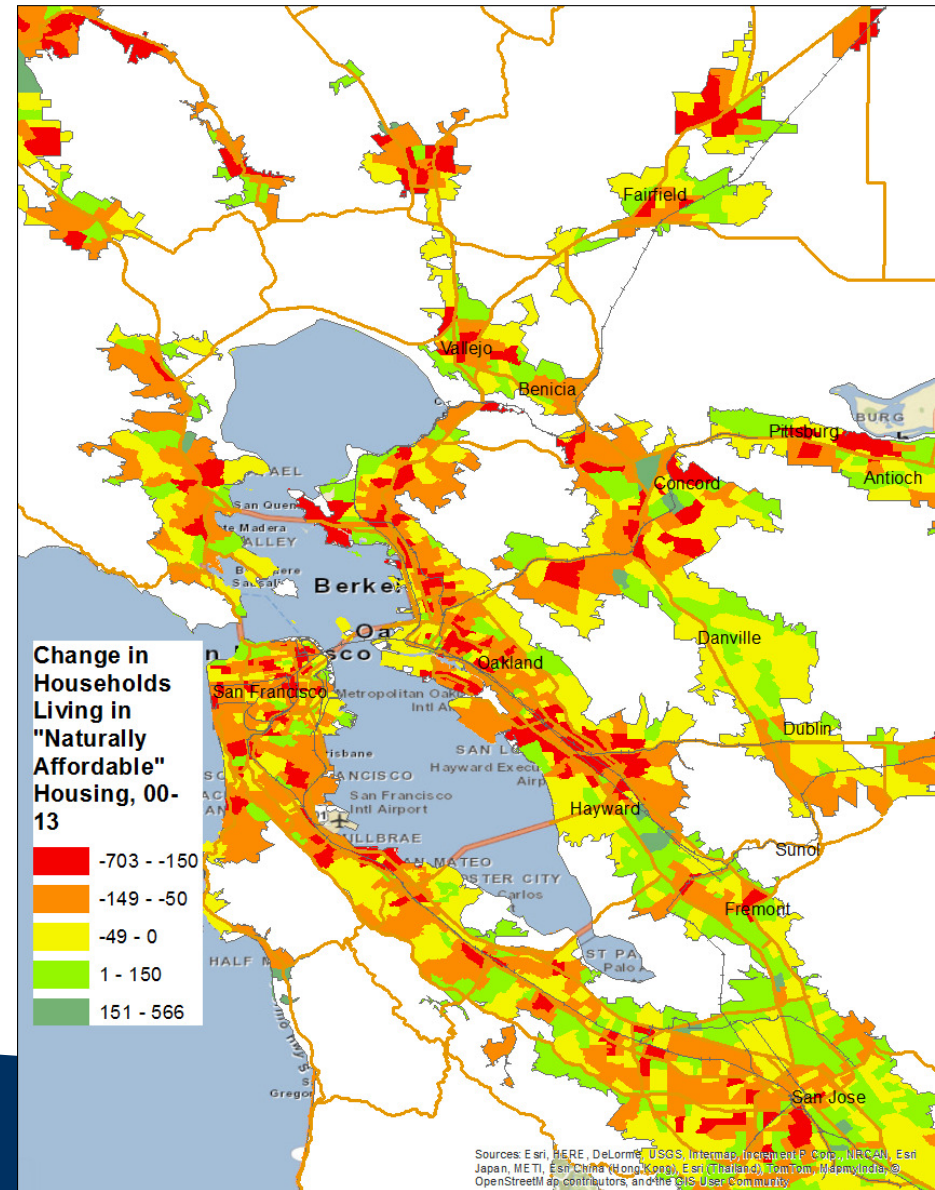


Loss of Naturally Affordable Housing

2000: 223,046 low income households lived in naturally affordable housing

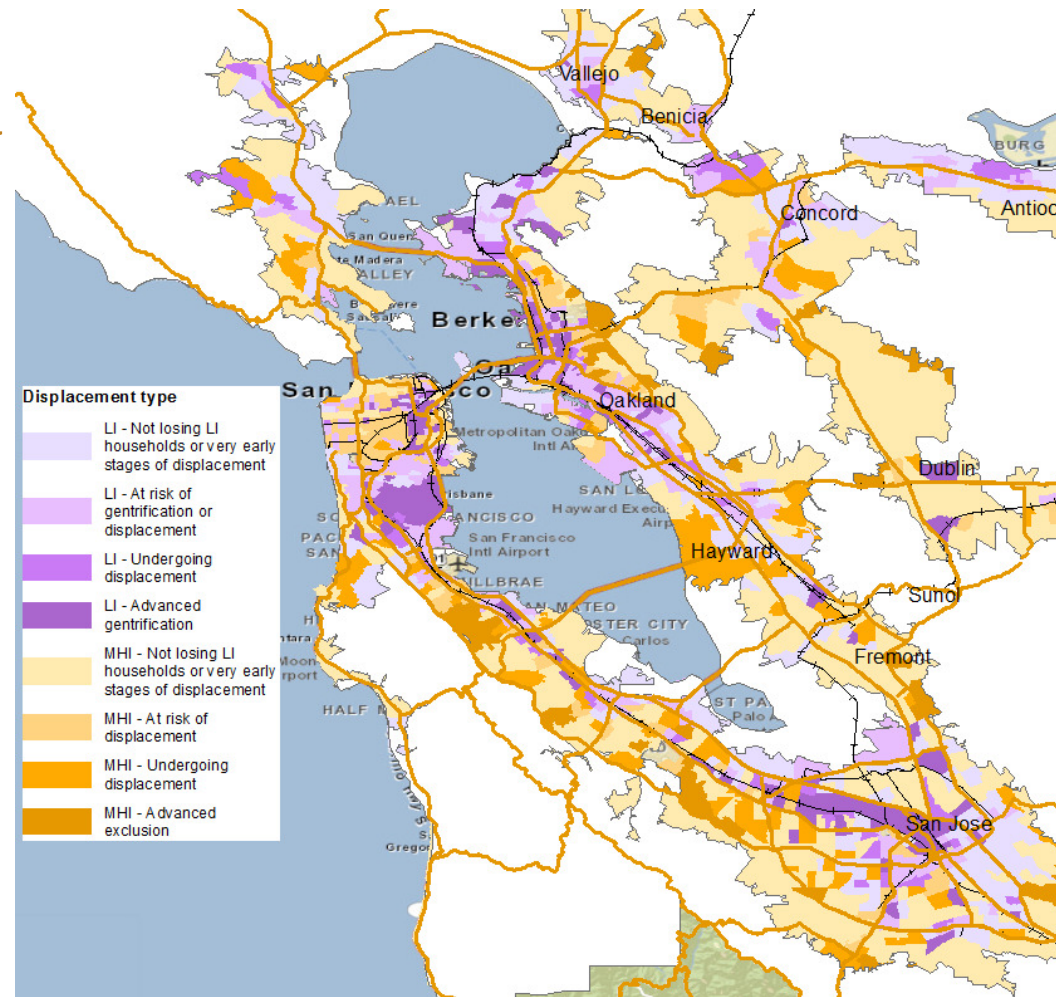
2013: 117,149 low income households lived in naturally affordable housing

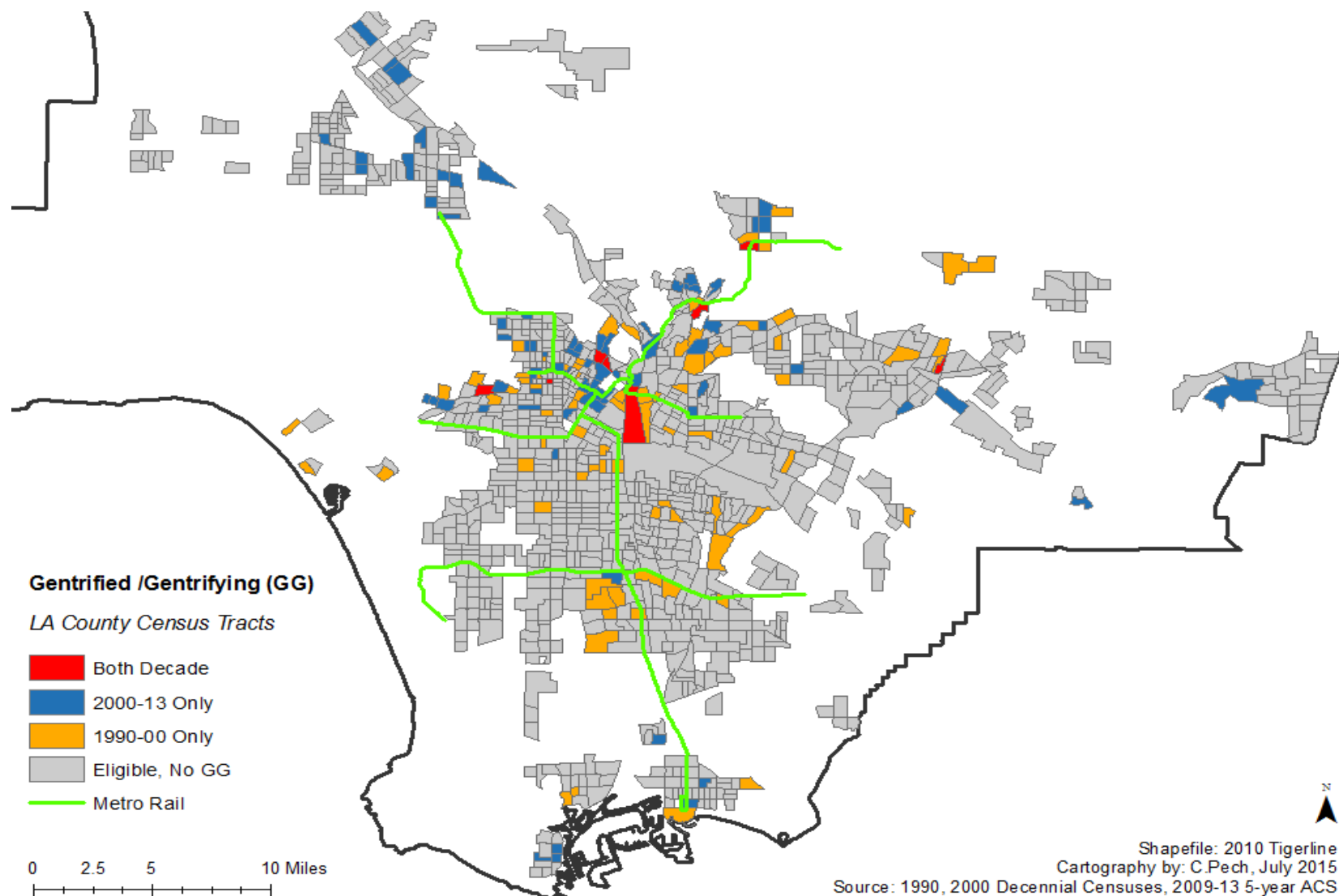
- **Loss** of 47% of naturally affordable units *while*
- Number of low income households **grew** by 10%



Key Findings, Bay Area

- > 53% of low-income households live in neighborhoods at risk of gentrification and displacement.
- ~ 50% of displacement is happening in moderate/high income neighborhoods
- Low income households living in/near PDAs at higher risk of displacement
- 85% of neighborhoods near transit are at risk of displacement (vs. 49% of all neighborhoods).





Gentrifying and Gentrified Tracts

Changes in Affordable Housing, LA

	Model I	Model II	Model III	Model IV	Model V
	Δ Affordable Rental Units (00-13)	Condo Conversions (03-13)	Δ Section 8 (00-13)	Δ LIHTC (00-13)	Ellis Act Evictions (07-14)
Intercept	-2.353 **	1.556 ***	3.284 ***	4.071 ***	1.137 ***
Median Household Income (/10000)	0.634 ***	-0.055	-0.494 ***	-0.664 ***	-0.100 ***
Income Squared	-0.028 ***	-0.001	0.017 ***	0.023 ***	0.002 **
% non-Hispanic black	0.027 ***	-0.010 ***	0.013 ***	0.003	-0.008 ***
% Hispanic	0.021 ***	-0.015 ***	-0.008 ***	-0.002	-0.008 ***
% Asian	0.008	-0.008 **	-0.005 *	0.001	-0.003
Downtown TOD	-18.966 ***	4.486 ***	-0.678	12.945 ***	-0.290 *
Other TOD	-2.551 ***	0.341 ***	-0.365 ***	0.392 *	0.050
Adj. r-squared	0.091	0.052	0.112	0.147	0.0704
n	2,316	2,317	2,316	2,316	993

***<.01 **<.05 *<.10

Ellis Act Evictions Data Are Only for LA City, All Other Data are for the County

Source: 2000 Decennial Census, 2006-10 & 2009-13 5-year ACS, 2000 & 2013 HUD's Picture of Subsidized Households, CTCAC, Housing Authority of the City of Los Angeles

Tabulations by C. Pech & P. Ong, July 2015

Conclusions: Places at risk of gentrification, loss of low income households, and/or loss of affordable housing

- Employment centers
- Historic housing stock (pre-1950 buildings)
- Walkable neighborhoods
- Places with rail stations, particularly downtown
- Strong real estate market (sales/rent growth)

San Francisco Bay Area Case Studies



Gentrification is not an on/off switch

- Quantitative data → neighborhood is not gentrifying
- CBO response: “How can you tell us this **isn’t** gentrification? It’s just an early stage!”
- Validated by interviews and archival research:
 - “I’ve already got rid of the 99% Latino...I think BART is a waste of money, but being close to it will allow me to cater to the laptop crowd and convert to condos once the market picks up!”
 - *Developer in low-income suburb, Concord, CA*
- Displacement as a precursor to gentrification
- Need longer timeframe for analysis

Policy and Practice to Mitigate Displacement

LAW/DEVELOPMENT

POLICY

PLANNING

Short-term

Building by building, tenant by tenant

Seek displacement remedies

- Just Cause, tenant protections
- Organizing
- Discrimination enforcement
- Code enforcement
- Tenant counseling
- Tenant rental assistance
- Tenant right to purchase laws

Preserve and fund new affordable housing

- Section 8 preservation
- Rent control/stabilization
- Rental building acquisition
- Condo conversion restrictions
- Foreclosure prevention
- SRO regulations
- One-for-one replacement
- Mobile home park preservation
- Permit streamlining/fee reduction
- Tax exemptions
- Bonds
- Demolition control
- Housing rehab programs
- Homeownership programs
- Asset building/minimum wage

Stabilize neighborhoods and promote diversity

- Density bonuses/inclusionary
- Value recapture
- Impact and linkage fees
- Community benefit districts, housing overlay zones
- Zoning/density restrictions
- Station area plans/OBAG
- Reduced parking
- ADUs
- Public land disposition
- Housing trust funds
- Land acquisition funds/land trusts
- Fair housing ruling
- Housing elements
- Transportation investment

Long-term

City/regional

Leveraging regional investments for equity



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Thank you!

For more information:

<http://www.urbandisplacement.org>

chapple@berkeley.edu