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Gentrification: Path to Integration or Road to Displacement?

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Research Questions

- How much gentrification has occurred in recent years in metro areas around the country?
- Have these neighborhoods experienced gains in income without notable displacement?
- Have these neighborhoods become more racially integrated as they experience income gains?

Definitions

- Low-Income Neighborhood/Census Tract:
 - A census tract in the bottom 40% of the national distribution of relative income, which is defined as the ratio of the mean household income in census tract relative to the mean household income in metropolitan area.
- Income Gain/Loss:
 - A gain/loss in relative income of 5 percentage points over decade.
- Predominantly Minority/Predominantly White Neighborhood:
 - A census tract that is at least 70% black or Hispanic
 - A census tract that is at least 70% non-Hispanic white.
- High/Low Turnover:
 - A census tract with rental unit turnover rates above/below the mean.



Prevalence of Neighborhood change

Percentage of Low-Income Tracts Experiencing Gain and Loss, by Decade

	% of Low Income Tracts Experiencing Gain in Income	% of Low Income Tracts Experiencing Loss in Income
1980s	14%	56%
1990s	28%	28%
2000s	22%	40%

Percentage of Low-Income Tracts Experiencing Gain, by Baseline Racial Mix

	% of Low Income, Predominantly White Tracts Experiencing Gain in Income	% of Low Income, Predominantly Minority Tracts Experiencing Gain in Income
1990s	26%	34%
2000s	25%	18%

Extent of Displacement

Share of Renters Leaving Units in Gaining and Non-Gaining Low-Income Tracts

	Low-Income Tracts Experiencing Gain in Income, 90-00	Low-Income Tracts <i>Not</i> Experiencing Gain in Income, 90-00
1991-93	39%	41%
1993-95	41%	42%
1995-97	36%	36%
1997-99	32%	33%

Percent of Gaining Low-Income Neighborhoods Experiencing Low Turnover, by Racial Mix

	Predominantly Minority in 1990	Predominantly White in 1990
Low Rental Turnover	67.2%	38.2%
High Rental Turnover	32.9%	61.9%

Path to Racial integration?

Share of Gaining, Predominantly Minority Tracts that Experience Gain in % Non-Hispanic White

	Percentage that Experience Gain in % Non-Hispanic White
1990s	8.4%
2000s	28.1%

Conclusion

- Gentrification was less common in 2000s than in 1990s, but a substantial minority of low-income tracts still saw income gains.
- Gentrification *can* occur without widespread displacement of existing renters, though that doesn't mean it always does.
- Gentrification does not typically lead to much racial integration of predominantly minority, low-income neighborhoods, BUT a growing number of these neighborhoods experienced increases in white population during the 2000s.