HOME INVASION OR WELCOMING PARTY?

Gentrification in Modern America

Abstract

The phenomenon has swept the world, but have you heard of it? Gentrification, while defined in many different ways, is essentially the shifting of social and economic classes from low to high in regard to homeownership in certain neighborhoods. To what extent does the process affect a neighborhood and its residents to the point of displacing low-income families from their previous homes? Various positive and negative socioeconomic effects spur from improved infrastructure, spatial distribution of the affected area, and the demographic differences that ensue years after the changes have been made. My research focuses on the relationships of actors that play a hand in the gentrification process, why these actors make these decisions, and the positive and negative effects gentrification has on the families that stay in the area. As a case study, I consider both gentrifiers and those who stay in Brooklyn, New York currently and in recent history.

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Introduction

The year is 1964. The city is London. This was the setting in which British sociologist Ruth Glass first noticed the process and coined the term "gentrification" after observing areas in inner-city London being "invaded" (Glass, 1964), by the "gentry", or middle- and upper-class families. The process allows the gentry to slowly replace the working class while "upgrading" their infrastructure and living standards. Since the inception of this term, gentrification and its effects have globalized; gentrification is defined, classified, and researched by many different scholars and city planning groups around the world. Whether or not the effects of gentrification have planted their roots in the United States is without question, for many different notable cities such as Portland, Minneapolis, Seattle, Washington, D.C., Atlanta, and Brooklyn have been heavily affected in recent years (Anderson). Gentrification almost always leads to economic growth in their respective areas, and this often raises the cost of living – forcing original home owners and rental housing tenants from their once familiar abodes. While gentrification provides positive and negative effects to both the original residents and those who enter the neighborhood, this paper will focus on the short- and long-term effects on the original residents in Brooklyn, New York, and whether or not the original residents welcome these gentrifiers with open arms or reluctantly accept them.

Gentrification is rapidly occurring on U.S. soil; the phenomenon is sweeping the nation, causing citizens' lives to change due to culture shifts in affected neighborhoods. Many scholars over the years have provided their own takes on gentrification and its severe impacts on different classes, demographics, and geographical areas in particular. One such scholar, Neil Smith, argues gentrification is much broader than one definition can provide, for "residential rehabilitation" (Smith 2) is not the only major effect on communities. Additional effects, Smith

argues, reside in unseen and less publicized ways such as “economic, social, and spatial restructuring” (3). From this restructuring comes social and ideological changes in a community such as the immergence of political viewpoints, social norms that come from new-coming gentrifiers, and social class disparities that inherently form from displacement of income levels, race and ethnicity, and educational attainment in these areas. Physical effects range from redevelopment of existing infrastructure, the loss of working-class human capital and in-turn jobs available to them, and an increase in retail and restaurant districts within these affected neighborhoods (Smith 3). Whether or not you have realized it, your family or friends across the nation have likely been affected by gentrification but have not realized its effects due to the sluggishness of gentrification’s onset.

In order to grasp the magnitude of gentrification, the public must be invested and educated about the topic at hand. Once a common public understanding is held, the general public, whether directly or indirectly affected by gentrification, can seek change. The role of public investment in gentrification is stressed by Miriam Zuk, for she specifies that the general public can determine in one way or another “who gets displaced, where they move to, who is more vulnerable” (Zuk 28). Furthermore, the U.S. Department of Housing and Urban Development (HUD) has been studying displacement in the United States circa the 1970s. Through their regularly released Displacement Report, HUD displays the problems associated with displacement in certain cities across the nation, suggests policy actions to combat the negative effects of gentrification, and reviews past case studies to fully understand the magnitude of the displacement problem (Landrieu 10). In summary, gentrification and the snowball effects that result years after the immediate onset of the process end up affecting hundreds of thousands of individuals and their families each year. I, along with scholars across the world, urgently

request the attention of the general public and policy makers alike to pay more attention to this hot topic that has been affecting the United States since before the 1970s.

In this thesis I will uncover the role players that play a hand in causing gentrification as well as the positive and negative benefits that occur for the original residents that stay in these areas. I find that gentrification, holistically, is an inherently good thing for communities. Although there are many negative effects that have lasting impacts on the lives of the original residents to the point removing them from their homes, the positive effects outweigh the bad.

4-Wave Classification

One major model of gentrification was developed by Jason Hackworth and Neil Smith – two scholars who devised a three-wave model of gentrification. The first wave consists of sporadic gentrification, or the gentrification in isolated, small neighborhoods around northeastern USA, including Society Hill, PA and SoHo, NYC, and Western Europe around the years 1968-1973 (Hackworth 469). State governments were at the forefront of this process, for states at this time were facing beginning effects of the global economy's recession and needed a way to turn around the decline of urban areas. This is why states focused many efforts on increasing investment in neighborhoods in which they believed they could turn around – by flooding the municipal market with housing opportunities, funds, and attracting certain people to these areas to fuel the economy. During this stage and its transition period, state government intervention and general citizen awareness of the issue continued to build up. Investors, land developers, and other cities were exponentially attracted to devalorized neighborhoods, for they could buy them at a low price, fix them up, place certain high-income tenants within the neighborhoods, and

continue to reap the benefits of the price appreciation of these homes and rental units. This situation set the stage for full-fledged gentrification in the 80s.

The second wave, or the "Anchoring of Gentrification" (467), commenced during the economy revival in the late 1970s through the late 1980s. Neighborhoods with the potential to gentrify were used by real estate tycoons as real estate frontiers to create distinct boundaries for their emerging affluent neighborhoods. Activist groups that often included those negatively affected began an uproar at their situation through protests. State governments began "prodding the private market" with block grants and strategic zoning ordinances to subtly induce gentrification rather than directly orchestrating it (466).

The third wave, or "recessional pause and subsequent expansion" (Lees, Slater, & Wyly, 2008), spurred from the recession that began with the stock market crash of 1987 and differed from the second wave in a couple ways. Federal, state, and local governments began being more assertive and directly tied to gentrification. Hackworth described the third wave as "more corporate, more state facilitated, and less resisted than ever before", for many activists' efforts were thwarted due to the consistent emergence of gentrification. Hackworth and Smith's three-wave model has since been used as the primary model for gentrification in the United States, but others have added to it.

Loretta Lees, professor and author of 2008's *Gentrification*, explained that a new, fourth wave of gentrification has been emerging in the United States since Hurricane Katrina in 2005. New Orleans saw many "helpless women, children, and elderly" (Lees 185) flock to different areas seeking aid – increasing displacement from their original areas. With this came different policies and practices from top-to-bottom government bodies dispersing and mixing income levels and social statuses throughout the region. *Gentrification*, along with many other scholarly

pieces of literature, has since brought gentrification back to the forefront of current issues in the United States.

Effects of Gentrification

What exactly happens when gentrification begins to occur in an area? Both positive and negative circumstances result from gentrification, but it is important to keep the perspective of the original residents in mind when looking at the effects from public policy and government intervention. For the purposes of this essay, I will take a closer look at the effects that wide-spread gentrification poses on the original residents that stay in these gentrified areas as well as reasons they might want to leave.

There are many negative effects that spur from gentrification - one being the increased displacement in neighborhoods due to the increase in rent and home ownership costs. Displacement, when referring to gentrification, is essentially the forced movement of original residents from their homes to other places, whether or not directly orchestrated by external entities such as government bodies. Those who choose to stay in their original residencies feel pressure by increased costs of living due to the loss of affordable housing. The increasing demand of housing in gentrifying areas causes a decrease in the supply of units which causes the price of units to increase to the point of making them unaffordable to the low-income consumers. Other pressures come from formal or informal harassment by landlords to leave the premises so that they can bring in high-income consumers to increase the landlord's revenues (Zuk 35). From 2000-2014, gentrifying neighborhoods in Philadelphia, PA have seen a loss of affordable housing units at a rate of nearly five times that of non-gentrifying neighborhoods (Chizeck 2).

HUD argues that there are various types of displacement that result from gentrification: direct displacement, exclusionary displacement, and displacement pressures (HUD, 2018). Firstly, direct displacement occurs when original residents are forced to move from their homes due to increased rent and living costs as well as building rehabilitation. Lance Freeman, a professor at Columbia whose studies have focused on affordable housing and gentrification in the United States, specifies direct displacement as a main disadvantage to the original residents, stating, "the chief drawback has been the inflation of housing prices on gentrifying neighborhoods" (Freeman, 2005). Because of the steep increase in rent costs, individuals and their families have to make a choice between staying in this area and paying a higher portion of their income toward living expenses or be displaced - leave the area altogether to seek alternative, low-income housing. Although, Freeman, in an article written a year prior, stated that displacement does not necessarily have to occur for an area to see widespread gentrification. "Gentrification, however, is perhaps a more gradual process that, although displacing some, leaves its imprint mainly by changing who moves into a neighborhood" (Freeman, 2005). To explain, displacement is huge contributor to gentrification in areas, but it is not a component that has to exist in order for doses of gentrification to occur. In my opinion, Freeman is attributing gentrification not to direct intervention by role players, but simply invisible-hand type market forces that be credited to changing opinions and opportunities of the neighborhood.

The second type of displacement is exclusionary displacement, which is based off the loss of affordable housing choices that low-income residents face. This type of displacement excludes low-income families from being able to live in certain relatively expensive apartments and homes that were once affordable to them. For example, a family looks to move into a gentrified neighborhood with more opportunity but is unable to because of the high rental cost

they would potentially pay if they were to move in; therefore, this family is denied the opportunity to move into an area, so they are left to move to lower-cost neighborhoods with less investment than gentrified neighborhoods (Newman 27). Per a HUD report written to Congress in 2017, very low-income renters are renting more frequently in recent years. Because of increasing rent prices, however, there has not been a significant increase in affordable housing in these gentrifying areas. In fact, there are many rental units left vacant due to this situation, and this poses a problem for the struggling families (HUD, 2017). While the poorest renters are the most drastically affected by the loss of affordable housing, gentrification and its consequential rising rent costs are resulting in a scarcity of affordable rental units to reach higher and higher income levels.

Thirdly, there are displacement pressures, which is a qualitative measure that occurs when "the entire neighborhood changes and the services and support system that low-income families relied on are no longer available to them" (Slater). While displacement is hard to quantify, qualitative displacement pressures are generally measured in the long-term rather than looking at a "snapshot in time" (Newman 28). Furthermore, informal rental unit evictions spur from situations such as landlord harassment, diminishing housing quality of both services and goods provided to tenants, and increased domestic and neighborhood violence (Desmond 1758). Although these are "voluntary" responses by tenants to move from these areas due to these external factors, in places such as Milwaukee they accounted for 48% of all forced moves in gentrifying neighborhoods (Desmond 1761). The landlords see the effects of gentrification and the market forces that ensue, and they likely see opportunity to remove poorer tenants to bring in tenants with the capacity to pay higher prices for the same units. This landlord motivation, so to speak, leads to increased harassment and a change in the way these landlords treat their tenants.

Rather than formally evicting them via the court system, tenants usually elect to take the informal eviction route, which provides for a less expensive and more efficient manner than they would have going through the court system (Desmond 1768). These qualitative effects are the reason that there is not much widespread data to support the argument that gentrification is inherently negative, for I firmly believe that these informal and "off-the-book" evictions play a huge role in the displacement of original renters across gentrifying neighborhoods. When analyzing many different things such as these quantitative and qualitative measures, it's important to look at trends and correlations in a comprehensive manner rather than just a narrow view of a certain time or data piece.

Measuring displacement in the long run makes sense, for socioeconomic changes do not occur overnight nor evenly across different geographic areas. Freeman's research, however, indicated that along with his findings and past research by other scholars, low-income households in gentrifying neighborhoods in New York, including Brooklyn, were actually less likely to move than poor households living elsewhere (Freeman 46, 2004). Quite possibly, the original residents choose to stay simply because they enjoy the improved amenities such as retail stores to bring different goods to the area, restaurants and bars that provide for extra entertainment, and the overall conditions of their housing facilities. While this "modest relationship" (HUD, 2018) between gentrification and displacement is apparent in many gentrifying neighborhoods across the United States, Freeman found that instead of displacement, the "primary mechanism through which gentrifying neighborhoods undergo socioeconomic change" was through housing succession by voluntary and conscious entries and exits of housing in these areas (HUD, 2018). These lower mobility rates of lower-income households, as found by Freeman and Braconi, can be linked to the possibility that neighborhood improvements are

generally valued by low-income households. Although they may not be able to afford the new amenities at first, one could derive that these disadvantaged households make better efforts to stay put in their original abodes due to the improved neighborhood conditions, goods, and services, (Freeman 51, 2004). Displacement, while a significant negative consequence of gentrification, does not need to occur in order for a neighborhood to gentrify. As long as the in-movers are of a higher socioeconomic status than the out-movers, gentrification and its effects can take place (Freeman 50, 2004). Keeping displacement in mind, we must also consider other ramifications of gentrification.

Alongside displacement comes the loss of affordable housing and, consequently, homelessness (Atkinson 7). Many scholars, such as J.P. Byrne, Rowland Atkinson, and Kim Hopper have pinned this as one of the most negative consequences of gentrification. Homelessness, in this instance, can be viewed as a secondary consequence of the lack of affordable housing due to rising rent and housing costs that pose a significant problem on low-income families and individuals across the affected areas. For the original residents, homelessness is the worst consequence that could affect them, for they would be without their previous homes and rental units, and these individuals and their families would in-turn have to fend for themselves on the streets of the place they once called their neighborhood. Furthermore, another option these families have is to move to areas in which housing is affordable - usually outward from the center of the city – thus contributing to the snowball effect of gentrification.

Thirdly, there is an increased cost and changes to local services (Atkinson 7). This effect can be looked at in two ways: one being a positive effect due to the increased quality of local goods and services in this area, and the other being a negative effect due to the increased cost of these goods and services. Low income families already paying higher rent and housing costs

surely are bogged down by increases in the costs of once affordable everyday activities. “Low income residents who remain in a gentrifying neighborhood with a low vacancy rate may be harmed by paying a higher percentage of their income for rent” (Vigdor 164). This situation inherently leads to a decrease in the purchase of luxury goods and services, and these families are left to live on the margin – only buying essential goods and services to remain in these neighborhoods.

Gentrification poses problems for many citizens across the nation, more often than the media or policy makers would like to admit. Not to say there is any hidden information or motives about the process, but Lees argues the negative effects of gentrification are often not taken seriously in public policy or media sources (Lees 234). The livelihood of these individuals and families is at stake in many ways due to forces out of their control. However, there are two sides to every argument, for positive effects ensue after the onset of gentrification as well.

Positive effects of gentrification include the following: increased property values, increased quality of general neighborhood amenities, improved education provided in the neighborhood, improved public services and the potential for further development, rehabilitated property and housing that includes stabilization of a once declining area, and an increased social mix of citizens (Atkinson, 7).

A major advocate of gentrification being a positive process is renown law professor at Georgetown University - J. Peter Byrne. Byrne recognizes the negative effects of gentrification, but ultimately chooses to focus on the positive effects of gentrification that he argues is “good on balance for the poor and ethnic minorities” (Byrne 406). Byrne poses gentrification as a “Positive Public Policy Tool” that can be used to turn the influx of gentrifiers’ incomes into financing for more affordable housing for low-income citizens, improve the overall infrastructure

of housing and neighborhood conditions, and create jobs and housing opportunities in suburban areas for the low-income residents that might have not had means of transportation, past job experience, or the desired educational attainment for the inner-city jobs. Byrne points out that suburban jobs such as manual labor in manufacturing plants are conventionally believed to be easier to obtain than inner-city jobs due to the fact that these suburban jobs are considered more fit for "unskilled" employees. In effect, these newly-attained suburban jobs will inherently "enhance" citywide employment. Local governments have been known to create policies with façades – often posing them for reasons different that intended to create a positive reaction from the public. For example, policy makers might pose benefits such as "regeneration, renewal, or revitalization" (Wyly 19) without foreseeing the negative effects such as worsening affordable housing for the families affected by gentrification. Byrne continues to clarify, "poor residents are less likely to leave gentrifying neighborhoods than other sections of the city…" (Byrne 418).

Secondly, educational opportunities are created when the gentry enter neighborhoods. From evidence in the past, segregated schools that consist of impoverished families do not provide for a well-balanced learning environment. However, upon the arrival of gentry, affluent families, there is room for growth and improvement within these school institutions (Stillman 1). To begin, public school systems that reside in inner-cities almost always have lower levels of academic achievement than do other schools such as private and charter schools (Ryan 2103). Many studies have been completed on this topic over the years, but one such study stood out to me regarding this issue. In 1997, a study called "Prospects: Student Outcomes" was released, giving insight to communities around the United States on the situation many impoverished families face on a daily basis. With a sample size of over 40,000 students, this study found that "the poverty level of the school (over and above the economic status of an individual student) is

negatively related to standardized achievement scores" (Puma 97). The poorer the school district and the families with children in those schools, the less likely the school district is able to afford amenities such as computers or up-to-date learning materials to aid reading and writing skills. According to this study, students in high-poverty schools tend to score worse on standardized tests and have higher dropout rates due to negative peer influence and lower community expectations. With the help of gentrifiers, however, these schools have an opportunity to change for the better.

As history shows, low expectations of a task or action usually lead to dismal results. Thus, when the gentrifiers arrive in these school communities, their higher socioeconomic backgrounds provide a framework to improve the outlook of the school by the existing residents. New coming students ranging from middle class to affluent "tend to have higher expectations and aspirations regarding academic achievement" (Ryan 2105) and this often rubs off on the existing students' mindset about education and potential for the future. "[A positive] school environment is contagious; it affects most students and thus tends to raise the aspirations and motivation of poorer students" (Ryan 2105). The influx of motivated students, highly educated teachers, and families that are able to invest both time and money into inner-city public schools allows for the potential for increased average test scores for all children in the schools, increased accountability and expectations within the social constructs of the poorer families, and lower dropout rates to improve their chance of seeking future educational attainment.

Thirdly, existing residents of inner-city neighborhoods could experience an influx of public and private investment in housing and local services and goods. With the gentry comes more people with political influence, educational attainment, and financial stability to stimulate a once stagnant neighborhood economy (Freeman, 2004). Whether or not these people of power

use it for their own benefit is another question, but with the right amount of power, policy tools, and overall public interest in the neighborhood in question, policies can be implemented, jobs can be created, and an attraction to the neighborhood can begin gaining a head of steam. Public investment, coming primarily from state and local governments, can range from "urban redevelopment, open space revitalization, and construction of infrastructure" (Zuk 31). Included in this construction of infrastructure are parks, restaurants, stores, and transportation services, which are conventionally known to increase the value of homes and apartments in close proximity (Zuk 39). With an increase of cash flows into these neighborhoods come an increase in the attractiveness of the area; hence, furthering the effects of investment in the area. This situation often leads to a concept referred to as the "Growth Machine", or the intervention by the societal elites using a city and its housing to improve their own financial situation, control the number of affordable rental units, and overall power within cities (Logan 50).

These three main effects of gentrification pose great benefits for the families and individuals that stay in these areas. To reiterate, an improved neighborhood economy from increased public investment could lead to improved infrastructure, more opportunities for affordable housing initiatives, and create jobs across the city. Higher educational attainment leads to smarter generations; hence allowing for these students to seek higher-educational opportunities and increased job placement percentages to pave the way for a brighter future for their families.

Role Players

Gentrification has been a topic of discussion in the United States since 1950s, and it has recently been brought back to the forefront of today's important topics. There is a vast array of

entities that recognize gentrification: “media, national and local governments, urban planners, architects and developers, conservation & preservation groups, businesses, city boosters, and political activists” (Lees xv). However, many different entities play a hand, whether indirect or direct, in causing gentrification.

Governments at the federal, state, and local levels have at least one mission in common: improve the well-being of their respective jurisdictions which includes community development initiatives. For example, the U.S. Department of Housing and Development, a department of the U.S. Federal government that aims to provide housing and community development aid, has allocated nearly $120 billion to municipalities around the United States in the form of Community Development Block Grants since 1974 (McKinnish 1). HUD’s intentions are to provide opportunities for low- and moderate-income individuals to have better community development initiatives in their areas and reducing “slums or blight” in over 1,000 U.S. cities (McKinnish 1). While these block grants might seem harmless, the astronomical amount of money flowing into these impoverished neighborhoods is sure to change the structural dynamic of the neighborhood for the original residents of the areas, for increased public investment aims to create more jobs, affordable housing, and community involvement. Both positive and negative effects spur from a drastic increase in public investment within neighborhoods.

Other role players include policy makers and municipal government planners. Their main responsibility is to improve the well-being of the residents in their cities and regions. To complete this task, city planners and policy makers alike could look to either promote gentrification or mitigate any risks and problems such as displacement associated with the phenomenon. To further examine, policy makers hold the playing cards within a community; they hear out the ideas and suggestions from community members, activist groups, political

activists with differing agendas, and ultimately decide which actions to take based on their fiscal and economic responsibilities to the community. Freeman and Braconi call for city planners to ponder the potential effects of implementing certain policies that will eventually affect the original residents of the community in question (51).

Other role players of gentrification are those who choose to come to these areas – the in-movers. Per many studies, in-movers of gentrifying neighborhoods see opportunity in these neighborhoods because of low or appreciating house prices which eventually leads to "reinvestment and subsequent displacement" (Zuk 34). These gentrifying in-movers, who usually have higher-income levels and more educational attainment than that of the original residents, are often white (Freeman 2004). Moreover, out-movers and the original residents are more likely to be renters, poorer, and people of color rather than in-movers (Zuk 37-38). These differences are significant when looking at the social mix that takes place upon the arrival of different demographics in a condensed area. Residents see changes in neighborhood culture and economy, for the mixing of both income levels and race almost force newcomers and original residents to work together in a "democratic process" (Byrne 421). Because affluent, gentrifying in-movers typically have a higher political power due to their standing in society, they can better hear concerns from the original residents in order to increase the original residents' political bargaining power within these communities to reach beneficial milestones that previously were not able to be attained by poor residents (Byrne 421). In-movers with higher socioeconomic statuses than original residents can often change the overall demographic composition of the area even if original residents stay put. In New York City from 1991-1999, Freeman and Braconi

studied the average income, college attainment, and poverty rate for both in-movers and current residents. The table can be found below (Freeman 50, 2004).

	Average income	College graduate	Poverty rate
In-movers	$35,230*	47%*	23%*
Current residents	$26,887	23%	31%

* $p < .01$

Table 4. Characteristics of in-movers and current residents.

Per the table, one can derive that in-movers are, on average, wealthier and more educated than current residents in these gentrified areas. Furthermore, 61% of poor households' income was spent on rental costs in gentrified neighborhoods, which is a staggering figure compared to that of 52% of poor households' income spent on rent in non-gentrifying neighborhoods (Freeman, 2004). This gap, in my opinion, can be attributed to one thing and one thing only: increased costs of rental units in gentrifying areas.

While these gentrifiers may not know of the magnitude of their moving to these areas, there are certain individuals within society, known as the "elites", that see opportunities to actively use cities and their neighborhoods as a "growth machine" to benefit themselves. The main idea using a city as a growth machine is to retain financial power in an area by increasing rent costs to renters to "trap related wealth" for the elites in society (Logan 50), giving them the power to control rent prices to benefit themselves. When growth machines are fully integrated in cities, many different groups of elites compete for greater share in land properties and assets within the community. Unfortunately for the original residents of these areas their rental costs would likely continue to rise at a faster rate than they can keep up with due to the growth machine coupled with gentrification effects – therefore affirming displacement concerns by activists across the nation.

Case Study: A Closer look into New York City

New York City has existed as the center of economy and promise – both internationally and domestically – for centuries. For those who can afford it, people from around the world travel there for better family opportunities for future generations. However, this might not be the case any longer due to housing appreciation, inflation, and effects of gentrification. Because gentrification has been occurring in New York City since as early as the late 1960s, its effects have become noticeable and have gained nation-wide attention.

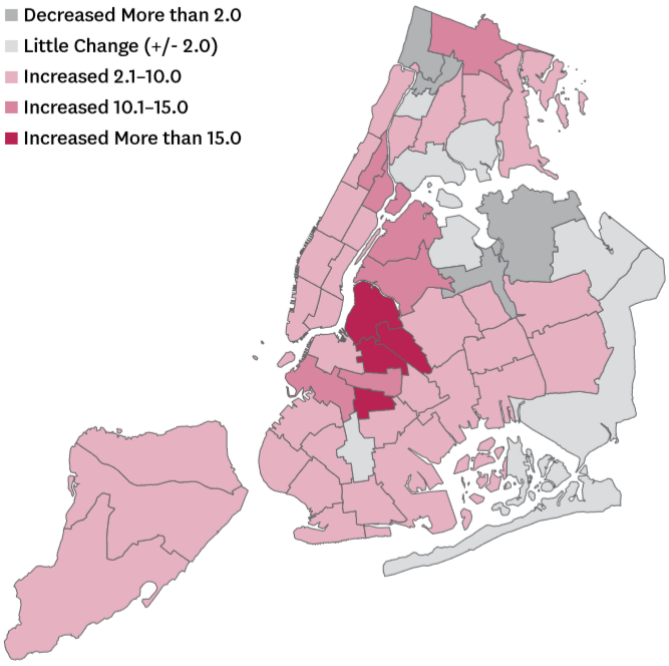
Jumping to 2015, New York University's academic research Furman Center, which focuses on public policy aspects of land purposes, housing and rent, and real estate development in certain areas, conducted extensive research that found fifteen sub-boroughs, out of the fifty-five studied, were considered in the process of gentrification, citing the relative change in income levels from 1990 to present day. Of these fifteen gentrifying sub-boroughs, seven (almost half) were located within the borough of Brooklyn (NYU Furman Center, 2016). The seven sub-boroughs include Greenpoint-Williamsburg, Sunset Park, Bedford Stuyvesant, Bushwick, N. Crown Heights/Prospect Heights, S. Crown Heights/Lefferts Garden, and Brownsville/Ocean Hill. The number of gentrifying sub-boroughs have increased since Freeman and Braconi's findings back in 1999 – they found only seven total neighborhoods being gentrified in the whole city with three being in Brooklyn (Freeman 43, 2004). More neighborhoods are being affected by gentrification; hence, more original residents of these areas are being affected by both the positive and negative effects that ensue.

Educational attainment is a factor that has been directly correlated to gentrification by many scholars – regardless of their overall stance on the subject. Gentrifiers have been known to be more educated than that of poorer, original residents in gentrifying neighborhoods (Freeman,

2004). Therefore, the more educated the neighborhood becomes, the more positive effects result from educational benefits such as improved public-school systems, lower dropout rates, improved scoring on standardized tests, and the increased potential for these young students to have better opportunities to succeed and advance toward college.

High school graduation rates have increased significantly since 2005, and this can be attributed to lower high school dropout rates. Since 2005, high school graduation rates in Brooklyn as a whole have increased from around 50% to approximately 70.7% (NYU Furman Center 29, 2018). A 20% increase spread out over 12 years, on average, is around a 1.67% increase per year, which is something to brag about compared to that of other, lesser-gentrified boroughs' percent increase. Furthermore, the percentage of adults with a college degree in gentrifying areas increased significantly – rising 4.9% from 2006 to 2016. Brooklyn, on the other hand, saw an increase of 8.5% from 2006 to 2016 (NYU Furman Center 9, 2018). Of the fifteen analyzed, the top notable increases were found across the board, yet the highest increase was 43.7% found in Greenpoint-Williamsburg. The seven gentrifying Brooklyn sub-boroughs saw an average increase of around 26.4% of their adult population with a college degree from 2000-2014 (NYU Furman Center 22, 2016). Figure 6 brakes New York City down into sub-boroughs; Brooklyn had four sub-boroughs that exceeded an increase of 15% in college

Figure 6: Percentage Point Change in the Share of Population Aged 25 or Older with a College Degree by Sub-Borough Area, 2006 to 2016



Sources: American Community Survey, NYU Furman Center

educational attainment, the only borough to do so within the years 2006-2016 (NYU Furman Center 9, 2018). Therefore, relative to the rest of New York's five boroughs, Brooklyn is becoming more educated at a quicker rate. I characterize this drastic increase in Brooklyn's college educated adult population due in part to their movement into the borough. As stated earlier, however, a greater composition of educated adults in gentrifying areas leads to improved school environments that promote learning for the children that were there before and the new comers. Thus, a brighter future can exist for the children of both the original residents and the in-movers' families.

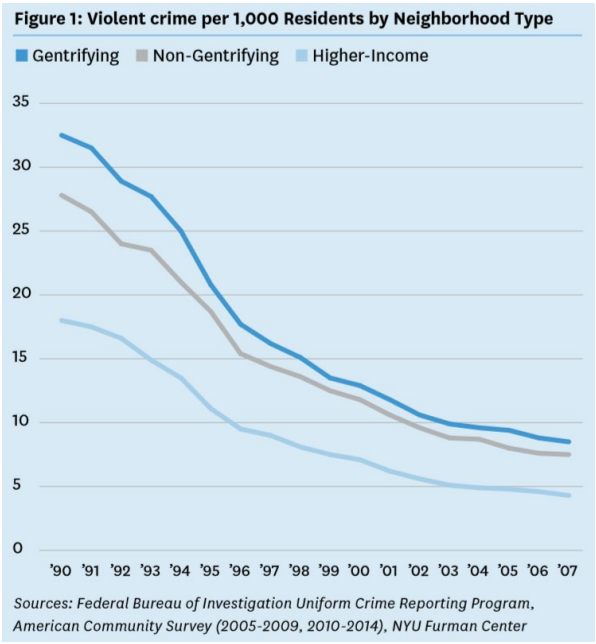
As per the United States' educational system's structure, a student must attain a high school degree before pursuing a college degree. This is why, in my opinion, I predict that Brooklyn's percent of college educated persons will only increase due to more highly educated parents moving to these areas, more children staying in school throughout their youth, and more students taking education more seriously to the point of seeking higher educational opportunities such as college or trade school.

Income levels have proven to be another good indicator of gentrification. As stated earlier, the gentry typically bring higher levels of income. According to Furman Center's 2015 analysis of the fifty-five sub-boroughs, only the fifteen gentrifying areas saw an increase in average household income (9). Of the fifteen gentrifying areas during the years 2000-2014, the seven sub-boroughs that reside in Brooklyn had a percent change in average household income of 9.54%, on average, compared to the other eight gentrifying areas that had, on average, a 5.03% increase. Notably, Greenpoint-Williamsburg realized a 41.1% increase in average income (NYU Furman Center 21, 2016). Once again, Brooklyn's sub-boroughs, when compared to the

other gentrifying areas during this time, had the best performance of percent income increase compared to its counterparts' gentrifying areas.

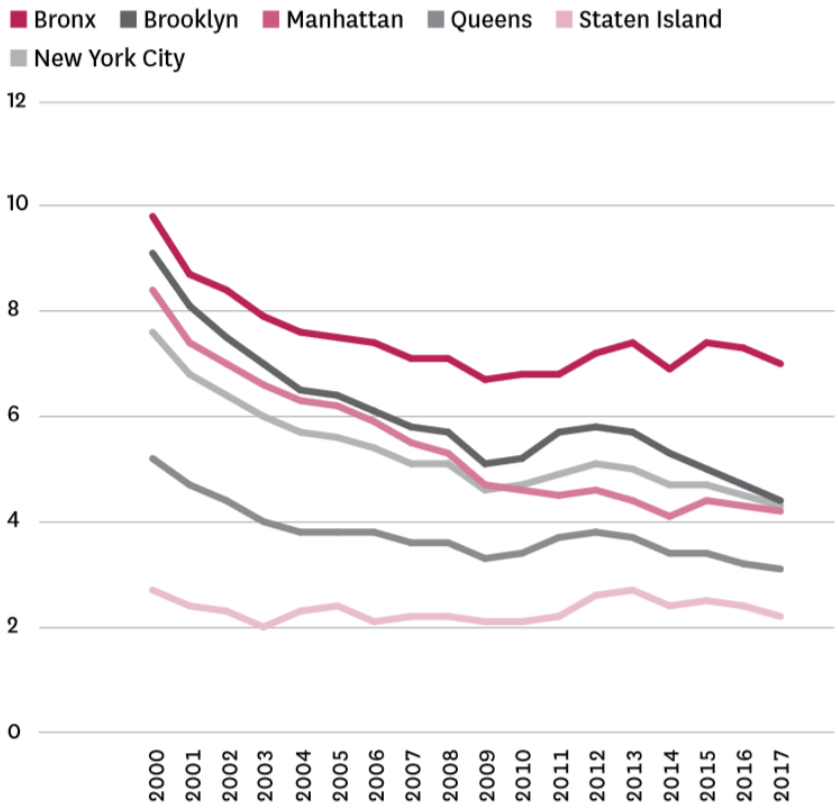
From the years 2010 to 2016, Brooklyn's median household income, listed in 2017 dollars, increased from $46,980 to $56,230. This increase of nearly $10,000 in median household income in Brooklyn proved the highest among the five boroughs during these particular years (NYU Furman Center 51, 2018). Greenpoint-Williamsburg, often considered the most gentrified area in Brooklyn, saw an increase in median household income from $46,690 to a whopping $71,050. Throughout 2015, Brooklyn saw an increase in real median renter household income of 6.4% while NYC experienced only a 4.6% increase citywide (NYU Furman Center 23, 2018). Changes are quickly happening in Brooklyn, and the citizens in these particular gentrifying boroughs are experiencing more drastic effects relative to their New York counterparts.

Crime rates in the fifteen gentrifying neighborhoods have diminished significantly since 1990. When analyzing Figure 1, it is important to notice that while gentrifying neighborhoods had the highest level of violent crime per 1,000 residents than that of non-gentrifying and higher-income neighborhoods, this should not be an alarming statistic. According to the Bureau of Justice Statistics, persons, households, and their neighborhoods that lie below the Federal Poverty Line tend to have higher violent crime rates than that of high-income households (Morgan 8). In Figure 1, "Non-Gentrifying" neighborhoods are low-income neighborhoods not experiencing gentrification, and "higher-income" neighborhoods



are those in the top 60% of the 1990 neighborhood income distribution (NYU Furman Center 5, 2016). The important number to look at, however, is the significant decrease of around 24 violent crimes per 1000 residents from 1990 to 2007 (NYU Furman Center 19, 2016). Particularly, Brooklyn experienced the second largest decline in serious violent crime between 2016 and 2017 at a rate of -6.2% (NYU Furman Center 30, 2018).

Figure 5: Serious Violent Crime Rate (per 1,000 Residents) by Borough



Sources: New York City Police Department via NYC Open Data, U.S. Census, NYU Furman Center

Figure 5 includes crime rates for all five boroughs as well as NYC holistically. While Brooklyn remained the borough with the second most serious violent crime over this span, it decreased from around 9 crimes per 1000 residents to around 4 crimes per 1000 residents. Decreasing crime rates is just one factor of improved neighborhood conditions within gentrifying neighborhoods, and it is a very important factor to consider. With fewer crimes occurring come an improved atmosphere in the community that bodes well for people thinking about staying or coming to that particular area. It is difficult to consider lower crime rates a direct result from the effects of gentrification, the trends indicate that as the effects of gentrification set in a community, crime rates tend to decrease accordingly.

Renting a property in New York City is a huge factor, for only 32% of New Yorkers owned their domiciles in 2016, and Brooklyn had a slightly lower rate of 29.5% (NYU Furman Center 16, 2018). Therefore, the cost to rent these units is something that everyone must consider when attempting to live there. Average rent prices in New York City have increased 22.1% from 1990 to 2014. While one of the sub-boroughs of Brooklyn had the highest rent hike, the seven gentrifying sub-boroughs of Brooklyn suffered a lesser average rent hike compared to the other eight gentrifying sub-boroughs, for these seven Brooklyn sub-boroughs saw, on average, a 35.89% change in rental prices during this time period. When comparing gentrifying and non-gentrifying averages during 1990 - 2014, gentrifying sub-boroughs realized approximately 34.3%, while non-gentrifying sub-boroughs saw a 13.2% increase in rental prices (NYU Furman Center 5-6, 2016). In totality, gross median rent prices have increased 20.1% in Brooklyn between 2006 and 2016, which is the second largest incline out of the five boroughs (NYU Furman Center 24, 2018). While rent prices have increased, so have income levels in these areas; that is why it is crucial to take a closer look into how much these rent price hikes have affected those staying in these gentrifying areas by looking at rent burden.

Sub-Borough Area	*Percent Change in Average Rent, 1990 to 2010-2014*	*Average Household Income in 1990 ($2015)*
New York City	**22.1%**	**$ 78,500**
Gentrifying		
Williamsburg/Greenpoint	78.7%	$ 53,550
Central Harlem	53.2%	$ 39,650
Lower East Side/Chinatown	50.3%	$ 54,350
Bushwick	44.0%	$ 42,500
East Harlem	40.3%	$ 47,300
Morningside Heights/Hamilton Heights	36.7%	$ 61,500
Bedford Stuyvesant	36.1%	$ 46,150
North Crown Heights/Prospect Heights	29.9%	$ 56,600
Washington Heights/Inwood	29.3%	$ 55,650
Mott Haven/Hunts Point	28.0%	$ 32,250
Astoria	27.6%	$ 64,600
Sunset Park	23.9%	$ 62,550
Morrisania/Belmont	23.5%	$ 36,900
Brownsville/Ocean Hill	20.5%	$ 43,100
South Crown Heights	18.1%	$ 62,900
Non-Gentrifying		
Highbridge/South Concourse	17.8%	$ 43,150
Kingsbridge Heights/Moshulu	17.5%	$ 54,750
University Heights/Fordham	14.2%	$ 39,600
Soundview/Parkchester	14.0%	$ 58,900
Bensonhurst	10.3%	$ 66,750
Coney Island	9.9%	$ 53,200
East New York/Starrett City	8.2%	$ 52,750

Table 11: Share of Households Rent Burdened by Neighborhood Type and Household Income

	2000	2005-09	2010-14
Citywide	40.7%	48.2%	51.7%
Gentrifying	42.3%	50.7%	52.9%
Non-Gentrifying	45.7%	54.3%	58.5%
Higher-Income	38.7%	45.2%	49.3%

Sources: US Census (2000), American Community Survey (2005-2009, 2010-2014), NYU Furman Center (ACS PUMS)

Rent burdened households, identified as those who pay 30% or more of their pre-tax income on gross rent, accounted for 52.9% of all households within gentrifying neighborhoods. Over half of all households are rent burdened in gentrifying areas; however, it should be noted that non-gentrifying neighborhoods had rent burdened households account for 58.5%, and the citywide average was 51.7%. When looking Table 11 over the years, there are noticeable inclines since 2000, but those are fairly equitable across the different types of neighborhoods. In fact, gentrifying neighborhoods saw less of an increase from 2000 to 2010-14 than non-gentrifying and higher-income neighborhoods. Many New Yorkers are experiencing tougher living situations, but those living in the gentrified areas seem to be less burdened by the huge spike in rental prices over the years.

Analysis

Gentrifying areas experienced a lower percent of rent burdened households than non-gentrifying areas during this time period, and there has been little-to-no evidence that points to gentrification directly causing displacement in these neighborhoods in Brooklyn. Freeman and Braconi, as mentioned earlier in the report, completed a study in 2004 that found that low-income residents in gentrifying neighborhoods were actually less likely to move out of the neighborhood than low-income residents in non-gentrifying areas. With little empirical evidence to support the direct link to gentrification and displacement in Brooklyn, it is difficult to associate many of the negative effects that original residents face to gentrification. This is why it

is important for more scholars around the globe to focus on this important issue in today's society to fully understand the gravity of the situation. If we as a human race can dissect the ramifications of gentrification in order to mitigate the risks and consequences of the process, we can better understand gentrification to improve the positive benefits that occur to both the original residents and gentrifiers.

The process of gentrification poses both positive and negative consequences for the original residents and the in-movers, but the magnitude of these effects are sporadic across different cities around the world. Zeroing in on a specific place, such as Brooklyn, the effects seem a little more accessible and understandable. In the case of Brooklyn, the positive effects, in my opinion, outweigh the negative effects. Per data derived in the section above, Brooklyn has seen many quantitative benefits in recent years in which I attribute as results of gentrification. Included in these are the educational benefits that include lower high school dropout rates, higher graduation rates, and a higher percentage of college educated adults. Further benefits are related to income, wherein Brooklyn's seven gentrifying sub-boroughs saw a higher percent change in average household income in recent years than the other eight gentrifying areas in NYC. Brooklyn also had a higher median household income increase than any of the five boroughs from 2010-2016, and, in 2015, saw a higher percent increase in real median renter household income than New York City as a whole. Crime rates in Brooklyn have had the second largest decline of all five boroughs. On the other hand, rental prices have increased more in gentrifying areas than that of non-gentrifying areas; hence, Brooklyn had the second largest increase in gross median rent prices out of the five boroughs throughout 2006-2016. However, the percent of rent burdened households in gentrifying areas was lower than both non-gentrifying and higher-income areas.

According to my research, Brooklyn is the most affected by gentrification out of the five boroughs – accounting for seven of the fifteen gentrifying sub-boroughs. Because they are seeing the most widespread effects of gentrification, they are seeing more benefits than other parts of the city. Listed in this report are the factors that I firmly believe have had the biggest impact on those who stay in these areas. Negative effects such as higher costs of living associated with housing, goods, and services that led to displacement and homelessness do exist and are relevant to look at when seeing the impact on the lower-income families that stay. However, gentrifying neighborhoods have noticed job creation, rising income levels, more highly-educated citizens which leads to greater potential success, and overall revitalization of neighborhoods due to increased public and private investment.

Conclusion

Going forward, gentrification and its effects should be closely studied by governments of all sizes, scholars, and community coalitions to ensure that both policy makers and the general public are informed and educated on the subject. With increased awareness, people can begin to incite change within neighborhoods across the nation. Policy makers should work towards mitigating the negative effects of gentrification by providing additional resources such as affordable housing units for both the homeless and those struggling to remain in their once affordable homes. Policy makers and governmental bodies should spend more time studying areas in which gentrification should be implemented so as to change negative conditions in these areas. To do so, I believe there must be more communication between policy makers and those who reside in these neighborhoods. Increased communication will inherently lead to a better understanding of the real impacts and opinions of those living in these impoverished areas.

So, do original residents resent the in-movers for invading and altering the once familiar structure of their cultural environment, or do they send praise and welcome gentrifiers with open arms? I believe neither to be a complete answer. Original residents, either educated about the concept of gentrification or not, do see the effects of the process firsthand. For those who stick out initial negative consequences of gentrification, there are many improvements that occur down the road to their once impoverished community. Due to the improved housing quality, job creation, overall neighborhood conditions, better schools and educational opportunities, and a culture change that promotes growth and success, gentrification provides the framework necessary for both original and new coming families to reside in these neighborhoods and experience an improved quality of life for years to follow.

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