

Kerr-McGee Chemical Corp Site – Navassa

**Gentrification
Research Summary**

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**Prepared by Greenfield Development
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Overview

- Definition of gentrification
- Market drivers
- Demographics
- Navassa comparisons
- Summary of research articles
 - Locations
 - Traditional strategies
 - Other ideas
- Difficult issues for contemplation



What is Gentrification?

- The result of traditional planning strategies that idealize developments which are:
 - Mixed income
 - Ethnically diverse
 - Encourage higher income people (usually white) to move to lower income areas (usually minority)
 - Assumes that the only way to develop better amenities is for demographics to begin to move toward higher incomes / property valuations



What is Gentrification?

- Need incentives / strategies to elevate quality of life
 - Create amenities
 - Build infrastructure
 - Provide jobs
 - Increase the tax base – to keep tax rates down
- Unintended results of increased quality of life
 - Higher demand for housing, creating higher prices
 - Sometimes higher taxes, due to higher valuations
 - Vulnerable populations displaced



Market Drivers

- Residential real estate developers look for :
 - Lower cost options
 - Ideal location
 - Undeveloped land, low price
 - Waterfront, other physical assets
 - Transportation access
 - Existing infrastructure
 - Adjacent to existing development
 - Near the central city
 - Near job opportunities
- Retail follows rooftops
 - Along major thoroughfares
- Industrial development criteria
 - Project specific
 - Infrastructure
 - Workforce availability
 - Transportation access
 - Low capital and operating costs
- Recreation drivers
 - Natural physical assets
 - Cultural assets
 - Funding availability



Demographics 2016

	1 mile	2 mile	5 mile	Town
• Black population	31.9%	27.3%	32.2%	54.2%
• Hispanic	8.5%	9.0%	6.3%	6.4%
• Other minority	6.3%	6.8%	4.7%	18.4%
• Two+ races	3.3%	3.4%	2.9%	3.1%
• Median income	\$42,318	\$43,974	\$40,770	NA
• Median home value	\$130,851	\$149,262	\$190,697	NA
• Owner occupied housing	59.5%	54.5%	49.9%	NA

Sources: ring data – ESRI Town – US Census ACS



Navassa Comparisons

- Research article communities
 - Inner city redevelopment – market displacement
 - Low cost, high opportunity for developers – high market pressure
 - More rental properties – easier to displace existing residents
 - Rural freedom colonies – “maintaining black places”
 - Generally not incorporated – few official conduits to improve amenities
 - Remote locations, lack of attention provided safety
 - Fragile self-sustaining economies
 - Young people leave for more job opportunities – culture loss
- Navassa different and similar
 - Suburban, not inner city or rural
 - Low housing demand, low values, but NOT low incomes or low ownership
 - Incorporated - government policies and programs
 - Zoning, infrastructure, funding mechanisms
 - Easy access to nearby job opportunities for many years



Summary of Research Articles

- Locations of examples
 - Shankleville and Pleasant Hill, TX – Freedom Colonies
 - From among 500 colonies in East Texas
 - New Orleans
 - Washington, DC – Howard University
 - Nashville, TN
 - Brooklyn – Bedford-Stuyvesant, Brownsville
 - Queens
 - Boston – South End, Dudley Square
 - Charlotte
 - Tampa
 - Los Angeles – Highland Park
 - Chicago
 - Houston
 - Rocky Mount, NC



Summary of Research Articles

- Traditional planning strategies
- Government requires “affordable housing,” in new proposed developments, as a condition of permit approvals, in return for incentives
- Example incentives
 - Inclusionary zoning/housing policy – require income mix
 - Percentages for “affordable” units
 - Density bonus
 - Lower minimum size units
 - Height variances
 - Time requirements – up to 50-99 years from 20 years
 - Financing assistance - Tax credit, bond, housing trust fund
 - Property tax breaks
 - Parking requirement waivers
 - Contribution to housing non-profits, in lieu of affordable units
 - Upfront or over time via gross revenue percent
 - Government incentives to lower development costs – subsidy, free land, infrastructure
 - Renter / buyer vouchers or subsidies
 - Lower rent increases over time



Summary of Research Articles

- Other ideas, not housing
 - Job creation
 - Large vacant building redeveloped into School District HQ, business incubator
 - Focus on small business development from within (entrepreneurship)
 - Merchant organizing (example – local Chamber)
 - Low cost, shorter term leases for space
 - Cultural district designation (like Gullah Geechee Heritage Corridor)
 - National Trust for Historic Preservation – “Endangered Places” designation
 - Collect and record personal stories from the past
 - Restore historic buildings, spaces – churches, cottages, cemeteries, other unique assets (rice fields?)
 - Original play about the local story
 - Culture museum, center for study
 - Homecoming celebrations
 - Local contractor preferences for development projects
 - New building scale requirements to fit with existing structures
 - Height, lot coverages
 - Anti-gentrification advertising messaging, billboards
 - Mock eviction notices to business that do not reflect the local culture
 - “Black branding” as a cool, hip place
 - Community organizations that bring together diverse residents for a shared activity
 - Example – community gardens
 - Industrial development – back to old mill villages



Difficult issues for contemplation

- Stereotypes – minority = low income
- Segregation vs integration
- What defines community?
- Market pressures – highest and best use
 - Displacement of vulnerable people
- Private landowner rights
- Newcomers infiltrating local established power systems
 - Church, community associations, government
 - Slowly erase culture / heritage
- Gentrification is slower than 1960's urban renewal, but ultimately the same result
- Others???

