Univerzita Karlova v Praze

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Diplomová práce

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Gabriela Grünová

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Gabriela Grünová

Vedoucí práce: Doc. PhDr. Miloš Calda

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Prohlašuji, že jsem práci zpracovala samostatně a použila jen uvedených pramenů a literatury.

Praha, květen 2006 .....

1. INTRODUCTION

During the previous two decades, the neighborhood of Harlem in New York City has been witnessing an outstanding change within its borders, either in terms of class and racial composition or in terms of the renewal of once deteriorated famous brownstones. The process influencing not only Harlem, but also other neighborhoods all over the United States bears name gentrification. Even though the definition of gentrification in the Merriam-Webster dictionary describes it as "the process of renewal and rebuilding accompanying the influx of middle-class or affluent people into deteriorating areas that often displaces earlier usually poorer residents,"[1] the process itself is much more complex. The single definition cannot reflect the specificities and nature of changes connected to gentrification and the potential subsequent displacement. The thorough analysis of gentrification characteristics for one area may help to comprehend the nature of the urban renewal as well as the composition of gentrifiers and eventually the amount of displaced persons.

The reasons for electing Harlem as a case study of gentrification and displacement were numerous. First, Harlem is an internationally known neighborhood. Second, the area represents a special significance to the African American community not only in the United States, but also all over the world. Third, the gentrification and displacement in the neighborhood has been thoroughly studied and depicted in numerous research papers. Fourth, the city of New York publishes a series of data that together with the United States Bureau of Census data facilitate the analysis of the nuances, extent and pace of the two above-mentioned phenomena, having huge impact on the original residents of the neighborhood.

Nonetheless, before the analysis of gentrification in Harlem, the circumstances leading to the naissance of this trend have to be mentioned. In the course of twentieth century, cities in the United States have experienced the period of decline followed by gentrification or urban revival in the end of this era. The fate of the cities has been shaped by natural factors, private decisions and also governmental policies. Chapter two specifically mentions the nature of the three determining factors. Among the natural factors leading to decline of the American cities belongs above all the Great Migration of African Americans from the rural South into the northern part of the country.

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[1] "Gentrification." *Merriam-Webster Online Dictionary*. Merriam-Webster, Incorporated. 2005. http://www.m-w.com/dictionary/gentrification (2 Apr. 2006).

Naturally, in search of better jobs, they settled in the urban cores next to places of work. The overcrowding of cities made the wealthiest classes leave for newly emerging suburbs. The construction of first suburbs in the 1920s and their settlement was facilitated by the mass production of the automobile, an invention that shifted not only the affluent residents, but also the economy and prosperous businesses out of the city.

Similarly, governmental policies drained the financial resources from cities in order to fasten the construction of a completely new infrastructure connecting the suburbs and the cities. More resources were needed to sponsor lacking amenities and facilities in the suburbs. Although the governmental programs like Federal Housing Administration or the Veterans Administration tried to support the affordability of new housing for the huge number of people, they in fact created housing market discrimination. The federal programs divided neighborhood on the basis of their racial composition and recommended the exclusion of racially mixed or predominantly black neighborhoods from the reception of mortgages in order to protect federal investments. For this reason, gentrification may be connected with racial tensions, as the inhabitants of inner cities like Harlem were predominantly black, creating a striking contrary to white suburbs.

The last factor that supported the doom of cities and inner cities represented the desires of the private power in the 1950s and 1960s. The affluent residents who remained in the urban area even after the suburbanization era were afraid of the desperate conditions in the inner cities or ghettos that may have sooner or later endangered their investments in institutions like universities or businesses. Finally, the private power proposed to the American government the slum clearance. However, the clearance of the most depressed ghettos further worsened the conditions of inner cities, as the removed inhabitants were placed into other ghettos causing serious overcrowding and worsening of the living conditions in the area.

The following period of late 1970s and early 1980s witnessed the appearance of gentrification in few cities across the continent. Since the very beginning, despite the obvious advantages introduced by urban reconstruction and revival, the opponents of the process underlined several disadvantages, the most significant one being the issue of displacement of less affluent residents.[2]

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[2] See Ross, B. H., Levine, M. A.: *Urban Politics – Power in Metropolitan America*. Thomson Wadsworth, Canada 2006.

In order to determine the particularities of gentrification in Harlem, the thesis compares the conclusions of three major studies published about the area together with the quantitative and qualitative analysis. The first study by Richard Schaffer and Neil Smith tries to predict possibility of gentrification in Harlem on the basis of census data from 1970 and 1980. After exactly two decades, their findings about the nature and extent of gentrification can be readjusted on the basis of new census data from 1990 and 2000. Moreover, beginning in 1991, the city of New York publishes triennially its own data in the study called New York City Housing Vacancy Survey that allows observing the progress of gentrifying area in terms of per capita income, median contract rent or racial composition. The quantitative analysis based purely on the rigid numbers does not reveal the individual decisions of the gentrifiers who moved into Harlem and on the other hand the fears of the original residents of displacement. The qualitative analysis based on the interviews with both groups published in the articles by New York Times makes possible a deeper understanding of the whole process.

Equally, the extraordinary application of gentrification in Harlem originates from its history. Harlem was initially built as a mixed middle- and working-class neighborhood in the last decades of the nineteenth century. Its location on the north edge of Central Park in Manhattan in the beginning represented the outskirts of the rapidly stretching New York City. Harlem's housing stock built in the initial years comprises predominantly five- and six-story tenements and townhouses.[3] Townhouses are three- to five-story residential structures with brick or brownstone fronts. This includes many brownstones, but in Harlem a term of brownstone is a misleading label because these structures as many do not have brownstone fronts.[4]

At the turn of the twentieth century, the racial segregation that dictated residential separation between blacks and whites enabled the appearance of the black neighborhood of Harlem. The most influential decision upon the demographic composition of the area was the plan to extend a railroad line to Manhattan's upper neighborhoods in order to connect them to downtown. This plan spurred real-estate speculation in Harlem, leading to inflated prices and artificial market values. The crisis came at the very beginning of the twentieth century, when the speculators realized that too many houses were built, prices were too high and only few white affluent residents were interested in purchasing

[3] Schaffer, R., Smith, N.: The Gentrification of Harlem? Annals of the Association of American Geographers 76, 3.: 347-365, September 1986.
[4] Ibid., p. 363.

them. Many landlords started to rent properties to blacks in order to save themselves from financial ruin.

Some realtors used blockbusting or the threat of renting to blacks to frighten white residents into buying them out at high prices. Others also took advantage of fear and prejudice in the white community. They placed blacks into certain properties and subsequently, neighboring whites vacated their homes and freed them up at extremely low prices. The blacks were offered decent living accommodation for the first time in their history and thus started arriving in huge numbers in Harlem. This part of black history in the neighborhood is also known as a "Negro invasion." Many white tenants and realtors tried to fight against the masses of blacks coming to Harlem, but they finally fled and thus contributed to the appearance of a newly segregated neighborhood in New York City.

Before the black Harlem was born, blacks had been concentrated in other areas of the city, most notably in San Juan Hill and the Tenderloin district in lower Manhattan. However, they occupied only one or two streets or blocks in these areas while in Harlem, the black community became consolidated and for the first time, blacks had possessed a sizeable area of their own.

At the beginning of the twentieth century the mass migration of black from southern agricultural areas to northern cities created also other newly urbanizing racial segregated communities apart from Harlem. However, only the neighborhood of Harlem gained international status and became a symbol of black cultural identity and till these days has maintained a significant role of black cultural expression.[5]

In the 1920s, the arrival of the Jazz age made the music scene in Harlem a major attraction even for whites from all over the world. Harlem at that time offered an invitation to experience authentic black art and entertainment.[6] However, with the crisis on New York Exchange Stock Market in 1929, the following period of 1930 brought the golden era of Harlem to an end. After the end of the flourishing era of Harlem Renaissance, Harlem became the most incredible slum in the entire city.[7]

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[5] Taylor, M.: *Harlem between heaven and hell.* University of Minnesota Press, Minneapolis 2002, pp. 5-6.
[6] Ibid., p. 15.
[7] Ibid., p. 16.

The reasons leading to a quick decline of the area could have been observed even before the Great Depression began. The housing stock of Harlem had been neglected for a long period of time. More precisely, the deterioration of famous brownstones and tenements began during World War I, when the remaining original middle-class white residents moved out to the suburbs and the black migration from the South accelerated. Despite the cultural revival during Harlem Renaissance, the housing stock of Harlem had already experienced first crisis during the World War I, when no construction projects in fact started and the second crisis during the Great Depression marked even more severely the neighborhood due to large housing disinvestment.[8]

The housing problems of Harlem during the Great Depression aggravated because of the enduring invasion of the African-Americans. In order to get rooms of any sort, newcomers were forced to compete not only against their own people, but also against white tenants, with the result that landlords, both black and white, raised their rents all out of proportion to land values. The blacks in Harlem in 1935 had to pay from one-third to one-half of their incomes for rent. More than half of Harlem's population lived in apartments that cost between $40 and $100 per month while in other parts of the city similar apartments cost from $30 to $50 per month. "Bunching up" became the way of living of several families sharing one apartment. For this reason, fine old dwellings in the neighborhood previously inhabited by New York's best families became ramshackle and poorly maintained.[9]

Since this period, there has been little considerable housing investment in the area except for several projects that were partly or wholly funded by the state. The next time Harlem again appeared in the world press was in 1960s. The articles in newspapers referred to Harlem's transformation into a slum and the area became known as the most notorious symbol of black deprivation in the United States.[10]

Nevertheless, unlike in the case of gentrification, the quantitative and qualitative analysis of the neighborhood of Harlem does not allow determining an exact number of the displaced residents primarily for two reasons. First, the data provided either by decennial census or the triennial New York City Housing Vacancy Survey do not contain the column giving the information about the amount of displacement from

[8] Schaffer, R., Smith, N., p. 351.
[9] Feld, Rose C. "Harlem Riot Attributed to Many Economic Ills." *New York Times*. March 24, 1935.
[10] Schaffer, R., Smith, N., p. 351.

particular sub-borough area or neighborhood. In the same way, the articles in New York Times do not mention a single example of a displaced person, as many of them may have moved out of the city never to be traced by quantitative or qualitative study.

Despite the unavailability of the data, the two recently published research papers attempted to make conclusions about the extent of displacement on the basis of estimates of displaced persons throughout the neighborhoods in the whole city of New York. Surprisingly, even though the estimates do not substantially differ from one another, the views of the authors concerning the issue of displacement are diametrically opposed.

The first study effectuated by Lance Freeman and Frank Braconi agreed with the study of Kathe Newman and Elvin K. Wyly on the lower mobility rates in gentrifying areas. Nonetheless, the study of Freeman and Braconi contains only quantitative analysis of the data from New York City Housing Vacancy Survey. The authors concluded that the process of gentrification actually brings into the neighborhood numerous advantages that make even the poor residents stay.[11] Despite the optimistic conclusions of the authors, Newman and Wyly readjusted their findings and effectuated the qualitative analysis of gentrification and displacement by interviewing the less affluent residents who are struggling to stay within the gentrifying areas. The testimonies of these residents discover that the reliance on solely quantitative set of data cannot draft a thorough picture of gentrification in any neighborhood, in this case in the New York City.[12]

The disagreement even between the scholars exploring the same phenomenon further confirms the intricacy of the whole process not only in case of displacement, but also gentrification. Apparently, the particularities of gentrification and displacement with the advantages and the drawbacks can never be summarized by a single definition encompassing the development of all inner city neighborhoods throughout the United States.

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[11] See Freeman, L., Braconi, F.: Gentrification and displacement: New York City in the 1990s. *Journal of the American Planning Association* 70, 1: 39-52, Winter 2004. http://www.planning.org/affordablereader/japa/vol70iss1.pdf (13. Feb. 2006).

[12] See Newman, K., Wyly, Elvin K.: The Right to Stay Put, Revisited: Gentrification and Resistance to Displacement in New York City. *Urban Studies* 43, 1.: 23-57, January 2006.

2. RISE AND DECLINE OF AMERICAN INNER CITIES

At the end of the twentieth century, deteriorated inner cities in the United States underwent the revitalization and reinvestment wave called gentrification. With the arrival of gentry, another inevitable trend called displacement entered the public debate. Nevertheless, apart from the analysis of these two phenomena in the case study of the neighborhood of Harlem in New York City, it must be described how the American cities and particularly inner cities have experienced both the decline and revival within a single century.

The development of the cities and suburbs in the United States during the twentieth century cannot be viewed solely as a natural phenomenon. The polarization between urban landscape with deteriorated and neglected inner cities and on the other hand wealthy and flourishing suburbs, the overall economic and racial segregation are not the result of a free market reflecting differences in wealth or taste of consumers. The fate of metropolitan area has been also influenced by governmental policies and private sector power.[13]

2.1. Natural Factors

The most significant natural factor influencing the decline of inner cities including Harlem occurred at the beginning of the twentieth century when the poor African Americans arrived into industrial cities in search of employment opportunities. The enterprises in the North were desperately looking for laborers and even sent recruiters to the South to hire poor black tenant farmers. Moreover, the mechanization of agricultural industry as well as the phasing out of the sharecropper system displaced many of the rural poor and accelerated the migration from the countryside to the cities. The labor needs of city factories increased during and after World Wars I and II, bringing even more southern blacks to big cities of the North. This period named Great Migration witnessed millions of poor African Americans moving from the rural South into the northern cities in search of civil rights, jobs and prosperity.[14]

Another natural feature that had a decisive impact on the decline of inner cities represented the automobile industry. Residents no longer needed to live in the proximity

[13] Ross, B. H., Levine, M. A., p. 41.
[14] Ibid., p. 43.

to the streetcar and railroad tracks and started to fill newly emerging suburbs. The automobile allowed residents to live farther away from the inner city.[15] With the boom of suburban growth after World War II, metropolitan areas were reconfigured and lost much of their inner city focus. The shift to a service economy led to further decline of city industrial centers. Numerous cities, among them New York, Philadelphia, Detroit, Cleveland or St. Louis, were hit by the erosion of their economic base in the pos-industrial era. Especially in the last third of the twentieth century, the political economies of these cities suffered from a loss of jobs, a declining fiscal base, budgetary cutbacks, increased racial conflict, a threat of fiscal insolvency and a desperate search for new businesses.[16]

2.2. Governmental policies

Apart from demographic pressures and technological advances, governmental policies also crucially determined the fate of America's inner cities and suburbia. The federal programs introduced in the course of the previous century sought to help Americans buy homes, supported the construction of an interstate highway system and subsidized the construction of hospitals and sewage plants during suburban boom in the post-World War II era. Obviously, the building of a completely new infrastructure and amenities for the suburbs drained the majority of financial resources from the urban area. Subsequently, these federal programs unintentionally produced a doom of inner cities, inhabited for the most parts by African Americans.

The following programs serve as considerable evidence pointing to the persistence and prejudice against blacks and other minorities and to the transformation of these feelings into organized and institutionalized racial discrimination within housing markets.[17]

2.2.1. Federal Housing policies

Among the federal programs that initiated the inner city crisis belongs the Federal Housing Administration (FHA), created by Housing Act in 1934. Its main goal was to

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[15] Ross, B. H., Levine, M. A., p. 42.
[16] Ibid., p. 45.
[17] Massey, Douglas S., Dent, Nancy A.: *American apartheid: segregation and the making of the underclass*. Harvard University Press, Cambridge, Mass. 1993, p. 51.

help middle-class and working-class families to purchase homes of their own. This program provided loan insurance for up to 80 percent of the value of an approved property. In case the homeowner defaulted on a loan, the Federal Housing Administration guaranteed that it would repay 80 percent to the creditor. As the risk of making home loans decreased, financial institutions were willing to finance homes for Americans who would not have received credit in previous era. Another federal program called the Veterans Administration (VA) provided similar assistance to veterans returning after World War II. Under the GI Bill of Rights of 1944, the Veterans Administration insured home mortgages and required no down payment from the buyer. Both federal programs made the purchase of the house increasingly affordable, but only for certain applicants.

The above-mentioned programs promoted the purchase of new homes and consequently the suburban development while the purchase of apartments or the renovation of older houses in the inner cities became largely ignored. The Federal Housing Administration redlined large portions of the city and completely refused to issue loans in the inner city. The disinvestment in urban landscape was written into the agency's Underwriting Manual published in 1939. The Manual instructed federal underwriters not to issue mortgages for crowded neighborhoods, inhabited by African Americans and Hispanics. Such policy contributed to the growing racial and financial divide separating the inner cities from its suburbs. The basic argument of FHA against integrating a neighborhood was that it would jeopardize local property values. Even though FHA changed its policy in 1949, the harm had already been done with the decline of inner cities on one side and the racial homogeneity of suburbs on the other side.[18]

2.2.2. Federal Programs

During the Cold War, supporters of a strong national defense program urged the completion of a national highway network that would enable the quick transport of military personnel and materiel in case of danger or conflict with the Soviet Union. The National Defense Highway Act of 1956 increased the federal share of funding highways from 50 percent to 90 percent. This program also built freeways in urban areas and opened them to massive suburbanization. Moreover, it destroyed viable communities in

[18] Ross, B. H., Levine, M. A., pp. 47-49.

city areas, as highways divided neighborhoods, displaced tenants and cut off residents from local stores. Subsequently, a lot of them left the city. For instance in New York, the construction of the Cross Bronx Expressway displaced a working-class, Jewish neighborhood.

Other federal programs also encouraged suburbanization and the decline of inner cities by issuing generous grants to pay for much-needed hospitals and sewage processing facilities. The program of urban renewal in the 1950s and 1960s was originally intended to redevelop cities. However, the program basically cleared large lots of land, razing homes and apartment buildings in working-class and poorer neighborhoods and enabled the construction of luxury apartments, universities and hospital campuses, and also expanded central business districts.[19]

2.2.3. Local government

Local governments also influenced the polarization between affluent suburbia and on the other hand underprivileged inner city. Each local jurisdiction in the United States has been able to use its control over zoning and land-use policy in order to determine which types of development can take place within its borders.

Local jurisdictions in the suburbs used the policy of zoning to keep out less affluent residents and limit or even ban the construction of subsidized housing for the poor, apartment buildings and townhouses.

The city of New York became the first one to adopt a zoning ordinance in 1916. In the beginning, zoning was perceived as a revolutionary and beneficial process. More specifically, New York's zoning ordinance regulated the use, height, and bulk of all new buildings. It was passed due to the influence of the city's realtors, business interests, and prominent property owners who feared that the further construction of skyscrapers would decrease the value of their surrounding properties.

The zoning ordinances not only protected the interests of the business community, they also assured orderly land development by preventing unsuited land uses like for example the construction of a factory near residential area. Zoning prevented the mixed uses of a neighborhood by designating different sections of a community for different

[19] Ross, B. H., Levine, M. A., pp. 51-52.

uses. Till these days, certain land lots are designated for industrial and commercial uses while other are reserved for residential development.

Zoning has quickly spread into other cities as well and now represents the primary land-use control tool employed by both cities and suburbs. In suburbs, the zoning prevented industrial activities and lower income people from moving into the area. Zoning restrictions also banned or limited the construction of apartment buildings and high-density development. This suggests that poor people together with many middle-class families are excluded in case local zoning ordinances require that homes must be built on large lots and have large-size rooms and other expensive construction features. This process is otherwise described as exclusionary zoning. Conversely, zoning may also bear advantages in form of protecting the neighborhood by limiting the pace of new construction, limiting the excessive height of buildings, or protecting green areas of a neighborhood.[20]

2.3. Private power

Apart from natural factors and numerous governmental policies, the powerful private and corporate actors have also influenced the development of the urban landscape and especially the growth of suburbia. In the mid-twentieth century, landowners and other real estate interests marketed suburbs as part of the idealized "American dream" and further supported the segregation of living environments, often by a series of dishonest tactics. Due to racial steering, realtors avoided merging white and minority home seekers into one neighborhood. Another tactics employed by realtors was blockbusting and panic selling of properties that ensured them the fees and profits made from the quick turnover of homes. In order to force white home owners to sell their homes, realtors would introduce a black family into the neighborhood. Immediately, white home owners were counseled to sell their homes before the neighborhood declined and the values of their homes would be diminished.[21]

[20] Ross, B. H., Levine, M. A., p. 52-53.
[21] Ibid., p. 55.

2.3.1. Redlining

Another practice of private power that in fact caused the decline of inner cities the practice called redlining. This practice was for the first time used by the Home Owners' Loan Corporation (HOLC), a federal program established during the Great Depression in 1933. It provided funds for refinancing urban mortgages in danger of default and granted low-interest loans to former owners who had lost their properties through foreclosure and thus enabled them to regain their homes. Unfortunately, especially for blacks, the HOLC institutionalized the discriminatory practice of redlining, based on a rating system the HOLC developed to evaluate the risks associated with loans made to specific urban neighborhoods. There were established four categories of neighborhood quality and the lowest one was coded with the color red. This "redlined" neighborhood and the next lowest category neighborhood virtually never received loans. The overwhelming majority of loans issued by HOLC went to the top two categories, the highest of which was defined as "new, homogenous, and in demand in good times and bad." The HOLC described the inhabitants of this particular area as "American business and professional men." The second category included the neighborhoods that had reached their peak, but were still desirable and expected to be stable in the future. These rating procedures systematically undervalued older inner city neighborhoods that were exclusively black, or racially and ethnically mixed.[22]

Credit institutions and especially private banks relied heavily on the HOLC system to make their own loan decisions and adopted their procedures in constructing their own maps and ratings. Redlining practiced by private institutions caused that few or even no loans were issued in the neighborhoods that credit officers see as posing greater financial risk. The red line denoted a specific area within which home loans were seen as a risky investment. This practice further supported the disinvestment in the inner cities by taking the money necessary for potential rehabilitation and reconstruction.

Although the public law now prohibits the practice of redlining, mortgage finance institutions in deteriorated neighborhoods extend loans for condominiums and cooperative conversions and deny giving mortgages to landlords who wish to

[22] Massey, Douglas S., Dent, Nancy A., p. 51.

rehabilitate affordable apartment buildings and to inner-city homeowners who want to make major home repairs.[23]

2.3.2. Urban renewal

Private power together with federal government was similarly involved also in the process of urban renewal. This program mainly sought to rebuild slum neighborhoods and improve the living conditions of the poor. However, it had a completely opposite effect on the most deteriorated areas. By the late 1950s, many cities were locked into a spiral of decline largely supported by federal housing policies. The arrival of masses of poor blacks from the south caused the middle-class escape to the suburbs and their isolation from the social problems accompanying the rising tide of the poor. The growing demand for city services and particularly social services made local governments to raise taxes, which further accelerated the flight of the white middle-class. This flight formed a vicious circle by creating additional pressure for tax increases.

Still, most cities were inhabited by middle- and upper-classes. These predominantly white residents of the city were associated with a variety of elite institutions like universities, hospitals, libraries, foundations and businesses. The affluent residents were tied physically to the city by large capital investments and spatially immobile facilities. They realized the steady decline of the physical stock of the city as well as the growth of the black ghettos and asked the federal government for a solution.

The Congress promptly issued two housing acts of 1949 and 1954, which provided federal funds to local authorities to acquire slum properties, assemble them into large parcels, clear them of existing houses and prepare them for renewal. In order to qualify for federal funding, local developers were obliged to supply displaced families with housing reflecting their financial means. Local planning agencies decided to establish public housing projects in order to provide living for large numbers of poor residents. As neighborhoods inhabited by blacks were torn down and blocked the expansion of the ghetto in that direction, public housing was constructed elsewhere, often in other ghetto areas. The result was the construction of high-density units accommodating the

[23] Ross, B. H., Levine, M. A., p. 58.

residents of both neighborhoods, which contributed to the overcrowding, instability of the area and further decline.[24]

Continuing in the 1950s and 1960s, local elites manipulated housing and urban renewal legislation so as to ensure widespread slum clearance in growing black neighborhoods that threatened white businesses and institutions.

Urban renewal destroyed more housing than it built for the reason that the displaced residents were crowded into other impoverished neighborhoods. The program became known as Negro removal, because it only removed minorities from the parts of the city situated near exclusive white neighborhoods. Urban renewal essentially cleared out the poor and minorities who lived in the path of commercial and institutional expansion.[25]

[24] Massey, Douglas S., Dent, Nancy A., p. 54-56.
[25] Ross, B. H., Levine, M. A.: *Urban Politics – Power in Metropolitan America*, pp. 55-60.

3. GENTRIFICATION

The evolution of cities in the United States during the twentieth century was influenced by natural factors, government policies and decisions of private power. The worst urban fiscal crisis took place during the 1970s, followed by a renewed vitality and rebirth of once-deteriorated inner cities and central business districts. The once neglected inner city neighborhoods like Harlem in New York suffering from extensive disinvestment and deterioration suddenly have experienced substantial rehabilitation taking place in the area. The first wave of finance support flowing into the inner city neighborhoods occurred in the late 1970s and 1980s. This period became known as "back to the city" movement, denoting the rediscovery of city life by affluent urban gentry composed predominantly of young workers.[26]

Nonetheless, the term gentrification was apparently coined by Ruth Glass in the study about the city of London: Aspects of Change published in 1964: "One by one, many of the working-class quarters of London have been invaded by the middle classes – upper and lower. Shabby, modest mews and cottages – two rooms up and two down – have been taken over, when their leases have expired, and have become elegant, expensive residences. Larger Victorian houses, downgraded in an earlier or recent period – which were used as lodging houses or were otherwise in multiple occupation – have been upgraded once again... Once this process of 'gentrification' starts in a district it goes on rapidly until all or most of the original working class occupiers are displaced and the whole social character of the district is changed."[27]

In these days, the term of gentrification often refers to a wide range of terms like urban regeneration, inner-city revitalization, neighborhood renewal and rehabilitation, neighborhood reinvestment, back-to-the-city and urban reinvasion and resettlement. Many writers used these terms as a synonym for gentrification and made it a broad phenomenon.

However, the strict definition of gentrification describes it as a transformation process that operates in the residential housing market. To summarize the characteristics of the process in the American cities, it involves class and often racial succession in a

[26] Ross, B. H., Levine, M. A., p. 75.
[27] Schaffer, R., Smith, N., pp.347-348.

neighborhood, where the poor are displaced by more upscale home seekers of a different racial and ethnic background.

Taking into account the arrival of predominantly more affluent residents than were the original inhabitants of the neighborhood, not surprisingly the beginnings of gentrification in any neighborhood were opposed by the local community represented by local activists. Their main concern and objection to the process resulted from the fear of the changing face of the neighborhood without meeting the needs of the indigenous poor and unemployed residents.

Even though the process of gentrification can cure the ills caused by long-term inner city disinvestment, not all neighborhoods are suitable for this kind of rehabilitation. The process is most likely to occur when declining property values make certain inner-city neighborhoods, especially those situated close to the work and entertainment opportunities of a dynamic downtown, suitable for redevelopment.[28]

3.1. Advantages of the process

During the late 1970s and early 1980s, gentrifying neighborhoods were seen as rare exceptions to the more general pattern of inner-city decline. The doubts were spurred especially as a consequence of the long period of outmigration, disinvestment, or neglect in the midst of rapid economic growth and suburbanization taking place since World War II to the early 1970s. Skeptics perceived the process as a temporary interlude. Brain J.L. Berry explained the emergence of islands of renewal as the outcome of metropolitan housing construction and filtering processes that produced vast seas of decay at the urban core. The necessary conditions for "islands of renewal in the seas of decay" were established when removals from the inner-city housing stock outpaced the creation of excess housing supply. Due to this development, the housing markets became tight and the older inner-city housing turned into an attractive and affordable option. The further expansion of islands of renewal was dependent on a rare combination of urbanization trends, reflecting the "apparent contradictions but logical

[28] Ross, B. H., Levine, M. A., p. 75.

links between suburban overbuilding, contagious inner-city abandonment, decreasing vacancies and tightening markets, and gentrification."[29]

However, in these days, gentrification is more widespread and no longer an exceptional trend. As a number of cities in the United States have experienced the process of gentrification, Wyly and Hammel reexamined the study of Berry and suggested that the urban crisis should be looked at as "islands of decay in seas of renewal." In their study, the authors observed the boom of the second wave of gentrification of the late 1990s. The pace of investment has accelerated rapidly and enabled the process of gentrification to restructure the urban landscape for good or for ill.

Wyly and Hammel argued that especially the resurgence of mortgage investment into gentrified neighborhoods signifies a fundamental restructuring of the process. "Capital flows that once decimated the inner city have been redirected and focused on a few highly desirable neighborhoods, as attempts to reach underserved markets have fostered reinvestment elsewhere in the city."[30]

Some casual observers have looked at the new construction and investment activity in inner cities and have concluded that the urban crisis is over due to a wide range of advantages introduced by gentrification. Gentrification has brought a sense of new vitality to previously deteriorated neighborhoods. It also made them attractive for technologically competent residents who make the city a more competitive site for firms in the high-tech, legal, and financial services sectors. It brings new upscale taxpayers to the city and thus expands the municipal tax base. Rising property values in neighborhoods result in greater tax contributions to the city's treasury. Gentrifying neighborhoods also bring new shops and restaurants to a city and increase the quality of daily urban life.

However, as Berry predicted, not all cities across the country have experienced substantial residential resettlement. As it has been already mentioned, gentrified neighborhoods are more typical of corporate headquarters cities with attractive downtowns and tight housing markets. In addition, gentrification is more likely to occur in those inner cities with a stock of housing of interesting architectural character located close to an active downtown offering professional jobs, cultural and nightlife

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[29] Berry, Brian J. L.: Islands of Renewal in Seas of Decay. *The New Urban Reality*: 69-96, 1985, pp. 95-96.

[30] Wyly, E.L., Hammel, D. J.: Islands of decay in seas of renewal: Housing policy and the resurgence of gentrification. *Housing Policy Debate* 10, 4: 711-772, 1999, pp. 762-763.

opportunities. Undoubtedly, the neighborhood of Harlem in New York provides all of the prerequisites for successful and large-scale gentrification. Apart from the city of New York, substantial residential reinvestment was witnessed also Boston, Philadelphia, Washington, DC, Atlanta, Chicago, Denver, Los Angeles, San Francisco, Seattle, and Portland. The private reclamation of residential areas is much more limited in Detroit, Cleveland, Newark and numerous cities of the old South.[31]

3.2. Disadvantages of the process

Apart from a series of benefits introduced by gentrification, there also exist numerous drawbacks. Even in cities where it does occur, gentrification does not automatically lead to a better life for all inner city residents. The conditions of gentrifying neighborhoods can improve without having much effect on the standard of living of initial residents. Gentrification is also least likely to occur in the worst-off poor and minority neighborhoods with the greatest concentrations of poverty and the highest rates of social disorganization.

In the same way, gentrification does not have to draw a wealth of new taxable resources that can be used to improve education and other public services in the inner city. Additionally, "back-to-the-city" nature of the process seems also exaggerated. Gentrification does not really represent a return of affluent suburban households to the inner city. The gentrifiers usually moved from the other parts of the city, some of them may have spent their childhood in the gentrifying areas.

Even though it may seem that the presence of gentrification in cities all over the United States may have ended the trenchant crisis of urban landscape, the process on the whole does little to offset the long-term migration of population and wealth from the inner city to suburbia. Over 80 percent of new homes are still built in the suburbs. Successfully gentrifying neighborhoods provide evidence of city rebirth that masks the continuing nature of urban crisis and decline.

New residents are not always willing to support improved services in other parts of the city and demand service improvement only for their own neighborhoods. Nor are they always willing to support higher taxes for public education and finance the state of

[31] Ross, B. H., Levine, M. A., p. 76.

public schools in inner cities. The reasons are that these new residents either have no children or move to the suburbs as soon as their children are of school age. Or, they simply choose to send their children to private schools and not the poor-quality public schools.

Finally, one of the most debated issues inextricably connected with gentrification is a substantial problem of displacement, which means that existing residents are pushed out to make way for the newcomers. Although the disadvantaged residents may not be pushed out directly or immediately by affluent home buyers, the rising land values and rents make housing increasingly unaffordable for the original less-affluent residents.[32]

Wyly and Hammel argue gentrification is a process that is fundamentally entrenched in class and class transformation, and also inherently geographic in its manifestation. "Class transformation is rooted in long-term changes in the distribution of wealth, income, and educational opportunity, as well as a more complex division of labor, but it is the intersection of these trends in the creation of new geographies that makes gentrification significant for theory and policy."[33]

Less-affluent residents who are displaced must bear the burden of moving elsewhere. However, they often cannot find housing in the same neighborhood at lower prices that they were paying. This burden is especially worrying for the poor, the elderly, and those on fixed incomes.

From the point of view that perceives gentrification as a drawback, gentrification reshapes the deteriorated inner city neighborhoods for more affluent and technologically competent residents who in contest over city space expropriate poorer and minority areas for their own use.[34]

[32] Ross, B. H., Levine, M. A., pp. 76-78.
[33] Wyly, E.L., Hammel, D. J., p. 716.
[34] Ross, B. H., Levine, M. A., p. 78.

4. GENTRIFICATION IN HARLEM

The description of the series of factors influencing the inner cities suggests a complexity and variability of the process. Surely, the same pattern concerning the development of inner city followed by gentrification and displacement cannot be applied on every urban landscape in the same way.

The analysis of gentrification and displacement in Harlem is exceptional for several reasons. First, the neighborhood of Harlem represents a unique internationally known neighborhood, whose transformation from notoriously dangerous ghetto into a marketable neighborhood has been questioned by several studies and continuously reflected in the American press. In addition, the city of New York provides extensive collection of data concerning the demographic and socioeconomic status of its boroughs and sub-boroughs, which enables the thorough analysis of the area. Finally, the process of gentrification and displacement in Harlem is strongly connected to the issue of race in the American society. These racial tensions have had a decisive impact on the pace and extent of the process in the neighborhood.

Apart from definitions and conclusions describing general patterns of gentrification and displacement process, more specialized studies were also published in order to predict and depict this process in the neighborhood of Harlem. The most comprehensive and detailed study is the one written by Richard Schaffer and Neil Smith. In 1986, both authors took into account the census data for Central Harlem from 1970 and 1980 and primarily on the basis of numbers and statistical analysis tried to predict the future of this unique neighborhood.

Exactly two decades after the publication of their article, the new census data from 1990 and 2000 cast a more detailed light on the process and help to discern and compare the predictions of Schaffer and Smith's theoretic approach and the reality. However, the quantitative analysis of the data numbers reflects only the tangible assets while the intangible assets have played an important role as well. To illustrate the character of gentrification in Harlem in a different way, the articles from New York Times serve as a qualitative analysis based on interviews with the newcomers, the residents and real estate agents who reveal their feelings and concerns about the neighborhood.

4.1. Prediction of the gentrification in Harlem

The likelihood of gentrification proceeding in Harlem seemed to Schaffer and Smith as highly challenging in the middle of the 1980s. Above all, Harlem has always been perceived as an international symbol of black culture with two themes dominating its image. First, it is a nostalgic and positive image of Harlem of the Harlem Renaissance or of the Black Panthers. Second, it is negative image of Harlem the ghetto with one of the largest concentrations of black working-class and poor inhabitants in the whole United States. The second image in inseparably connected with physical dilapidation, social deprivation, crime, and drugs.[35]

The case study of the extent of gentrification in an internationally known black neighborhood then focuses on the core part called Central Harlem. In order to predict the extent of gentrification of Harlem, the history of the whole area might help to understand the constraints and obstacles for the future redevelopment as well as the exceptionality of this neighborhood.

4.2. History of Harlem

Originally, it started out as Nieuw Haarlem in the 1650s settled by the Dutch. At that time of course, Harlem did not posses the image of an exclusively black enclave or impoverished ghetto. Subsequently, the English bought the area from the Dutch and turned New Amsterdam into the city of New York. During the eighteenth and nineteenth centuries, the industrial revolution transformed America's economy from agricultural exclusivity to industrial productivity, spurring the unprecedented urban growth. The area of New York City enlarged up the Manhattan Island as well as enlarged the number of city residents.

At that time, Harlem represented a pleasant neighborhood where the wealthier people who could afford horse and buggy ride away from factories, found asylum from the crowded city downtown. The poor workers resided close to the place of work. In 1837, the construction of railroad along Park Avenue triggered the construction of small wooden houses at the eastern end of Harlem. However, blacks still counted for a small part of the whole neighborhood, residing in few blocks along the lowest end of the

[35] Schaffer, R., Smith, N., pp. 350-351.

island, at the present location of Wall Street. From the beginning of the 19th century, blacks started to move slowly into the northern parts of Manhattan. From the mostly small and segregated enclaves scattered all over the island, their growing community with black institutions settled in Harlem at the turn of the twentieth century.

Although originally Harlem had been developed for affluent middle-class Manhattanites, these industrial elites at the end decided to leave the danger and disease of community increasingly occupied by factory workers. Before the construction of the New York Railway lines, only elites used Harlem as a getaway from downtown industrial areas. The railroad enabled commuting from northern parts of the island into the central city. Speculators promptly realized the possibility of even more affluent white residents purchasing their homes uptown and invested their capital into building up Harlem with spacious and expensive tenement houses and apartment buildings for this type of residents. Another fact supporting the view of Harlem as an exclusively white world is the existence of restricted covenants that barred whites from selling or renting across racial lines. These covenants were used by white tenement residents and homeowners in order to keep African Americans out of the area.

Nevertheless, at the same time the developers realized they had exaggerated the interest in this newly built neighborhood. In addition, the economic recession together with competition from the newly annexed city of Brooklyn and other neighborhoods meant that Harlem could not attract the sufficient amount of white middle-class inhabitants. Speculators decided to offer vacant homes to the black residents in order to save their investments. The black residents sold their properties in the southern part of the island like Tenderloin and San Juan Hill and purchased homes uptown from panicking developers. The original black residents were predominantly middle-class Protestants with Victorian values. However, after 1910 during the period of the Great Migration of blacks from rural South into industrial North, the black newcomers to Harlem were perceived as provincial, ignorant and uncultured. The realtors soon realized their inexperience and piled them into small multifamily units even the poorest ones could afford, causing enormous overpopulation of the neighborhood.

As the original restrictive covenants were broken, the white middle-class sold to realtors their properties at low prices in order to avoid living in the same area with blacks. Subsequently, the spacious brownstones were carved up into multifamily units and resold to poor blacks at inflated prices. Landlords were in general indifferent to the

housing needs of new residents and rather let their houses fall into disrepair, helping to create the image of a deteriorated Harlem ghetto.

Despite the cultural revival called Harlem Renaissance of the 1920s, the living conditions in the neighborhood continued to decline. In summary, the industrial revolution in the North followed by huge migration from the South, immigration from the Third World and the finally the departure of middle-class blacks in the 1960s finished Harlem change from affluent white suburban enclave into an overcrowded and deteriorated black slum. The poorest residents were left in the area without the lifelines that stabilize the community like businesses, public services or recreational activities and without the job opportunities that originally attracted them to this place.[36]

4.3. Analysis of Schaffer and Smith

The history of Harlem helps to understand the meaning and the origin of the census data analyzed by Schaffer and Smith. They asserted that even though the history of disinvestment and decline was typical also for other neighborhoods in facing gentrification, Harlem was different in other ways. First, Harlem at the time the study was written represented a solidly black area. According to the 1980 census, 96 percent of all residents were black and heavily black neighborhoods were generally perceived as extremely difficult to gentrify.

Second important difference between Harlem and other gentrifying neighborhoods was its size and density. Harlem's total population was over 300,000 in an area of about only four square miles. In summary, Harlem represented a challenge for gentrification in New York City for the reason that the middle class and especially the white middle class saw it as threatening area, with a universally depressed housing market, possessing a cohesive social and political black identity.

On the contrary, despite the constraints relating to the demographic composition of the area and racial prejudice of white citizens, Harlem's location immediately north of Central Park promised considerable economic opportunities for developers like businessmen or real estate agents who were thinking about taking part in the redevelopment. Harlem represented on the one hand a supreme test for gentrification

[36] Jackson, John L. Jr.: *Harlem World: doing race and class in contemporary America*. University of Chicago Press, Chicago 2001., pp. 23-28.

and on the other hand a threat to original residents who were dependent on the availability of housing at rents below Manhattan market levels.[37]

4.3.1. Gentrification in New York City

Generally, the signs of gentrification were appearing in other neighborhoods in the New York City. During the 1970s, city's population fell from a peak of nearly 8 million in 1971 to just over 7 million in 1980. The same development applied also in Manhattan, whose population fell from 1.54 to 1.43 million but on the other hand, the number of households actually increased by 2.5 percent. The increase in households signified the beginning of gentrification that could have been observed especially in southern and western parts of Manhattan like SoHo, Tribeca, the Lower East Side, Chelsea, Clinton, and the Upper West Side. All these neighborhoods witnessed a considerable rehabilitation of old building stock.[38]

The reasons why gentrification took place in New York at all are connected to the growth of the economy in the city. Broadly speaking, the early 1970s represented a period of economic decline while the late 1970s and 1980s was a period of economic growth. From a peak in 1969, employment in the city declined through much of the 1970s, but the turning point came in 1976, when employment in the financial and service sectors began to increase. This change was associated with an expansion in New York's international functions within a changing global economy. All of a sudden, New York banks played a significant role in the global stock market or in speculative financial trading.

In response to expanding international financial functions in New York City, public development agencies encouraged investment in office blocks to stimulate other parts of the service sector. Subsequently, the growth of city's financial and office sectors created demand for new residential developments in Manhattan and the surrounding boroughs. This demand if fact introduced the gentrification process in New York City.[39]

Nevertheless, the neighborhood of Harlem at that time represented Manhattan's largest concentration of working-class residences with virtually no signs of gentrification. The

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[37] Schaffer, R., Smith, N., p. 351.
[38] Ibid., p. 352.
[39] Lees, L., Bondi, L.: De-gentrification and economic recession: The case of New York City. *Urban Geography* 16,3: 234-253, 1995., p. 236.

reasons that eventually introduced Harlem on the agenda of gentrifying areas were primarily rapidly increasing housing costs and rent levels in Manhattan together with an extremely low citywide vacancy rate of about 5 percent. In contrast, the number of vacant units in Harlem represented 17 percent of the total number of housing units in the area.[40]

4.3.2. Beginnings of gentrification in Harlem

Schaffer and Smith enumerated several reasons that made them focus particularly on Harlem. At first place, Harlem offered a case study of an urban area with an international reputation whose gentrification would represent a historic event. At second place, this case study aimed to document the process of gentrification in its very beginnings in order to provide a base line against which future trends could be assessed. In case the process of gentrification is stopped or fails completely, the study of its origins might help in comprehending the reasons for success or failure.[41]

By this approach of predictions and estimates for the development of Harlem, Schaffer and Smith took a completely reversed approach concerning case study in comparison with other authors who studied neighborhoods only after gentrification was an accomplished fact.

The following theoretical conclusions about the potential effects of gentrification in Harlem are, according to Schaffer and Smith, meant to point in certain directions rather than claiming to prove or disprove specific theoretical propositions.[42] In the same way, the comparison of Schaffer and Smith's findings with census data from 2000 and the articles from New York Times does not mean to criticize their findings but to adjust the process of gentrification to new realities that have been appearing in the course of the two previous decades.

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[40] Infoshare Community Data System. 2000. Community Studies of New York, Inc. http://www.infoshare.org (20 Feb. 2006).
[41] Schaffer, R., Smith, N., p. 352.
[42] Ibid., p. 352.

4.3.2.1. The study area according to census data

As there exist various definitions of Harlem's boundaries, Schaffer and Smith decided to focus on the core of the whole neighborhood called Central Harlem and also defined as Community District 10.

The whole neighborhood of Harlem is generally considered to be the area stretching for two miles north of Central Park in Manhattan, which on the East Side extends south to 96th Street while on the West Side it goes to 125th Street. It includes Manhattan's Community Districts 10 and 11 and most of the northern part of Community District 9. It is the last Community District 9 that makes the analysis of the neighborhood difficult, because the amount of land that belongs to the neighborhood of Harlem does not encompass the whole district.

In the late 1970s and early 1980s, some new redevelopment projects appeared in the eastern section above the 96th Street and another renovation projects occurred in the western section, especially in Hamilton Heights. However, Schaffer and Smith insisted, that the heart of the whole Harlem lied in the central area directly north of the Central Park called Central Harlem. They argued unless this area gentrified, it was improbable that the redevelopment and renovation along the edges would take place, at least to a significant degree.[43]

The adjusted study area of Central Harlem is defined by the boundaries of Community District 10 stretching from 110th Street in the south to 155th Street in the north, and from Fifth Avenue in the east to Morningside and St. Nicholas parks in the west. In Table 1, the statistical profile of Central Harlem population and housing from 1980 compared with the same statistical profile of Manhattan emphasizes the social, physical, and economic contrast between the two and predominantly the deprivation of Central Harlem.[44]

According to the 1980 census, Central Harlem's population was predominantly poor, working class and almost totally black. Since the previous decade, it declined by one third. Overall, Central Harlem had a tiny middle class, a small number of college graduates as well as high-income households. Median rents were 25 percent lower than in Manhattan, one-quarter of housing units were abandoned, and the private housing

[43] Schaffer, R., Smith, N., p. 352.
[44] Infoshare Community Data System. 2000. Community Studies of New York, Inc. http://www.infoshare.org (20 Feb. 2006).

market was soft. The contrast between Central Harlem and the rest of the Manhattan in 1980 was really striking.(Table 1) Despite this unfavorable statistical profile for Central Harlem, Schaffer and Smith tried to convey a more detailed study of the neighborhood in order to set the limits upon the gentrification process in Central Harlem. The analysis of the first signs of social, economic and physical change also attempted to assess the likely effects of the process on the original black residents.[45]

The data from the 1970 and 1980 censuses should have served as evidence for the beginning of gentrification in the area. In particular, Schaffer and Smith examined changes in per capita income, median family income, median contract rent and racial composition.

Per capita income in Central Harlem increased only by 77.8 percent while per capita income in Manhattan increased by 105.2 percent and by 96.5 percent in the whole New York City. On the other hand, median contract rent rose by 113 percent, although this number was much lower than the Manhattan increase by 141 percent and city increase by 125 percent. During the 1970s, the standard of living for Harlem residents fell remarkably and their living standards also decreased. The percentage of blacks remained almost the same that is at 96.1 percent in 1980 compared with 96.3 percent in 1970.

Nevertheless, the disaggregation of the data at the census-tract level provides evidence of the opposite development in the areas situated on the edges of the neighborhood. More precisely in nine tracts, per capita income as well as median contract rent increased above city average, which indicated a change in the housing market as well as a change in the social and economic status of residents. This fact suggested the possibility of gentrification beginning on the borders of Central Harlem.[46]

4.3.2.2. Constraints of gentrification

The analysis of census data from 1980 proved that especially the western corridor of Central Harlem was experiencing the beginnings of gentrification due to above-average increases in income and rent levels. The increasing number of high-income families was reflected by a rapid boost in sales activity. Another convincing sign of gentrification

[45] Schaffer, R., Smith, N., p. 353.
[46] Ibid., pp. 353-355.

was the rising property market and socioeconomic profile in the neighborhood. Next important fact was that in the western corridor, there was neither racial change nor white influx. This suggested that this part experienced a process of black gentrification.

The study emphasized the preliminary character of the process due to the comparison of the sales data for Central Harlem with similar data for other clearly gentrifying areas in Manhattan. From 1980 to 1984, Central Harlem had a total of 635 residential property transactions for a total of $30 million and an average sale price of $47,500. Meanwhile, other clearly gentrifying areas of Manhattan like Yorkville and Clinton experienced much more considerable extent of activity. Yorkville had 121 transactions in 1980 and 1981 for a total of $106.1 million and an average price of $877,000. Clinton had 142 sales in the same two-year period for a total of $46 million and an average sale price of $322,000.

This comparison confirms that gentrification in Central Harlem remained on its edges and on a small scale mainly because the core of this district represented one of the most deteriorated and devalued properties in the whole city.[47]

With the appearance of gentrification on the borders of Central Harlem, the anticipation of change made the residents to divide into two opposite groups. The supporters of this process represented by local municipal officials and public and private real estate developers were promoting possibilities for the renovation of the area. However, at the same time, they also mentioned the necessity of overcoming the constraints and obstacles. The opponents of gentrification feared displacement and the inability of finding an adequate and affordable housing. They claimed once gentrification began in Central Harlem, it would be difficult to stop.

The study introduced a set of constraints that would have decisive impact on the success or failure of gentrification in the area. Those constraints were the supply of gentrifiers, the negative image of Central Harlem, building size and zoning limitations, and the supply of private mortgage financing.[48]

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[47] Schaffer, R., Smith, N., p. 357.
[48] Ibid., p. 358.

4.3.2.2.1. The characteristics of gentrifiers

The newspapers in the 1980s published reports about white gentrifiers coming to Harlem. In 1984, the Washington Post depicted the white gentry and its unfriendly reception in the neighborhood.[49]

Nonetheless, the census data confirmed that the majority of people involved in the redevelopment in Central Harlem were black. Another proof apart from the census statistical profile of the neighborhood confirming the overwhelmingly black participation was the 2,500 applications received for the first round of the City sealed bid auction of which approximately 80 percent were black.

Despite the initial involvement of black residents, Schaffer and Smith doubted that the composition of gentrifiers would remain the same for several reasons. The 1985 City auction was open only to households with substantially higher incomes. The housing market required rehabilitation costs of more than $135,000 for a medium-sized townhouse, and this required a minimum annual household income of between $50,000 and $87,500 for potential gentrifiers. According to the census data from the 1980, only 262 households in Central Harlem had incomes above $50,000 and the in the whole Manhattan, the number of black households earning more than $50,000 did not exceed 1,800. For this reason, the study predicted that gentrification in Central Harlem would require the supply of gentrifiers from other areas. A study of E. M. Green Associates in 1981 concluded that non-Harlem blacks could fill the economic vacuum in the neighborhood. Nevertheless, the empirical research on the origin of gentrifiers suggested that few of them actually returned from the suburbs. Schaffer and Smith predicted that the potential gentrifiers could be found among New York City residents but the total number of black households earning more over $50,000 was only 8,000 for the whole urban area. Given this fact, the authors concluded that black households could represent the beginnings of gentrification in Central Harlem but the wholesale rehabilitation of district's properties would necessarily involve a considerable influx of middle-class and upper-class whites. This particular presumption was limited by the second constraint, the image of Central Harlem.[50]

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[49] Hornblower, M. "Painful 'Renaissance' in Harlem." *The Washington Post*. July 31, 1984.
[50] Schaffer, R., Smith, N., p. 359.

4.3.2.2.2. The negative image of Central Harlem

The perceptions of white middle-class and upper-class of the area of Central Harlem were critical. The image of a dangerous and threatening neighborhood was firmly rooted in the minds of potential second-wave gentrifiers who considered it as an exclusively black-defined geographical space in the city. During the 1980s, it seemed impossible to disentangle white middle-class and upper-class fears connected with racist perceptions. Even though the ideological image and reality differed, the image of Central Harlem was a trenchant one predicted to remain also in the following years. The image of the area thus represented the most immediate barrier to white influx of gentrifiers.[51]

4.3.2.2.3. Building size and zoning in Harlem

Given the state of housing in the neighborhood, gentrification of Central Harlem has always been perceived as dependent on the successful rehabilitation and redevelopment of the large stock of tenements and vacant lots as well as the reconstruction of area's townhouses and brownstones. The rehabilitation of tenements was expected to be financed and executed by private developers, as the public subsidies were not available at that time. Authors of the study seriously questioned the economic attractiveness of rehabilitating the area for private developers. Moreover, almost all residential lots were zoned for relatively low-density development, which in effect limited new construction to about six stories. On the other hand, even though private developers preferred to build large apartment houses in order to get the highest returns, relatively low land prices in the area might have enabled them to construct town houses and low-scale apartment building. [52]

4.3.2.2.4. The supply of private mortgage financing

In 1986, the mortgage data showed the scarcity of private institutional financing in the area. Schaffer and Smith insisted that without substantially increased private financing, large-scale rehabilitation and redevelopment would not occur. As the whole

[51] Schaffer, R., Smith, N., p. 359.
[52] Ibid., pp. 359.

neighborhood of Harlem was redlined, the extent to which private financial investment would begin to flow in the Central Harlem housing market was extremely difficult to predict.

The constraints and limits concerning gentrification in Central Harlem seemed considerable but not impossible as there had been forces pushing for the redevelopment and rehabilitation of housing stock. Among them was the advantage of Central Harlem's location and transportation access. The increasing influx of professional, managerial, and administrative employment expanding in Manhattan was expected to tighten the housing market and make of Harlem an increasingly attractive target for gentrifiers due to lower rents and land values in relation to the rest of Manhattan. Given the location and economic benefits, Schaffer and Smith still doubted the possibility of overcoming the previously mentioned constraints concerning gentrification.

An important role was attributed to the City that owned over 35 percent of Central Harlem housing stock and another 26.4 percent was either public or built with public assistance. Only 38.4 percent belonged to private ownership.

The strategy that emerged during the 1980 was to bolster the areas where the private market was becoming active, for instance in the western corridor and to use anchor areas to the south and the north in order to encircle the heart of Harlem and then possibly continue with gentrification even in this most difficult area.[53]

4.3.3. Results and predictions for Harlem

Based on the initial stages of gentrification taking place especially in the western corridor of Central Harlem, Schaffer and Smith claimed that little momentum had been achieved and tried to provide an empirical base for evaluating the future trends.

Taking into account that New York City owned a vast stock of abandoned buildings and undeveloped land available for rehabilitation and redevelopment, the process of gentrification was perceived as not threatening low-income residents with displacement.

The following two points were seen as the most important. First, Central Harlem would have to attract a large number of outside residents, most of whom might be black at the initial stages of gentrification, but many of whom would necessarily be white, as the

[53] Schaffer, R., Smith, N., p. 359-360.

process would evolve. Second, the neighborhood would have to attract more private financing. However, once Central Harlem would be transformed from depressed area to a fashionable one, this would ultimately mean that the large numbers of residents would face displacement as the process of gentrification would not be able to stop at a limited level.

Schaffer and Smith emphasized the tentative of conclusions of their study, which did not inevitably predicted Central Harlem to become an exclusively white neighborhood. The future of the neighborhood was seen as dependent on national and New York City housing markets and the effectiveness of political opposition. In case the housing market remained strong and opposition was weak, then gentrification would extend more considerably.[54]

Interestingly enough, both authors concluded that for Central Harlem residents, the process of gentrification was a "Catch 22." "Without private rehabilitation and redevelopment, the neighborhood's housing stock will remain severely dilapidated; with it, a large number of Central Harlem residents will ultimately be displaced and will not benefit from the better and more expensive housing. They will be victims rather than beneficiaries of gentrification."[55]

4.4. Comparison with census data and the New York Times

In the year 2006, the presence of extensive gentrification in Harlem can no longer be questioned. After two decades since the study of Schaffer and Smith based on the publication of 1970 and 1980 census data, we may use the subsequent 1990 and 2000 census data as well as the data from New York City Housing Vacancy Survey. Both sets can be found on the webpage www.infoshare.org that allows creating different tables according to conditions chosen by the subscriber.

The profiles of all community districts published by the Department of City Planning in New York City also clarify the differences concerning tentative conclusions of the authors and the real situation in Central Harlem.

However, the purely pragmatic approach of quantitative analysis based predominantly on numbers and data about the area could not reveal for instance personal motivations

[54] Schaffer, R., Smith, N., pp. 362-363.
[55] Ibid., p. 363.

and feelings of gentrifiers coming to live in the neighborhood of Harlem. The subsequent qualitative analysis of the series of articles about Harlem published in New York Times facilitates the understanding of the whole process.

4.4.1. Reexamination of Central Harlem data

The reexamination of data from 1970 and 1980 is facilitated by the detailed report of Central Harlem effectuated by the Department of City Planning in New York during the decennial census. This Department is responsible for the city's physical and socioeconomic planning, including land use and environmental review; preparation of plans and policies; and provision of technical assistance and planning information to government agencies, public officials, and community boards. The responsibilities of the department include advising and assisting the Mayor, the Borough Presidents, and the City Council in regard to all matters related to the development and improvement of the city, as well as assisting the Mayor in the preparation of strategic plans that have long-term implications for the city.

The Department is also in charge of land use analysis in support of the Commission's review of proposals for zoning map and text amendments; special permits under the Zoning Resolution; changes in the City Map; the acquisition and disposition of city-owned property; the acquisition of office space for city use; site selection for public facilities; urban renewal plans and amendments; landmark and historic district designations; and community-initiated plans under Section 197-a of the City Charter.[56]

The series of tables published by New York City Department of City Planning provides a detailed characteristic of Manhattan Community District 10 also known as Central Harlem. The tables contain demographic as well as economic characteristics of the district disaggregated according to the individual tracts. This detailed analysis also enumerates the number of redevelopment and rehabilitation projects mentioned in New York Times.

Table 2 contains the information about total population in Harlem in 1990 and 2000 and confirms the increase by 7.6 percent in the number of residents from 99,519 to 107,109. However, in order to make a decisive conclusion about the nature of gentrification, we

[56] Our Mission. *New York City Department of City Planning.* http://www.nyc.gov/html/dcp/html/subcats/about.shtml (21 Apr. 2006).

need to get the more detailed analysis of the demographic composition. Subsequently, the table disintegrates the number of total population on the basis of race origin of the residents.

If we take into account one of the most important conclusion from Schaffer and Smith's study concerning the inevitability of the influx of white gentrifiers in the second wave of gentrification, we may see that this estimate does not reflect the reality at all. Even though the number of white residents in Central Harlem increased by 44.9 percent during the 1990s, they still represent no more than 2 percent of the area's population. Another race included in the statistics are naturally blacks or African Americans. Their population decreased by 5 percent in this particular decade but they still embody the major part of the neighborhood. Other races, which have not been even mentioned or considered, by Schaffer and Smith were for instance Asian or Pacific Islander residents. They have experienced the change mounting to 145.5 percent increase but their number represents only a tiny amount of 0.9 percent of the whole neighborhood. American Indian and Alaska Native residents and other races represent only 0.5 percent of the total population. Even though these races stand for just a small amount of residents apart from the white and black majority, their increase during ten preceding years may serve as a prediction towards the future demographic composition.

Nevertheless, one particular race that has been changing considerably the demographic image of previously solidly black area of Central Harlem is the Hispanic one. The number of Hispanics in this neighborhood increased by 79.2 percent from 1990 to 2000 and with the number of 18,019 residents, they represent a 16.8 percent of the total population.

Apart from demographic changes, the housing changes also prove impact of gentrification on the composition of housing stock. Table 3 proves the number of total housing units increased from 47,054 in 1990 to 53,261 in 2000, which makes a whole of 6,207 housing units while the number of residents in Central Harlem increased only by 7,590. This fact also demonstrates the process of gentrification, which causes that the household size of the occupied housing units actually diminishes. According to demographic profile from 2000 about the population division, we can see that the majority of households were represented by 1-person and 2-person households. This change means that the initial large black families are being replaced with another type of householders. Still, the number of family households exceeds the number of

nonfamily households, even though the latter represent 48.3 percent. The closer look at the type of particular family households surprisingly reveals that the highest number are female householders with no husband present that represent 30.3 percent of total households, followed by married-coupled family households and male householders with no wife present.

The findings based on the 1990 and 2000 census data completely differ from the original conclusion of Schaffer and Smith who insisted on the substantial presence of white gentrifiers in the area once the process evolved considerably. However, as I've previously mentioned, the sterile numbers concerning the development of Central Harlem do not and cannot reveal why the original tentative conclusion of Schaffer and Smith based on the assumption of low incomes of black residents in the New York City are not relevant after two decades.

The Department of City Planning in New York City published an extremely detailed map of Central Harlem that divides the whole neighborhood into 30 tracts and provides a detailed data for every one of them. Among the detailed characteristics of these census tract for Central Harlem belong the following tables: Change in Total Population, 1990 to 2000; Total Population by Mutually Exclusive Race and Hispanic Origin, 2000; Total Households by Household Family Type, 2000; Age and Nativity, 2000; Income and Education, 2000; Employment Status for Population 16 and Over, 2000; Total Housing Units & Occupancy Status, 2000; Number of Units & Age of Structure, 2000.[57]

The previous decomposition of the data on census tract level is going to facilitate the tracking of the information mentioned in the articles published in New York Times concerning the for instance the supply of gentrifiers or the type of rehabilitation and redevelopment projects that have been taking place in Central Harlem.

4.4.2. The gentrification of Harlem in the New York Times

One of the articles dealing with demographic composition of Harlem was written by Janny Scott. She basically confirms the changes occurring in the whole neighborhood that are on the other hand inseparably connected with residents' aspirations and anxieties about class, culture and race. Surprisingly, these fears echo the same

[57] Manhattan Community District 10. *New York City Department of City Planning*. December 2004. http://www.nyc.gov/html/dcp/pdf/lucds/mn10profile.pdf (13 Mar. 2006).

perceptions and prejudice of whites during an earlier decade of racial change in the neighborhood taking place at the turn of the twentieth century, mentioned by Monique Taylor.[58]

On the one hand, residents of Harlem appreciate restored buildings and new businesses introduced due to revival of Harlem. However, in 2001, the small but growing number of white outsiders initiated talks about displacement.[59] As we can see from the 2000 census, the total number of whites represented only 2 percent and the question remains whether the residents really feared the possibility of displacement or based their statements on the racial perceptions of white population.[60]

Scott reminds that this kind of racial integration represented by the arrival of the whites into the predominantly black area signifies a completely reverse form in a country in which integration has meant blacks moving into white areas. For this reason, racial integration in Harlem is getting a mixed reception especially by economically impoverished and socially vulnerable African-Americans. Jonathan Rieder, a sociologist at Barnard College who specializes in race and identity confirmed in the article: "...African-Americans, with their long memory of exclusion from white neighborhoods, have much invested in a feeling of comfort with their own kind."

This neighborhood is in some ways unique because of its history and symbolic importance for blacks, a fact that further complicates the attitudes towards the anticipated demographic change. Moreover, the white population is accused of leaving Harlem in the 1960s when the deterioration of the area reached the point.

Nevertheless, the attitudes in Harlem vary and it is impossible to generalize about the views of homeowners and renters, old timers and newcomers or business owners and customers. In Harlem, when middle- or upper-middle-class people move into lower-income, minority community, what takes place is as much class as racial integration. Previously when black people moved into white neighborhoods, there were in most cases little income or class differences.

Whites in the previous era may have feared that the arrival of blacks would provoke white flight and depressed property values while residents of gentrifying neighborhoods

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[58] Taylor, M., p.6.
[59] Scott, J. "White Flight, This Time Toward Harlem." *New York Times*. February 25, 2001.
[60] Manhattan Community District 10. *New York City Department of City Planning*. December 2004. http://www.nyc.gov/html/dcp/pdf/lucds/mn10profile.pdf (13 Mar. 2006).

fear rising property values that might eventually force them out. Even if the displacement does not occur, blacks may worry about a loss of political control and the erosion of customs, rituals and institutions that have been defining their lives.

Another criticism concerning gentrification apart from racial change involves the uneven spread of its benefits. Even if the process brings local economies back to life, the community improvement is seriously questioned in case gentrified projects like the schools and hospitals on which longtime lower-income residents depend, continue to decline. Communities all over the United States are being criticized for demanding two contradictory things. On the one hand, they seek higher-income residents to improve their neighborhoods, but on the other hand they want their neighborhood to remain affordable, to retain existing residents.[61]

The enumeration of expectations and constraints resulting from perception of black residents in the area may be diminished by the fact that the majority of the population still represents the African Americans with even more of them coming to the neighborhood and acting as urban gentry.

4.4.2.1. The characteristics of gentrifiers

4.4.2.1.1. Black gentry

The closer look on the interviews with African American gentry in Harlem facilitates the understanding of its origin, as the initial assumption of Schaffer and Smith predicted the limited extent of black gentrification involved in the redevelopment of the neighborhood.

The article by Lisa W. Fodarero published in 1998 revealed some of the stories hidden behind the numbers in tables for the percentage of African American population in the area.

One of the African American gentrifiers is Howard Sanders, who earned a degree form Harvard Business School, subsequently a position with a high-powered Manhattan investment firm and an apartment on Central Park West. However, he wanted to own a home in Harlem, where he had grown up. Mr. Sanders moved together with his wife and daughter into a five-bedroom brownstone on West 147th Street.

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[61] Scott, J. "White Flight, This Time Toward Harlem." *New York Times*. February 25, 2001.

Fodarero reminds what started in the early 1990s as a drop of young African-American lawyers, doctors, professors and bankers moving back to Harlem and other historically black neighborhoods seemed to gained momentum at the end of the 20th century. Black professionals were acquiring brownstones off avenues named for black leaders. Apart from renovation investments, they were also looking to bring the amenities they had previously find in SoHo or the Upper West Side to neighborhoods that were still marked by abandonment and scarcity of shops and restaurants despite the ongoing process of gentrification.

Among the factors that attracted the influx of affluent young black professionals to Harlem were predominantly falling crime rates, relatively low housing prices, striking residential architecture and signs of economic renewal. Those factors belong to the tangible assets of the neighborhood. Nevertheless, there exist a series of intangible assets that have also played a role as well like Harlem's place in the black consciousness, a new generation's changing sensibility about integration or simple idealism. The last asset is based on the fascination with the Harlem of legend and folklore or the image of the neighborhood depicted by the authors of Harlem Renaissance. Apart from idealism, the return of the affluent blacks during the 1990s reflects frustration by the condition of black people in the society despite the progress of many members of the professional class. By returning to the neighborhood, African-American professionals attempt to make some kind of contribution by their physical presence. Dr. Michael E. Jones decided to move to Harlem after receiving a medical degree from Columbia University. He said: "It was important for me to be in Harlem because I needed a sense of purpose. Being in Chelsea, or TriBeCa or the Upper East Side, I wouldn't feel that my presence could make a difference. Children on my block say, 'Hey, Doc.' They see me working hard. And because they can see it and touch it, they may feel it's something they can attain."

Various real estate brokers estimate that the number of black gentrifiers arriving in Harlem and buying up row houses and condominiums represent from 70 to 90 percent of all customers.[62]

As the major part of the community opposition to gentrification has been framed around black versus white racial lines, the arrival of black gentry is seen as different from the white influx and as a necessary part of the redevelopment process. Even though some

[62] Fodarero, Lisa W. "For Affluent Blacks, Harlem Pull Is Strong." *New York Times*. September 18, 1998.

residents of Harlem distinguish middle-class African-Americans from white gentry, others disagree with this view. Disagreements concerning the return of a black middle class as well as the black versus white gentrification provide evidence that simple lines of race and class cannot determine insider and outsider positions.

The voices of community insiders make clear that there exist multiple views of Harlem as a black community, the role of middle-class blacks and whites in the community, and the value of Harlem's heritage as an international cultural symbol of black America.[63]

The contribution of black gentrifiers to a more collective and complex process of redevelopment takes many forms. Through symbolic uses of the community, these black gentrifiers struggle to make transition from community outsiders to insiders. Their struggle reveals a range of interesting dilemmas behind the insiders versus outsiders, black versus white dichotomies that have been used to frame resistance to or support of gentrification in Harlem. [64]

The black middle-class gentry receive the greatest support from long-term residents, community activists, realtors, and redevelopment officials because their arrival is seen as a least threat to the history and identity of the community.[65] More importantly, for black middle-class gentrifiers, the double consciousness defined by W.E.B. Du Bois – that "sense of always looking at oneself through the eyes of others" – is doubled. Middle-class black gentry see themselves through the eyes of black and white others. They are insiders and outsiders in black and white worlds. Their clothing, cars, pronunciation, habits and work schedules are under the surveillance of two sets of eyes. But different codes, rituals, responses, and knowledge are required for membership and belonging either here or there, uptown and downtown. This dilemma necessitates switching and a "double double" consciousness.[66]

4.4.2.1.2. Hispanic gentry

The study of Schaffer and Smith took into account the Central Harlem or the Community District number 10. Nevertheless, the area of the whole neighborhood of Harlem comprises also the East Harlem known as the Community District number 11

[63] Taylor, M., p. 54.
[64] Ibid., p. 55.
[65] Ibid., p. 59.
[66] Ibid., p. 173.

and part of Hamilton Heights, which is in other words the Community District number 9.[67] While the census data on Central Harlem proved that this particular district stays predominantly inhabited by African-Americans and thus the original characteristics of the neighborhood is preserved, the demographic composition of Hamilton Heights and above all East Harlem has been changed by gentrifiers of Hispanic origin.

The demographic structure can be again analyzed on the basis of the Census data published by the Department of City Planning and the particular decisions of gentrifiers are well described in the articles published in New York Times.

The study issued by the New York City Department of City Planning concerning demographic and household characteristics of Asian and Hispanic subgroups actually defines the major Hispanic subgroups in 1990 and 2000 as Puerto Rican, Dominican, Mexican, Colombian and Ecuadorian. The decomposition of particular subgroups by census tract in year 2000 on the map proves the presence of Puerto Ricans in East Harlem with the concentration of more than 2000 residents by census tract. Other subgroups like for instance the Dominicans can be also found in East Harlem but they do not represent the majority of Hispanic origin.[68] The profile of East Harlem furthermore reveals the exact number of residents of Hispanic origin mounting up to 52.1 percent in year 2000. The second most densely represented race is African Americans with 35.7 percent.[69]

Joseph Berger in New York Times further described the life of the Hispanic community in East Harlem and predominantly the origin of Puerto Rican gentry. This group is predominantly composed of professionals, artists and intellectuals who settled in East Harlem after World War II but moved away in the era when housing abandonment and drugs spread in the whole neighborhood. Their return at the turn of the twenty-first century has brought new life into the area they call El Barrio. The once abandoned buildings have been renovated and have enriched the cultural life of the area with art galleries, fashionable restaurants and cafes. This movement back to El Barrio is in the words of the returnees a philosophical crusade to keep Spanish Harlem the Puerto Rican heartland in the United States.

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[67] Community District Profiles. *New York City Department of City Planning*. http://www.nyc.gov/html/dcp/html/lucds/cdstext.shtml (21 Apr. 2006).
[68] Demographic/Household Characteristics & Asian and Hispanic Subgroups. *New York City Department of City Planning*. 2000. http://home2.nyc.gov/html/dcp/pdf/census/nyc20002.pdf (20 Mar. 2006).
[69] Manhattan Community District 11. *New York City Department of City Planning*. December 2004. http://home2.nyc.gov/html/dcp/pdf/lucds/mn11profile.pdf (15 Mar. 2006).

The lives of Puerto Ricans reflect to a great extent the experience of African Americans in Central Harlem who also got education, better jobs and want to come back to their community. These Puerto Ricans are the precursors of a wider gentrification that is changing face of East Harlem just as it has changed the face of Central Harlem.[70]

Other racial groups coming to East Harlem are whites representing 7.3 percent and Asians and Pacific Islanders with 2.7 percent of the total neighborhood population according to 2000 census.[71] These gentrifiers crossing the once Berlin-Wall-like demarcation of East 96th Street are mostly young singles attracted by housing prices much cheaper than elsewhere in Manhattan.[72]

4.4.2.1.2.1. Changing look of East Harlem

Similarly like in case of Central Harlem, the gentrification in East Harlem has also started to change its demographic composition and the look of the neighborhood.

The arrival of Puerto Rican gentry can be also reflected in terms of the neighborhood's median household income which climbed to $22,110 in 2000 from $20,110 in 1990. However, the new demographic composition of East Harlem causes that it is rapidly loosing the accent and influence that had once defined it.[73] According to decennial census count of major Hispanic subgroups in New York City and the map of tracts, we can see that during the 1990s the number of Puerto Ricans decreased and this particular subgroup was replaced by Mexicans and Dominicans.[74] Joseph Berger confirms that the number of Puerto Ricans in Community District 11 dropped to 34,626 from 42,816 in this decade. They have been leaving for leafier quarters in New Jersey or Queens.

Other newcomers attracted by East Harlem reconstructed housing units are whites and Asians. Even though they represent only a small part of the total population, their numbers are rising sharply.

The same concerns about gentrification and displacement have been arising both in Central Harlem and East Harlem. The residents of East Harlem also admit that

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[70] Berger, J. "A Puerto Rican Rebirth in El Barrio." *New York Times*. December 10, 2002.
[71] Manhattan Community District 11. *New York City Department of City Planning*. December 2004. http://home2.nyc.gov/html/dcp/pdf/lucds/mn11profile.pdf (15 Mar. 2006).
[72] Berger, J. "A Puerto Rican Rebirth in El Barrio." *New York Times*. December 10, 2002.
[73] Ibid.
[74] Demographic/Household Characteristics & Asian and Hispanic Subgroups. *New York City Department of City Planning*. 2000. http://home2.nyc.gov/html/dcp/pdf/census/nyc20002.pdf (20 Mar. 2006).

gentrification has been raising rents. Even though the community leaders affirm that prosperity has meant more jobs and flowering of local shops, they worry that Hispanics working as cooks or bus drivers will be driven out due to their low wages. Another serious question raised about gentrification is whether it will so prettify the area that the very flavors that originally attracted people will fade.[75]

The concerns of Puerto Ricans about the changing face of once Puerto Rican dominated neighborhood are reflected in the article by Ed Morales, who himself spent his childhood in El Barrio. He asserts that albeit Puerto Ricans still represent the most populous Spanish-speaking group in New York City, they can sometimes feel like an afterthought in the East Harlem. The interviews with neighborhoods Puerto Rican residents confirm their feelings that new luxury high-rise developments like the Monterrey and Carnegie hill Place are pushing back the ghetto flavor which is actually threatened with extinction.

The changing face of East Harlem is due not only to the real estate charge from south of 96th Street but also to an influx of Latino immigrants. However, the other Puerto Rican residents claim that the inhabitants of the whole neighborhood should unite whether they are Colombians, Mexicans, Dominicans or Puerto Ricans in order to preserve the face of Spanish Harlem.[76]

4.4.3. The housing market

Schaffer and Smith also examined the strength of the housing market in Harlem. In connection with the housing market and the developments of housing prices, the residents fear displacement. In fact, according to the article of Lisa M. Fodarero, brokers operating in Harlem had already observed the effects of Harlem's pull in 1998 as housing prices in West Harlem rose by 20 percent from 1993 to 1998. Although the deteriorated brownstones were extremely hard to market in the early 1990s, at the end of the same period, they were selling briskly at prices ranging from $80,000 for an abandoned one to $450,000 for a house in a perfect condition. The majority of these brownstones typical for the neighborhood were built prior the Harlem Renaissance. During this period, many blacks decided to live in Harlem because it had a surplus of

[75] Berger, J. "A Puerto Rican Rebirth in El Barrio." *New York Times*. December 10, 2002.
[76] Morales, E. "Spanish Harlem on His Mind." *New York Times*. February 23, 2003.

rental apartments. Even though during the era dating from 1930s till 1960s large numbers of black professionals left Harlem, a small middle-class presence remained through the decades.[77]

4.4.4. Private financing and the sense of the community

Nevertheless, despite the pull factors mentioned in the previous paragraphs like the reasonable prices of housing stock or the idealistic images of Central Harlem in gentrifiers' minds, there appeared drawbacks of the community represented by the lack of stores and services.[78] The presence of these amenities serves not only for the practical purpose of not having to commute to the other parts of the town but also contributed to the much more important sense of the community. Jane Jacobs wrote that the number of opportunities people have to cross paths with their neighbors correspond with the quality of life in the neighborhood. In other words, the pattern of intersecting lines can be created by a good coffeehouse, a friendly restaurant or a variety of neighborhood shops. These lines might not otherwise cross. They transmit the vital information of a community into the homes where it has weight.[79] In other words, the introduction of new businesses can in fact create a sense of home within one's own community.

John Leland in his article about Harlem gentry published in 2003 describes the various amenities that actually make from the neighborhood a highly valued and livable space. The list of these amenities proves the fact that the gentrification of Central Harlem doubted by Schaffer and Smith yet achieved its momentum and is going to continue even in the future.

Leland mentions some of the new development or amenities previously built in the area like a café called Settepani at Malcolm X Boulevard and 120th Street; Native, a fusion bistro also situated at Malcolm X Boulevard and 118th Street and Xuxuma, a design boutique near 119th Street. Together with a new hair salon and day spa called Turning Heads situated up the Lenox Avenue, and a clothing shop called Harlemade farther

[77] Fodarero, Lisa W. "For Affluent Blacks, Harlem Pull Is Strong." *New York Times*. September 18, 1998.
[78] Ibid.
[79] Jacobs, J.: *The Death and Life of Great American Cities*. Random House Inc., New York 1961. pp.132-135.

down, all but Settepani were opened after the year 2000 by people from the neighborhood. The residents of Harlem subsequently feel more pride in the area.[80]

According to Jane Jacobs, a neighborhood exists both in the public imagination and on the urban grid.[81] In both realms, Harlem possesses a rich cultural history and an alluring stock of brownstones. Nevertheless, on the level of the grid, the neighborhood lacks some basic urban amenities like a good dry cleaner or the florist and until the opening of Settepani, it lacked a good neighborhood café.

The story of Harlem's revival is generally told in terms of the big chains sparkling along 125th Street including Old Navy, Staples or Starbucks or in terms of the restoration of the brownstones once occupied by the rich and powerful residents of New York City. Nevertheless, the big chain stores and historic brownstones occupied by famous neighbors also in these days do not provide the connections that make a neighborhood a neighborhood.

John Leland further mentions the possibility of predicting cultural trends in New York. One way is to examine the needs of the real estate market. For instance in the 1970s, the East Village and the Lower East Side needed pilgrims in order to fill buildings vacated because of drug traffic or urban blight. With the emergence of pilgrims, the culture produced punk rock, which brought masses of creative young people as well as a number of squatters who claimed the abandoned housing units. Nonetheless, these residents helped to revive the neighborhood and drive up property values. In Harlem during the 1990s, when decaying brownstones called for new residents, the culture produced the "ghetto fabulous" ethos of hip-hop celebrating Harlem boulevards as the Tigris and Euphrates of urban hip. From this viewpoint, the appearance of amenities in Harlem both reflects and facilitates the real estate boom during which the price of a shell increased from under $100,000 to around $750,000 in less than a decade.[82]

Even though the supply of private financing might cause the increase of real estate prices, it also brings an important set of amenities that create the sense of the community for the whole neighborhood. The importance of private financing in forms of small businesses was mentioned as an indispensable condition for large-scale gentrification by Schaffer and Smith. The small businessmen involved in gentrification

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[80] Leland, J. "A New Harlem Gentry in Search of Its Latte." *New York Times*. August 7, 2003.
[81] Jacobs, J., p. 136.
[82] Leland, J. "A New Harlem Gentry in Search of Its Latte." *New York Times*. August 7, 2003.

are from this viewpoint more important than the construction projects of big chains which bring the process of gentrification to another level.

4.5. Gentrification versus supergentrification

The emergence of gentrification in Harlem has been completely changing its look from a deteriorated ghetto with abandoned or decayed housing units to a fashionable neighborhood flourishing with new housing and retail projects. In view of this reconstruction and rehabilitation which have been taking place also in other cities in the United States, the process of gentrification has to be adjusted as its original meaning does not reflect the reality at the beginning of 21st century. Actually, the revised look upon gentrifying neighborhoods distinguished between the initial stage of gentrification and the following one of supergentrification.[83]

4.5.1. Gentrification process

The significant stage of gentrification in New York City connected with housing renewal was initiated in 1994 by Giuliani administration that selected 21 teams of developers to transform 50 abandoned buildings and vacant lots in Harlem into housing, day care centers and stores. The administration aimed to divest the city of thousands of properties acquired from tax-delinquent landlords over the decades and thus restore them to private ownership. Since 1994 to 2000, the number of city-owned buildings was reduced from 4,755 to 2,535. Although the administration operated citywide, the Harlem neighborhood situation seemed the most difficult as 65 percent of the properties were in city hands by the mid-1970s. However, the number of city-owned vacant buildings dropped from 615 in 1994 to 45 in 2000.

The developers were screened by the Department of Housing Preservation and Development and given final approval by the mayor. Most of the proposals included housing units like apartments, condominiums and co-ops as the housing stock in the area suffered from the abandonment and neglect for several decades. In order to prevent displacement of the less affluent residents, out of 1,643 units, 990 were reserved to owners, not renters, as the Giuliani administration planned to increase Harlem's

[83] Ross, B. H., Levine, M. A., p. 78.

homeownership rate, which stood at just 10 percent while the citywide rate was 31 percent. Another condition that should have guaranteed fair policy was the introduction of housing lottery in which residents of Harlem were given preference for 30 percent of the units and the housing was intended for a range of incomes.

An evidence of gentrification in Harlem also suggested the supply of private financing which again confirms the conclusion of Schaffer and Smith. Most of the proposals for redevelopment in the neighborhood relied on private financing from banks and other sources of capital. The only city subsidy guaranteed was the land itself transferred for a nominal fee. The presence of private financing caused the revaluation of the properties the city once would have had trouble giving away. However, this particular change in the response of the housing market would not have happened if there had not been a notable improvement in the quality of Harlem's life.[84]

4.5.2. Supergentrification process

The first wave of gentrification was thought of as a process that started when a few urban pioneers purchased and rehabilitated property in low-income and troubled neighborhoods. In some cases, artists moved to dilapidated areas and took advantage of the huge apartments offered at low rents. Their arrival signaled the opening of a particular neighborhood to further resettlement. In the next phase or second wave of gentrification that followed, the artists and urban pioneers were followed by other newcomers who appreciated living in the newly discovered and suddenly fashionable neighborhoods.

The picture of urban pioneers-led gentrification dominated perception of neighborhood revival in the 1970s and 1980s. In Harlem, this period was well documented in the study of Schaffer and Smith. However, the first type of gentrification could not be applied during the economic boom of the 1990s when the second wave of inner city home buying and new construction has taken place. This type of gentrification can no longer be viewed as being precipitated by the adventurous actions of a small number of urban pioneers and artists.

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[84] Waldman, A. "Homes and Shops to Rise on Abandoned Harlem Properties." *New York Times*. December 27, 2000.

At the beginning of 21st century, gentrification is predominantly corporate-led, with real estate agents and developers buying up properties in neighborhoods ripe for new, upscale development. In other cases, already gentrified areas are undergoing more extensive changes as corporate and financial communities buy up property, displacing the first wave of urban gentrifiers.[85]

Loretta Lees coined the terms financifiers and supergentrifiers in order to denote the different character of the third wave of neighborhood invasion and transformation. She described the intensified regentrification happening in a few select areas of global cities London and New York. These cities have become the focus of huge investment and conspicuous consumption by a new generation of extremely affluent financifiers who made profits from the global finance and corporate service industries. In case of New York City, financifiers originate for example from Wall Street businesses.[86]

The initial urban pioneers moved to the inner city, because they valued their new neighborhood's ethnic and racial diversity. However, the financifiers do not place a similar value on diversity and local community life. The supergentrifiers even constructed large, fortified housing units out of character with the original neighborhood's architecture. They value a neighborhood because of its convenient location and its status, not its prior racial and ethnic mix. Instead of that, they appreciate upscale amenities and shopping. Subsequently, the super-gentrified areas of the boutique city increase housing prices that drive out not only the poor, but also the middle- and working-class.[87]

The last sort of gentrification cannot be viewed as solely resulting from the free-market actions of urban pioneers, it results from the decisions made by private business elites and governmental actions.[88] Private power has often cooperated with government to promote gentrification. Global corporations need a guarantee that a city will be able to house a large number of high-quality, technologically competent, professional labor. Given this condition, municipal governments have taken steps to promote neighborhood change as part of their strategy of recruiting global businesses and maintaining the economic competitiveness of the city.

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[85] Ross, B. H., Levine, M. A., p. 78.
[86] Lees, L.: Super-gentrification: The Case of Brooklyn Heights, New York City. *Urban Studies* 40, 12: 2487-2509, November 2003.
[87] Ross, B. H., Levine, M. A., pp. 78-79.
[88] Ibid., p. 79.

For this reason, gentrification and the resulting displacement of the less affluent residents and minorities cannot be attributed solely to the invisible hand of a free market. On the contrary, the visible hand of corporate actions and governmental policies has altered the process of neighborhood transformation. Corporations financed the demolition of older buildings and the construction of new luxury townhouses and condominiums. The result was supergentrification that changed the essential character of the neighborhood.[89]

4.5.2.1. Supergentrification in Harlem

The general definition of supergentrification was apparently coined in view of the latest developments taking place in neighborhoods undergoing transformation, including Harlem. In 2002, David W. Dunlap described the series of renovation projects that surely initiated the so-called supergentrification: "Parcel by parcel, uptown is being remade, fueled in part by the Upper Manhattan Empowerment Zone Development Corporation and the state's Metropolitan Economic Revitalization Fund." Supporters of supergentrification claim it gives people the opportunity to shop in their own neighborhoods and it generates jobs and opportunities for more revenue to come back into the community. However, the tensions arise when it comes to racial and ethnic differences and subsequent economic alienation and displacement of longtime small business owners and residents, the shift of power from community groups to large corporations and the loss or alteration of adored landmarks. Unsurprisingly, local entrepreneurs who sustained Harlem during the years of doom feel frustration when watching government subsidies flowing to outside developers and businesses. Councilman Bill Perkins, who represents Central Harlem, said: "The people who are benefiting the most are those who got here last and who have the least need." Moreover, due to latest commercial developments and projects, Harlem is looking more and more like the rest of Manhattan.

The largest development projects has been taking place at the 125th Street, but other noteworthy developments turned also 116th Street, 145th Street, Powell and Douglass Boulevards into commercial corridors.[90]

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[89] Ross, B. H., Levine, M. A., p. 80.
[90] Dunlap, David W. "The Changing Look of New Harlem." *New York Times*. February 10, 2002.

4.5.2.1.1. Upper Manhattan Empowerment Zone

The most visible organization involved in revitalizing the neighborhood is the Upper Manhattan Empowerment Zone Development Corporation.

The Empowerment Zone revitalizes distressed communities by using public funds and tax incentives as catalysts for private investment. It represents one of nine zones designated in 1994. The ten-year designation was accompanied by a federal grant of $100 million. The Governor of New York State and the Mayor of New York City each matched the federal funding commitment and created a total public investment pool of $300 million.

The mission of the Upper Manhattan Empowerment Zone is to sustain the economic revitalization of all communities of Upper Manhattan through job creation, corporate alliances, strategic investments and small business assistance.

It is this organization that in fact has introduced supergentrification in Harlem. The Upper Manhattan Empowerment Zone comprises four community districts, namely Community District 9 or West Harlem, Community District 10 or Central Harlem, Community District 11 or East Harlem and finally Community District 12 or Washington Heights/Inwood. If Upper Manhattan were a city, it would be the 22nd largest in the United States. Thus, the area comprises a number of significant assets like strong consumer and institutional market demand; "gateway" location at the hub of multiple transportation modes which move people and freight to regional markets; marquee players in key metropolitan business clusters such as education and health care; a unique cultural destination based on its history and reputation for setting trends in music, fashion and art; and a large labor pool, 27% of which are bilingual, reflecting the diversity of the whole city and the country's future consumer and labor markets.

Among the developments funded by the UMEZ belongs for instance previously mentioned Harlem USA, a 275,000 square foot retail and entertainment complex located at 125th Street and Frederick Douglass Boulevard. The complex houses national and local retailers, it created an estimated 500 permanent jobs and 200 construction jobs, the majority of which were targeted to local residents. The construction projects of UMEZ suggest that the original zoning of Harlem has undergone dramatic transformation. Schaffer and Smith in their study reminded that the majority of residential lots were zoned for low-density development limiting construction to about

six stories. In order to redevelop the neighborhood, the UMEZ apparently changed the original requirements for the construction of new projects.

The UMEZ also supported the financing of three other large retail buildings on 125th Street, Harlem Center at Lenox Avenue, the Gateway Building at Lexington Avenue, and Gotham Plaza between Lexington and Third Avenues.[91] All these projects have definitely changed the look of the Harlem, and their impact on the architecture of the streets originally composed of brownstones is mentioned in the article of David W. Dunlap.

4.6. Drawbacks of real-estate boom

Even though the extent and the pace of renovation of once-deteriorated buildings in the entire Harlem have been astonishing, real estate brokers discovered severe obstacles that prevented them from renovating even more.

In the course of the year 2000, the major residential real estate brokers in New York City wanted to capitalize on historic brownstones, built at the end of the 19th century that could have been purchased for a fraction of what similar homes would cost elsewhere in Manhattan. However, they soon realized that Harlem's abounding inventory of brownstones suitable for sale was largely an illusion. Exactly 184 of them were in serious disrepair requiring costly renovations. Moreover, they were also caught up in financial and legal limbo. In the same year, federal and state authorities started inquiries into possible abuses of federal programs encouraging homeownership in low-income neighborhoods. Federal housing officials acknowledged that real estate speculators, mortgage lenders and nonprofit groups abused the program in order to pocket rehabilitation money and profits from selling and quick reselling of the buildings, the practice also known as flipping.

The dilapidated homes in Harlem were bought by real estate speculators in 1998 and 1999 and resold days or weeks later at inflated prices so as to obscure nonprofit groups with no experience in rehabilitating housing. Officials of the federal Department of Housing and Urban Development insist that the speculators cooperated with mortgage lenders and appraisers to defraud HUD, the federally insured Section 203(k) Home

[91] Harlem USA. *Upper Manhattan Empowerment Zone Development Corporation.* http://www.umez.org/harlem_usa.htm (28 Mar. 2006).

Rehabilitation Mortgage Insurance program.[92] This program allows acquisition and construction loans to be packaged together and is open only to owner-occupiers or nonprofit group in order to foster homeownership in low-income communities.[93] However, nonprofit organizations received money from the lenders in exchange for development rights to the homes and thus violated HUD regulations prohibiting lenders from serving as developers. Moreover, in many cases, no rehabilitation was done and the money disappeared.

The controversial Section 203(k) was created in 1978 to bring stability to low-income neighborhoods like Harlem where absentee ownership was high at that time. As it has been already mentioned, the program is unusual because it allows borrowers to finance the purchase and rehabilitation costs of a building through a single mortgage. Usually, the buyer would have to get interim financing at high interest rates to buy the building, separate financing for the rehabilitation and finally permanent financing when the work was completed.

Despite the drawbacks and imperfections of Section 203(k), there subsist reasons why to preserve it. In particular, thousands of families are in homes they could not have otherwise purchased. Joseph Ventrone, the staff director of the Republican-controlled House Subcommittee on Housing confirms: "Homes that might have deteriorated further and been lost from the inventory of affordable housing have been turned around and been made available at good values."

In order to qualify for a 203(k) loan, a borrower must an owner who will occupy the building or a nonprofit group that has developed low-income housing before and have experience in providing housing. Nevertheless, a search of real estate records for the Harlem brownstones proved practice of flipping taking place Harlem real estate market. For instance on March 31, 1999, Family Preservation Center, a group with 47 Harlem brownstones bought a home at 229 West 113th Street for $365,000. The group claimed it was a case management provider for the New York State Office of Mental Retardation and Developmental Activities and bought the home from Ravi H Rawana Holdings Inc. This company had acquired the home from a private seller that very day for only $175,000.

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[92] Pristin, T. "Inquiries on Mortgage Deals Crimp Harlem's Realty Boom." *New York Times*. November 26, 2002.

[93] 203k Rehabilitation Mortgage Insurance. *U.S. Department of Housing and Urban Development*. http://www.hud.gov/offices/hsg/sfh/203k/203kmenu.cfm (28 Mar. 2006).

The cases when property was flipped more than once were not exceptional. On September 22, 1999, a brownstone at 215 West 123rd Street was sold for $117,000. On October, 14, it was sold again but this time for $220,000 to a buyer One Rescue Inc. The same day, it was resold to a nonprofit group called Advance Local Development for $308,000 while the loan amount was listed as $388,500. This nonprofit organization from Brooklyn owned 83 of New York City brownstones in default in year 2000.

Due to flipping and abuses of HUD programs, the Harlem brownstone market has been relatively legally obstructed. The large inventory of 203(k) homes turned them in the course of time into neglected properties that serve as a magnet for garbage and loiterers.[94]

4.7. Case study of 129th Street

The changing nature of the whole neighborhood has been reflected both in the census data and the articles by New York Times presenting opinions of a range of gentrifiers. However, as the area of Harlem covers almost four square miles, the detailed case study of 129th Street pictures the best both the intellectual revival and physical rehabilitation within a single street. By focusing on a smaller area, the nuances and particularities of the process of gentrification emerge.

4.7.1. 129th Street in the New York Times

The study compares the characteristics of 129th Street, situated between Malcolm X Boulevard and Fifth Avenue, on the basis of tract characteristics published in Census 2000 and also three articles in the New York Times. The first article by Felicia R. Lee published in 1994 describes the desperate situation of 129th Street affected by drug dealing and people waiting in line to buy crack. In 1994, life on 129th Street was extremely violent, depressed and filled with multitude of social ills as black residents living on this block were trapped in poverty. The presence of death was constant, taking the young and old alike because of drugs, AIDS or shootings. Briefly, life on this street represented "another America" of poverty, welfare and unemployment, alienation

[94] Pristin, T. "Inquiries on Mortgage Deals Crimp Harlem's Realty Boom." *New York Times*. November 26, 2002.

between men and women, drug dealing, addiction and violence, far away from the American dream.[95]

The second article by Amy Waldman published after 7 years depicts the astonishing change of the once isolated and deprived block. The reputation of 129th Street was so fearsome that police dispatchers issued warnings before sending officers and cabs collected residents only off the block. The destitution was deeply rooted in the area and it seemed that nothing would change. Nevertheless, the years from 1994 to 2001 brought unprecedented economic growth, an astonishing decrease in crime, the ebb of crack and the remaking of welfare.

The history of 129th Street in a way reflects the history of whole Harlem. Its eclectic architecture comprises houses from 1860s when Harlem was a suburban village. These brownstones and tenements were sealed up during the period of doom in the 1970s due to drugs, riots and the departure of the majority of middle-class. From this time on, the city began taking vast quantities of property from tax-delinquent landlords. Still, in 1994, many buildings on 129th Street and also in the whole Harlem were sealed up or usurped by drug users.

In the same year, an impressive renovation started. Mayor Rudolph W. Giuliani decided to transfer city-owned properties to private owners in order to relieve the city of the burden of property management. In dozens of buildings on 129th Street and four surrounding blocks, the city either renovated brownstones to be sold or turned tenements over to developers to restore and finally own.

The causes standing behind a dramatic change on 129th Street are complex and politically contradictory. Conservative politicians defend more strict welfare policies and aggressive police work. Liberal politicians point to the lowering of immigration bars, which brought new residents, and to the $300 million the city invested in housing since 1994 to 2001.

More precisely in 1995, there occurred a vast political and philosophical shift in public policy called the end of entitlement. Beginning that year, New York City has been requiring able-bodied welfare recipients to work for their benefits. In 1996, the federal government passed legislation that put a five-year lifetime limit on benefits. As a result

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[95] Lee, Felicia R. "On a Harlem Block, Hope is Swallowed by Decay." *New York Times*. September 8, 1994.

of this policy, the number of welfare recipients in 129th Street dropped to 5,925 in 2000 from 10,317 in 1994.

Another point underlined by conservative politicians was the introduction of regular police control. In 1994, the police force focused on both violent crime and quality-of-life crime. On 129th Street, major drug dealers were arrested and minor infractions like smoking marijuana in public also could land people in jail. In addition, police officers demanded identification form young men in front of buildings, including their own. The constant presence of police caused that hanging out and public drinking declined. So did the carrying of guns and partly the drug trade. Even though long lines of people waiting for crack are gone, much of it has moved indoors with the police trying to follow it. Manhattan district attorney introduced a new "No Trespassing" program under which police officers could arrest anyone unable to prove they lived in or were visiting someone in a building. Moreover, the landlords who once had little economic incentive to keep drug traffic out of their buildings started to cooperate with the police well aware of their investments.

With an influx of gentrifiers, the city administration redeveloped the housing stock under its control and neighborhood organizations also focused on restoration. The block now has an art gallery, a Mormon Church and a racially mixed preschool. There was also founded a community development office which provides jobs for residents. New welfare laws require work in exchange for benefits before they are cut off, pushed many residents into work. Although the median household income in Central Harlem increased from $19,169 in 1990 only to $20,412, the end of unemployment, better housing and lower crime have made of the street a more middle-class place.

Waldman argues the boom of economy at the beginning of 1990s boosted the real estate market and prices in better neighborhoods zoomed out of reach. Meanwhile, housing officials, community leaders and landlords started to recruit a new type of residents in order to break concentration of poverty and to transform a ghetto into a neighborhood. Among these new types of residents have been young black professionals, middle-class, middle-aged black homeowners, Africans, Hispanics and whites.[96]

[96] Waldman, A. "In Harlem's Ravaged Heart, Revival." *New York Times*. February 18, 2001.

4.7.2. 129th Street in census data

The look at the Central Harlem map published by New York City Department of City Planning reveals that the part of the 129th Street situated between Malcolm X Boulevard and Fifth Avenue belongs to tract number 208. To clarify the progress in this particular tract, this chapter is going to compare the data for this particular tract with the data for Central Harlem and the whole Manhattan.

The figures published by New York City Department of City Planning disaggregated the whole Community District 10 or Central Harlem into 30 census tracts. The differences among these tracts are sometimes striking and the data become even more remarkable if they are compared to Manhattan or New York City statistics. The first set of data describes the change in total population from 1990 to 2000. Overall, the number of inhabitants in every tract increased. The increase of residents in tract 208 reached one of the highest numbers of 43% in only a decade or more precisely from 2,847 residents in 1990 to 4,071 in 2000.[97] Waldman in her second article about 129th Street mentions the newcomers other than African-Americans like for instance Swedish-born artist Lars Westvind, Parisian photographer Didier Catoliquot or Gulsun Erbil, a Turkish artist.[98] Nevertheless, the closer look on the table of total population by mutually exclusive race by census tract reveals that the overwhelming majority of 3,409 residents still represent African Americans. The second place belongs to residents of Hispanic origin of any race with 374 people and then follows whites with only 127 residents. The division of the data according to particular tracts signifies that the fears connected with white gentry reclaiming the property are not well founded.

Next table, which may reveal the changes connected with gentrification process, is the one containing information about income and education. The median household income in tract 208 was $24,729, an amount definitely much lower in comparison of Manhattan with $47,030 and the whole city of New York with $42,060. However, the median household income for Central Harlem stood only at $20,412 in 2000, which makes the tract 208 a slightly more redeveloped and gentrified area.

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[97] Manhattan Community District 10. *New York City Department of City Planning*. December 2004. http://www.nyc.gov/html/dcp/pdf/lucds/mn10profile.pdf (13 Mar. 2006).
[98] Waldman, A. "Lines That Divide, Ties That Bind." *New York Times*. February 21, 2001.

The same positive results for this tract emerge if we take into account the population older than 25 years. The percentage of college graduates or higher reaches 16.4% while the average for the whole Central Harlem is 14.2%.[99]

The division of the data for Central Harlem according to thirty tracts emphasizes further differences concerning the extent and strength of gentrification even within the sub-borough area. Therefore, to define gentrification as the "process of renewal and rebuilding accompanying the influx of middle-class or affluent people into deteriorating areas that often displaces earlier usually poorer residents"[100] is quite simplistic form of depicting more complex and intricate development.

[99] Infoshare Community Data System. 2000. Community Studies of New York, Inc. http://www.infoshare.org (20 Feb. 2006).
[100] "Gentrification." *Merriam-Webster Online Dictionary*. Merriam-Webster, Incorporated. 2005. http://www.m-w.com/dictionary/gentrification (2 Apr. 2006).

5. DISPLACEMENT

The previous quantitative and qualitative analyses have not provided any specific examples concerning displacement even though this word frequently appears in the articles in New York Times or in the general definition of gentrification. The census data also do not contain any tables concerning the percentage of displaced residents.

The traditional view of gentrification was always inextricably linked with the issue of displacement. However, the study published by Lance Freeman and Frank Braconi caused a revolution in the neighborhood revitalization, because they deemed the number of displaced residents in the gentrifying as insignificant. This study was perceived for a long time as a key study influencing the decisions of private and public policies in the gentrifying neighborhoods.

The latest study of Newman and Wyly published in January 2006 adjusted the findings of Freeman and Braconi and completely changed the view on displaced residents.

Both the quantitative and qualitative analyses of the issue of displacement has severe limitations. Firstly, the data gathered by New York City Housing Vacancy Survey are ill-suited for the collection of the exact numbers of displaced residents from particular sub-borough areas. Therefore, the amount of displaced residents from Harlem has to be derived from the data for the whole borough of Manhattan or the general patterns in the whole city of New York. Secondly, none of the articles published in New York Times specifically mentions the example of any displaced residents, even though there may be found a lot of notions about the fears of displacement. The qualitative analysis performed by Newman and Wyly, based on the interviews with community leaders and residents is the only one really trying to reveal particular examples of living in the gentrifying neighborhood instead of relying on the data gathered either by the U.S. Bureau of Census or the New York City Housing Vacancy Survey.

5.1. Displacement in New York City 1991-1999

The first study by Lance Freeman and Frank Braconi analyzes displacement in the whole New York City during the 1990s. The study reminded that the city has had some form of rent regulation in place since 1943 which certainly benefits the less affluent residents. On the other hand, there has occurred a transition from the earlier rigid form

of regulation known as rent control to a more flexible form of rent stabilization. At 2004, there were about 50,000 controlled rental units representing 3% and 1.05 million stabilized rentals units representing 52% of the rental stock. Under rent stabilization, permissible rent increases on one-year and two-year leases are determined once a year by a nine-member panel composed of public, tenant, and owner representatives. Those permissible rents increases for occupied units reflect the rate of inflation. Moreover, vacant units are permitted to rent at higher prices due to a complex "vacancy allowance" formula. The rents of many other units are regulated through a range of federal and state housing assistance programs.[101]

The study relies on the data of the triennial New York City Housing and Vacancy Survey (NYCHVS), a representative sample of almost 18,000 housing units, of which about 70% are rental units. The survey is conducted every 3 years by the Census Bureau for New York City. Although its main purpose is to collect data regarding New York City's vacancy rate, the NYCHVS also collects housing, socioeconomic, and demographic data that may prove the extent of gentrification and displacement.[102]

To discern if gentrification really causes displacement, Freeman and Braconi examined the relationship between residence in a gentrifying neighborhood and residential mobility among disadvantaged households. They asserted: "If gentrification increases displacement, all other things being equal, we should observe higher mobility rates among disadvantaged households residing in gentrifying neighborhoods than among those residing elsewhere in the city."[103]

After the analysis of the gentrifying neighborhoods of Chelsea, Harlem, the Lower East Side, and Morningside Heights in Manhattan and Fort Greene, Park Slope, and Williamsburg in Brooklyn, Freeman and Braconi drafted a completely different view concerning displacement and suggested rethinking of the gentrification process. As the NYCHVS data do not provide exact numbers of the displaced persons, authors at first identified housing units that had a new occupant in year t. If so, they considered the occupant of that housing unit in year t-3 as having moved, as the data are collected triennially. The authors then used characteristics of the occupants of the unit in year t-3

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[101] Freeman, L., Braconi, F., p. 42.
[102] New York City Housing and Vacancy Survey. *U.S. Census Bureau.* http://www.census.gov/hhes/www/housing/nychvs/2002/overview.html (30 Mar. 2006).
[103] Freeman, L., Braconi, F., p. 42.

as predictors of mobility and observed residential mobility between 1991* and 1993, 1993 and 1996, and 1996 and 1999.[104]

They concluded that even if increases in rent specific for gentrification are related to the probability of a household moving, in the seven analyzed neighborhoods, these increases were actually associated with a lower probability of moving rather than a higher one. Freeman and Braconi offer a completely new theory concerning gentrification and displacement: "As neighborhoods gentrify, they also improve in many ways that may be appreciated as much by their disadvantaged residents as by their more affluent ones."[105]

Gentrification is associated not only with an influx of higher-income households but also with better retail and public services, safer streets, more job opportunities, and improvements in the built environment. Subsequently, disadvantaged residents may have less reason to search for a new housing.[106] The mobility rates in these areas rather reflected other reason people change residence as marriage or divorce, change of job, want a bigger unit etc. This mobility called normal housing succession is not expected to diminish even in gentrifying neighborhoods.[107]

However, even if the analysis of NYCHVS data proved lower mobility rates in the seven gentrifying neighborhoods than in other non-gentrifying parts of the city, this does not mean that no one is being displaced. Furthermore, the disadvantaged residents staying in gentrifying areas has to devote a larger portion of their income for improved neighborhood conditions. The rent burden for poor households living in gentrifying neighborhoods was 61% during the study period while the rent burden for poor households living outside of gentrifying neighborhoods was 52%.

Another negative aspect of gentrification may be that disadvantaged households who wish to move into these neighborhoods will not be able to find an affordable housing. Similarly, the disadvantaged households in gentrifying neighborhoods who wish to move within the area may not also find a place to go. Gentrification can surely cause unavailability of low-cost housing available in a metropolitan area and thus exacerbate

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* The NYCHVS was conducted in 1991 instead of 1990 to avoid overlapping with the decennial census.
[104] Freeman, L., Braconi, F., p. 43.
[105] Ibid., p. 48.
[106] Ibid., p. 49.
[107] Ibid., p. 48.

the housing problems of the poor, even if widespread displacement does not take place.[108]

5.2. Gentrification as a benefit

Similar findings concerning gentrification and displacement and thus completely reversing the original negative view presented in his study Jacob L. Vigdor even though, in his analysis, he focused on the city of Boston. He defines three countervailing local benefits that gentrification brings to low socioeconomic-status households. First benefit is the labor market. Gentrification might create job opportunities for low-status households or relocate existing opportunities into areas more accessible to them. Second, increases in land values provide property tax-dependent local jurisdictions with additional resources which might be turned into improved services or lower effective tax burdens for poor residents. Third, gentrification might improve neighborhood quality for poor residents. As the interviewees in the articles by New York Times often mentioned, they act as peer and role models within their neighborhood. "By increasing the amount of neighborhood interaction between households of varying socioeconomic status, gentrification might lead to long-term improvement in the living standards of poor households, for the same reason that central city abandonment might lead to long-term reductions."[109]

Vigdor confirms that the existing literature failed to demonstrate convincingly that gentrification harms the poor. Most of the studies focused on displacement as and indicator of harm and, at the same time, failed to demonstrate that gentrification really causes displacement.[110] He concludes that if neighborhood improvements are insufficient to compensate poor households for the associated cost increases, one of two things might happen. "If the costs of relocating are relatively low, displacement will occur. If relocation costs are high, households will accept cost increases, suffering a decreased standard of living in the process."[111] Moreover, Vigdor reminds of another reason, why extensive displacement does not take place. High initial vacancy rates or underutilization of existing land, whether due to poor maintenance of the structures,

[108] Freeman, L., Braconi, F., p. 50.
[109] Vigdor, J.L.: Does Gentrification Harm the Poor? *Brookings/Wharton Papers on Urban Affairs*: 133-182, 2002, pp. 144-147.
[110] Ibid., p. 150.
[111] Ibid., p. 172.

environmental consideration, or other factors, introduce the possibility that neighborhood might be able to absorb additional residents without displacing initial residents or creating significant upward pressure on land values.[112]

5.3. New York City Housing Vacancy Survey

Although the NYCHVS provides an extensive and exhaustive series of data concerning for example kitchen facilities, presence of mice and rats or wheelchair accessibility, it is impossible to get exact numbers concerning the number of displaced residents for Harlem. The survey provides information about the reasons for moving in a particular sub-borough, and not moving out. Other category that may eventually reveal the extent of displacement is the one called "Most Recent Place Lived for 6 Months or More". However, the places mentioned include only five boroughs of New York City namely Bronx, Brooklyn, Manhattan, Queens and Staten Island and not the particular smaller sub-boroughs or community districts. Other places of previous residence are the larger areas like different states or continents.[113] Given these data, displacement can be observed only on the basis of boroughs. Nevertheless, the study of Kathe Newman and Elvin K. Wyly provides an estimate of the number of displaced persons in New York City's sub-boroughs and in addition, also challenges the data and conclusions presented in the study of Lance Freeman and Frank Braconi.

5.4. Displacement reexamined

The study of Freeman and Braconi and Vigdor in fact suggested, that gentrification does not cause significant displacement of low-income urban residents. These conclusions have enormous implication on the policies concerning low-income housing both in New York City and the whole United States. The evidence on displacement is currently being used to dismiss concerns about market-oriented urban policies, social mix and dispersal strategies shaped to break up the concentrated poverty that has been taken as an explanation for the crisis of inner city.

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[112] Vigdor, J.L., p. 142.
[113] Infoshare Community Data System. 2000. Community Studies of New York, Inc. http://www.infoshare.org (20 Feb. 2006).

Newman and Wyly introduce several reasons that made them question the findings of Freeman and Braconi. First, displacement is a long-lasting, trenchant process that cannot be measured only as a snapshot in time. The areas of the city selected by Freeman and Braconi cover much of Manhattan below 96th Street and brownstone Brooklyn. Newman and Wyly expect that few low-income residents were left in these areas after 1990 and the rest was able to stay only due to some combination of regulatory protection and individual sacrifice. The extent of displacement in the late 1990s, that is after two generations of intense gentrification, is considerably different than in the initial stages of the process. During this time, low- and moderate-income renters who have managed to avoid displacement supposedly have adapted their lives to the gentrified neighborhoods. This finding about the survival in the competitive market of course does not mean that displacement is not a problem.

Second, Freeman and Braconi included the residents of the poorest non-gentrifying neighborhoods as a comparison for displacement rates from gentrifying neighborhoods. Nevertheless, Newman and Wyly remind that these residents move more frequently and produce an artificially high standard for to use as a comparison for displacement rates from gentrifying neighborhoods.[114]

Third, the study areas are quite expansive, each of them with its different class transformation, housing market pressures and demographic trends, ignores the details and contingency of gentrification.

In their study, Newman and Wyly primarily focused on challenging the conclusion of Freeman and Braconi's study that displacement was not a problem. They included the survey from the year 2002, apart from four previous surveys taking place during the 1990s in order to identify all residents who moved into their units since the previous survey. The data from NYCHVS proved the displacement rate fluctuating between 6.2 and 9.9 percent of all local moves among renter households during five periods of time examined. The vast majority of these households were forced to move because of cost considerations. Freeman and Braconi in their study included landlord harassment and displacement by private action. However, the latest study of Newman and Wyly claims

[114] Newman, K., Wyly, Elvin K., p. 28.

these factors are rarely cited as primary reason for moving and show no sign of worsening over time.[115]

Newman and Wyly insist on cost considerations driving the overall trend, with fluctuations in unemployment, income and rental inflation combining to force households into displacement or some adjustment strategies. The numerical estimates of displacement, which fluctuate below 10,000 households per year, are lower than Freeman and Braconi's, as Newman and Wyly excluded renters moving between different units in the same building. However, the latter rate estimates are higher (6.2-9.9 percent versus Freeman and Braconi's 5.1-7.1 percent), because their denominator does not include renters who moved outside New York City.

Even though the total number of displaced persons in the whole New York City does not exceed ten thousand out of eight million per year, it cannot be dismissed as insignificant. Newman and Wyly remind that the exact empirical evidence does not exist. Thus, the American public policy keeps on claiming that displacement is not a problem.[116]

5.4.1. Quantitative analysis of displacement

The NYCHVS allows tracking displacement at the level of sub-borough area as it collects information on the most recent destination of displaces. However, the serious limitation is that we do not have information on where renters were displaced from.[117] A closer look on the data from the New York City Housing Vacancy Survey at least allows to discern that during the period from 1989 to 2002, exactly 15.6% of all renters moving into the Williamsburg/Greenpoint neighborhood in Brooklyn were displaced from their previous homes. At the other extreme, displaced residents equal only 3.7% of arrivals in the Flatlands/Canarsie section of Brooklyn around Jamaica Bay. After the division of the whole period into smaller time periods, we can surprisingly find low number of displacees arriving in Harlem for instance during 1989 and 1993 with only 0.15% of renters displaced from previous residence.[118]

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[115] Newman, K., Wyly, Elvin K., p. 29.
[116] Ibid., p. 31.
[117] Infoshare Community Data System. 2000. Community Studies of New York, Inc. http://www.infoshare.org (20 Feb. 2006).
[118] Newman, K., Wyly, Elvin K., p. 32.

Nonetheless, many poor residents have found ways of staying in gentrifying areas. In the seven neighborhoods examined by Freeman and Braconi, there were nearly 54,000 renter households in poverty facing both replacement and displacement. The number of poor renters in these neighborhoods has fallen by 30 percent since the recession of the early 1990s while rent burdens have risen considerably.[119]

In addition, Newman and Wyly criticize Freeman and Braconi's study because their research actually uses public regulation of the market as mitigating displacement pressures. In the same way, they use the fact to justify deregulation and privatization and insist that gentrification is a boost for everyone.

Even though the quantitative analysis of the data collected by NYCHVS represents one of the best datasets on urban housing market changes, they are not suited for an analysis of the whole social complexity of individual and family circumstances. Renters who cannot afford to live in the New York City may leave for New Jersey or other states and thus completely disappear from the data survey. Moreover, displaced individuals or families who are forced to double-up or triple-up cannot be identified. Also the structure of the survey allowing only one choice on the question for the householder's reason for moving simplifies the circumstances of renters who were evicted from their homes in the midst of other crises, such as unexpected bills that made it difficult to pay the rent, job loss, or a divorce. From this viewpoint, the quantitative analysis performed by Freeman and Braconi provides only a partial view of gentrification and displacement. Newman and Wyly decided to enlarge their study by qualitative research about the experience of individuals in the seven gentrifying neighborhoods of Fort Greene, Williamsburg/Greenpoint and Park Slope in Brooklyn and the Lower East Side, Chelsea/Clinton, Central Harlem and Morningside Heights in Manhattan. These interviews did not seek to provide objective or statistically representative estimates of the magnitude or scale of displacement. They were conducted in order to reveal the perspectives of individuals and groups living in the gentrifying neighborhoods.[120]

The first part of the research discusses the displacement pressures on residents while the second part identifies the public and private interventions that enable low-income residents to remain in gentrifying neighborhood.[121]

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[119] Newman, K., Wyly, Elvin K., p. 40.
[120] Ibid., pp. 42-43.
[121] Ibid., p. 44.

5.4.2. Qualitative analysis of displacement

5.4.2.1. Pressure of displacement

The residents from seven neighborhoods described dramatic changes which have been taking place in their communities since the mid-1990s when gentrification increased displacement pressures. Even though the quantitative study for the number of Harlem's displaced residents does not exist, some interviewees from this neighborhood facilitate understanding of the pressures connected with revitalization of the area.

Although the first wave of gentrification occurred as early as during the 1970s and 1980s, it was the second wave in the late 1990s that differed in scale and scope. Interviewees described an influx of newcomers, gentrification processes that expanded all over the neighborhoods, dramatic demographic changes, housing revitalization and new construction, and commercial corridor revitalization.[122]

Central Harlem experienced an influx of middle-class newcomers throughout the 1970s and 1980s. However, the changes during the late 1990s and early 2000s were different. Residents of Central Harlem reported about a solid flow of sports utility vehicles of people driving through the neighborhoods in search for homes. One resident declared: "People are coming up while you're on the street asking who owns the building. It's a daily thing." This particular neighborhood appeals to renters seeking livable space with manageable commuting distance.

Many residents of gentrifying areas view gentrification and the transformations it brings as a mixed blessing. Another interviewee described the changes on 125th Street in Central Harlem: "People love Starbucks. People who would buy 50-cent coffee now go in there and buy one for $3.00."

However, residents fear that their new shopping amenities come with a high price tag and may help to stimulate the revitalization that will ultimately displace them. One interviewee subsequently described that he liked the new stores but was afraid of possible displacement: "I don't want to have to take a train to go to the Magic Johnson theatre. I live on 126th. I should be able to walk to there and when I'm done, walk back." Longtime residents are frustrated that after years of fighting to improve their neighborhoods suffering from disinvestments, now that the neighborhoods are really improving, these residents will not be able to stay. For decades, residents of inner cities

[122] Ibid., p. 44.

built organizations and tried to revitalize their communities. Now when these communities are finally improving, low-income residents feel displacement pressures and find it increasingly difficult to remain.[123]

The second wave of rapid gentrification taking place since mid-1990s has put tremendous pressure on low-income residents. Community leaders, residents and advocates revealed that displacement resulting from this second wave has represented a serious problem for many population sub-groups including the poor and working class, elderly and immigrants. Community leaders confirm that residents often double-up or triple-up with family and friends, become homeless or move into the city shelter system, or move out of the city. For this reason, we can see the importance of qualitative research as quantitative analysis based on the NYCHVS does not capture these mobility dynamics and thus severely underestimates displacement by a significant but immeasurable amount.

The interviews with neighborhood informants reveal that many displacees are moving out of the city to upstate New York, New Jersey and Long Island or returning to communities of origin in the South and thus creating a reverse Great Migration.

Elderly people who cannot afford to pay higher rents in gentrifying neighborhood frequently double-up or move in with family outside the city. New immigrants have to accept poor housing quality, overcrowding, or they leave the city to find housing elsewhere. For those with no alternative, there is the shelter system.[124]

5.4.2.2. Attempts to stay in the gentrifying area

Even if Freeman and Braconi's analysis of the data from NYCHVS proved that low-income residents in gentrifying neighborhoods had lower mobility rates than low-income residents in non-gentrifying areas, they did not try to find out what enables them to stay. Newman and Wyly's qualitative research based on interviews with residents actually uncovers the struggles of local communities with gentrification and displacement.

5.4.2.2.1. Public interventions

[123] Newman, K., Wyly, Elvin K., p. 45.
[124] Ibid., pp. 45-46.

The interviewees perceive city's rent regulations as the most significant form of public intervention. In 2002, 49 percent of housing units in the whole New York City were rent-stabilized, 3 percent were rent-controlled and another 17 percent were under some other form of regulation. Nevertheless, changes to rent regulation legislation over the past 10 years have reduced the regulated housing stock by approximately 105,000 units.

Despite the presence of the regulated stock, residents living in gentrifying neighborhoods identified problems with landlords illegally charging excessive rents, sending tenants threatening notices to leave the regulated stock, ceasing providing services and threatening to look at immigration papers. In fact, the Rent Regulation Act of 1997 allows landlords to increase the rent of regulated stock by between 18 and 20 percent upon vacancy. In case the rent reaches $2000, landlords can remove the unit from the regulated housing stock. The possibility of decontrolling the housing unit obviously makes the landlord increase rents to reach the luxury decontrol cap.[125]

Another public intervention that protects part of the low-income residents is the assisted housing. Thousands of residents live in housing with some form of public subsidy. Moreover, public housing offers significant protection against displacement for 181,000 households. Another 20,000 people with HIV/AIDS receive rental assistance from the city's Human Resources Administration. Still, the supply of affordable housing in New York City is inadequate to meet the needs and some of these programs are time-limited. Many of the contracts are due to expire within the next 10 years and will probably cause the decrease of affordable housing.[126] Three major programs, originally intended as temporary relief measures are going to be over soon: the city's vast rent-regulation system, which has guaranteed rent ceilings for tenants at all income levels for decades; the state's Mitchell-Lama program founded in 1955, which has helped keep rents down for low-income and middle-income tenants for nearly half a century by subsidizing the construction of apartment buildings;[127] and the federal Section 8 program, which has provided the same sorts of building subsidies on behalf of the poor. In New York City, where for generations government has played a unique role in helping people pay their rents, a fundamental shift is on the way. Taking into account the tight market in the

[125] Newman, K., Wyly, Elvin K.: The Right to Stay Put, Revisited: Gentrification and Resistance to Displacement in New York City, p. 47.
[126] Ibid., p.48.
[127] Legislative History of the Mitchell-Lama Buy-out Provision. Mitchell-Lama Residents Coalition, Inc. http://www.mitchell-lama.org/history.htm (19 Apr. 2006).

whole city, there is an ongoing concern about where those people in need of affordable housing are going to live.[128]

Low-income residents also benefit from the city's voluntary 80/20 inclusionary zoning program, which requires that the latter share of new construction must be affordable to people with low and moderate incomes. Nevertheless, community leaders insist that the program should be mandatory because the number of low-income units has been decreasing. The waiting lists for these programs also suggest the exceptional demand on the side of low-income residents.

Apart from public interventions allowing low-income residents to stay in gentrifying neighborhoods, private strategies including community organization production and organizing, the decisions of individual landlords and resident decisions may also help against the pressure of displacement.[129]

5.4.2.2.2. Private strategies

The interviews executed by Newman and Wyly confirmed: "For many low-income residents, staying in gentrifying neighborhoods means accepting poor housing quality, coping with high housing cost burdens and/or sharing housing with other residents." Residents are afraid to complain about the housing quality as it may result in their displacement. Some displacees like single parents, the elderly, immigrants and younger families remain in the neighborhood doubling up with family or friends and causing overcrowding of housing units. Overcrowding is a common phenomenon in poor immigrant communities of Africans and Latinos in Harlem.

On the other hand, some interviewees described an informal housing market in which landlords who know the tenants for a long time, charge rents that the tenants can afford.[130] Mario César Romero, a freelance curator who partly grew up in East Harlem confirmed: "I don't object to charging more rent, but not at the expense of the people who have historically lived in the community."[131] Even though the informal housing market provides housing to many otherwise vulnerable residents it is highly unstable. In

[128] Chen, David W. "Bit by bit, government eases its grip on rents in New York." *New York Times.* November 19, 2003.
[129] Newman, K., Wyly, Elvin K., p. 48.
[130] Ibid., p. 49.
[131] Berger, J. "A Puerto Rican Rebirth in El Barrio." *New York Times.* December 10, 2002.

case landlords pass away or sell their buildings, the low-income residents face immediate displacement.

Another protection against gentrification is the home-ownership. However, if housing values increase, rising property taxes often make home-ownership impossible predominantly for the elderly and other residents on fixed incomes.[132]

Community organizations also play a role of an important partner ensuring the availability of affordable housing. In these days, they have launched an anti-displacement campaign in order to transform neighborhood political culture and challenge landlords who displace residents through excessive rent increases. However, the effect of these campaigns is uncertain.

Apart form organizing, the city's community development corporations and other non-profit housing developers have produced thousands of units of affordable housing for low-income residents. Still, there exist two limitations. First, leaders of these organizations affirm that these efforts represent only a small number compared with the housing need. Second, support for low-income housing and the need for affordable home-ownership opportunities shift the agenda of the bigger organizations from producing affordable home-ownership, leaving few organizations producing housing for poor residents.[133]

Thus, even if many low-income families stay in gentrifying neighborhoods, both the public interventions and private strategies that enable them to do so all have serious limitations. Publicly assisted programs are losing support and the informal private market is disintegrating. Only the introduction of mandatory inclusionary zoning may capture some of the advantages of the booming real estate market in gentrifying neighborhoods.[134]

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[132] Newman, K., Wyly, Elvin K.: The Right to Stay Put, Revisited: Gentrification and Resistance to Displacement in New York City, p. 49.
[133] Ibid., p. 50.
[134] Ibid., p. 51.

6. CONCLUSION

The quantitative and qualitative analysis of gentrification in the neighborhood of Harlem in New York City revealed the complexity of the whole process. The process of gentrification in this case study is not a coherent transformation of a neighborhood. Similarly, gentrifiers of different races and classes arriving in the area cannot be denoted by one term of middle-class or affluent people because of the variety of their backgrounds and origins.

The process of gentrification in Harlem has so far occurred in three successive waves. The first wave can be characterized by small numbers of urban pioneers arriving in Harlem and making the neighborhood more attractive for further newcomers. This wave of the late 1970s and early 1980s was described in the study of Schaffer and Smith. However, given the insignificant amounts of urban pioneers acting as gentrifiers in the area, they seriously doubted the possibility of gentrification reaching its momentum in Harlem. Yet, after two decades, more precisely in the late 1990s, the second wave of gentrification took place in Harlem. The quantitative analysis of the census data concerning housing and racial composition of the neighborhood proved why the tentative conclusions of this particular study do not apply.

One of the predictions of Schaffer and Smith insisted on the significant presence of white residents coming to the area. The census data showed the percentage of white resident in the area in 2000 represented only two percent of the whole area. The expected affluent white gentrifiers were replaced with other racial subgroups, predominantly by middle-class and professional African Americans and Hispanics. The latter group, for instance, did not even appear in the study of Schaffer and Smith predicting the future of gentrification in Harlem.

While the first wave of newcomers appreciated predominantly the low prices of real estate market in the deteriorated neighborhood, the second wave of newcomers had already witnessed the prices on the surge. They decided to return to Harlem for ideological reasons, acting as role models for the youngest generation or renovating brownstones. These middle-class residents and professionals feel they may contribute to the long-time neglected and abandoned area by their presence and help during the transformation from the ghetto into livable neighborhood. The first two waves substantially differ from the last one, denoted by a new term of supergentrification. The

main actors called financifiers or in other words the most affluent individuals, value especially the amenities of the area and the short distance from downtown. As the process of supergentrification is led by corporations, their chain stores and retail parks substantially change the original look of the whole community. In Harlem, the residents on the one hand benefit from the presence of new services and amenities. On the other hand, they realize the changing architecture of Harlem that may soon look like the rest of Manhattan. While the first two waves of gentrification were motivated by decisions of individuals enabling the invisible hand of the housing market to take place, the last wave is the result of visible policies of private corporations and the government.

Another particularity of the process taking place in Harlem, is the presence of racial tensions, reflected in the articles published by New York Times. The history of Harlem suggests the abandonment of the solidly black area by the whites and also black middle-class in course of the twentieth century. The residents who stayed even during the most difficult years naturally oppose the influx of newcomers, fearing the prices in the neighborhood they have supported throughout their whole life might eventually go up and threaten them with displacement. In spite of the optimistic conclusions of the two studies, the first one by Freeman and Braconi, and the second one by Newman and Wyly, discovering lower mobility rates in the gentrifying neighborhood, this does not mean that no one is being displaced. The New York City Housing Vacancy Survey should definitely include in the statistics the amount of displaced persons from smaller areas like sub-boroughs or neighborhoods and precisely detect from where these people are arriving. Moreover, the process of displacement will surely exacerbate in the following ten years when most of the rent regulation and rent control contracts will expire.

The process of gentrification taking place in several cities all over the United States cannot be summarized under a single definition. Each city has its own history of particular gentrifying neighborhoods, which acts as one of the major determinants of the speed and scope of the process. Similarly, the momentum of gentrification depends on the location of a neighborhood. The most likely ones to experience revitalization are those with unique architecture, located close to vigorous downtown, resembling the one of Harlem. Therefore, the process differs not only on the level of cities, but also within the neighborhood itself, according to the results of quantitative analysis based on the decomposition of individual tracts in Harlem.

The same exceptionality applies also for the process of displacement. The residents of New York City benefit from the exceptional amount of rent regulation and rent control contracts. In case of Harlem, the strong support of low-income residents resulted in 1993 in the lowest mobility rates among the gentrifying neighborhoods citywide. However, as it has been already mentioned, this advantage may not last in the future.

The analysis of the exceptional revival in case of 129th Street showed that not every street in Harlem experienced the equal amount of gentrification, reflected in terms of per capita income, education attained or the racial composition. Even though it may seem that the process of gentrification affects the neighborhood as a whole, in reality, Harlem has witnessed renewal of certain parts within its borders while the some streets stayed completely neglected in the midst of various successive gentrification waves.

From this viewpoint, gentrification in the neighborhood of Harlem reflects the series of decisions effectuated by individuals, private powers and governmental policies. The mixed nature of the process distributed unevenly the benefits of neighborhood revitalization leaving small abandoned enclaves in sharp contrast to renovated luxurious brownstones and newly constructed malls.

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8. RESUMÉ

Tato práce pojednává o revitalizaci městských center na území Spojených států a dopadu tohoto fenoménu na jejich původní obyvatelstvo. Proces revitalizace je znám pod názvem „gentrification" a může být přeložen jako zušlechťování kdysi opuštěných a v průběhu dvacátého století zdevastovaných čtvrtí. Jako studie konkrétního příkladu slouží čtvrť Harlem ve městě New York.

Cílem práce je prokázat, že revitalizace měst nemůže být popsána jedinou všeobecnou definicí. Naopak, jedná se o velmi komplikovaný proces, který probíhá rozdílným způsobem nejen v jednotlivých městech, ale i v jednotlivých městských blocích.

Rozsah revitalizace v převážně černošské čtvrti Harlem byl popsán v několika studiích již v průběhu osmdesátých let dvacátého století. Autoři se převážně shodli na malé pravděpodobnosti úspěchu jak psychologického, tak fyzického aspektu zušlechtění této lokality. Po více než dvaceti letech je však přítomnost a úspěch revitalizace neoddiskutovatelným faktem.

Kvantitativní analýza, založená na demografických, sociologických a ekonomických datech, prokazuje nezpochybnitelnou přítomnost a úspěšnost procesu „gentrification" v Harlemu. Na druhé straně kvalitativní analýza novinových článků z deníku New York Times odhaluje dopad procesu na původní černošskou populaci a odhaluje záměry příchozí vyšší střední vrstvy.

Obě analýzy a studium historie Harlemu umožňují pochopit komplikovanost procesu zvaného „gentrification", jeho dopad na původní charakter čtvrti a její obyvatele a zároveň poskytují jasnější představu o možném vývoji do budoucnosti.

9. APPENDICES

9.1. Table 1

Table 1. Statistical Profile of Central Harlem Population and Housing		
	Central Harlem	**Manhattan**
Percent population black	96.1	21.7
Per capita income ($)	4,308	10,992
Percent high-income households (≥$50,000)	0.5	8.4
Percent low-income households (<$10,000)	65.5	37.4
Percent college graduates (adults with ≥ 4 years of college)	5.2	33.2
Median contract rent ($ per month)	149	198
Percent managerial, professional, and related occupations	15.9	41.7
Private residential property turnover rate per year, 1980-1984 (%)	3.3	5.0
Population change 1970-1980 (%)	-33.6	-7.2
Percent housing abandoned	24.2	5.3

Source: Schaffer, R., Smith, N.: The Gentrification of Harlem? *Annals of the Association of American Geographers* 76, 3: 347-365, September 1986, p, 353.

9.2. Table 2

Table 2. Total Population by Mutually Exclusive Race and Total Housing Units New York City Community Districts, 1990 and 2000						
Manhattan Community District 10	**1990**		**2000**		**Change 1990-2000**	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Total Population	99,519	100.0	107,109	100.0	7,590	7.6
White	1,511	1.5	2,189	2.0	678	44.9
Black/African American	87,149	87.6	82,750	77.3	(4,399)	-5.0
Asian or Pacific Islander	382	0.4	938	0.9	556	145.5
American Indian and Alaska Native	296	0.3	372	0.3	76	25.7
Some Other Race	126	0.1	195	0.2	69	54.8
Nonhispanic of Two or More Races	-	-	2.646	2.5	-	-
Hispanic Origin	10,055	10.1	18,019	16.8	7,964	79.2
Total Housing Units	47,054	-	53,261	-	6,207	13.2

Source: Manhattan Community District 10. *New York City Department of City Planning*. December 2004. http://www.nyc.gov/html/dcp/pdf/lucds/mn10profile.pdf (13 Mar. 2006).

9.3. Table 3

Table 3. Demographic Profile – New York City Community Districts 2000 Census SF1		
Manhattan Community District 10	**Number**	**Percent**
Total Population	107.109	100.0
White	2,189	2.0
Black	82,750	77.3
Asian and Pacific islander	938	0.9
Other	567	0.5
Two or More Races	2,646	2.5
Hispanic Origin	18,019	16.8
Total Households	**45,734**	**100.0**
Family households	23,648	51.7
Married-couple family	7,201	15.7
With related children under 18 years	3,900	8.5
Female householder, no husband present	13,841	30.3
With related children under 18 years	10,072	22.0
Male householder, no wife present	2,606	5.7
With related children under 18 years	1,334	2.9
Nonfamily households	22,086	48.3
Persons Per Family	3.18	-
Persons per Household	2.28	-
Total Housing Units	**53,261**	**-**
Occupied Housing Units	**45,734**	**100.0**
Renter Occupied	42,734	93.4
Owner occupied	3,000	6.6
By Household Size		
1 person household	19,407	42.4
2 person household	10,949	23.9
3 person household	6,752	14.8
4 person household	4,309	9.4
5 persons and over	4,317	9.4

Source: Manhattan Community District 10. *New York City Department of City Planning*. December 2004. http://www.nyc.gov/html/dcp/pdf/lucds/mn10profile.pdf (13 Mar. 2006).