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Commercial Gentrification Preceding Housing Affordability Issues?

A New Perspective on the Gentrification of Capitol Hill

Abstract

This review evaluates the literature dedicated to conceptualizing and explaining gentrification, as well as recent public discourses concerning it. Emphasizing observations of operationalization and positionality and focusing on the gentrification of the Seattle neighborhoods of Capitol Hill, it intends to expose a lack of research on commercial gentrification, which is virtually always perceived as a consequence of neighborhood gentrification. It concludes by proposing that attention to retail gentrification as an *enabler* and *trigger* of community gentrification might open up new ways of thinking and new paths for dealing with the phenomenon as a whole.

Introduction

Since the inception of the term by sociologist Ruth Glass (1964), gentrification has been a constant topic across the social sciences and public discourses, and a "go to" term for explanations of contemporary urban phenomena; displacement of minorities, spiking housing prices, sharp changes in the character and demographics of communities, disproportionally increased policing of specific areas and the rise of "monocultures" across neighborhoods are constantly placed under the same umbrella.

Although this report is concerned primarily with aspects of operationalization, since the term gentrification has been used so broadly and across many different disciplines over the past five decades, some attention to conceptualization has been given, particularly in regards to its generalization and applicability across different cultures (Ley, Teo 2014; Maloutas 2012).

It is also important to note that a substantial amount of the body of research concerned with gentrification is focused on Anglo-American cities. The positionality examined here is almost exclusively that of North American researchers, observing communities mostly from Canada and the United States.

Lastly, some discussion on neoliberalism as the structural framework necessary for the diffusion of gentrification, as well as propositions of welfare – in the form of rent-control and unemployment benefits, for example - to counter its negative effects is necessary, since many works make reference to one or both of these themes (Ellen, O'Regan, 2011; Ley,1996; Ley, Teo. 2014; Maloutas, 2012; Paton, 2014; Talen, 2012). Moreover, it will be later explained that if looking at retail gentrification as a trigger of neighborhood gentrification, it is important to appreciate that these measures and assumptions might fall short.

Conceptualizations and issues with generalization

When observing the process of middle and upper-class families moving into low working-class neighborhoods and facilities in disrepair, Glass (1964) coined the term "gentrification" as a term to describe the violent changes in demographics and facades that the London district of Noting Hill was experiencing. Since then the term has evolved to convey a plethora of meanings and functions (Paton, 2014, pp. 2-4), both on economic and cultural dimensions.

Maloutas has warned of the overgeneralization and oversimplification of the term, that perhaps has even invalidated its use in the academic field (2012, pp. 43-44). Furthermore, Maloutas deems the term as inapplicable to any communities outside of the Europe-US axis, as he argues that gentrification is extremely place specific; and that place is Anglo-American communities.

These assumptions have been contested by Ley and Teo (2014), who claimed that public discourses in Asian countries are limited and in need of a term that truly encapsulates the inner workings of the urban renewal experienced in Hong Kong; to them, the term can be empowering and a necessary awakening to communities who according to them, can't make sense of the negative effects of urban renewal (pp. 1299).

Maloutas argument, though well intentioned, fails to appreciate that at the most basic level, gentrification is indeed a simple process; displacement of residents by others with a higher market power (Ley, Teo 2014, pp. 1287). His concerns regarding "loss of contextuality" and "imperialist homogenization of societies" (2012, pp. 33, 43) are actually over complications of a process that depends, indeed on place specific conditions; those of capitalist societies.

Methodologies and units of analysis

Methodologies used for researching gentrification have relied equally in qualitative and quantitative approaches, with some skillfully combining them (Paton, 2014; Sullivan, Shaw. 2011). The economic aspects of it are often observed taking housing costs and household income as variables, and residents as units of analysis (Ellen, O'Regan, 2011; McKinnish, Walsh, White, 2010). Researches focused on cultural and social aspects have taken land use, landscape, public discourse and as observable units. Ley and Teo for example (2014), relied almost exclusively on public discourse observed in local newspapers and interviews with residents of Hong Kong to develop their work on urban renewal perspectives in Asia.

Ultimately, both approaches are often better when employed together; numbers describe trends of change more precisely, but the personal discourses and embodied experiences of those who act and are acted upon in the process of gentrification are essential pieces to deconstruct the operationalization.

Similarly, nomothetic and ideographic approaches are complementary, particularly when exploring social and cultural constructs, as in the highly ideographic work by Paton (2014), which analyses a group of working-class residents of a rapidly gentrifying neighborhood, taking into account their most personal accounts of the changes and their unique traits, to conclude the piece with a nomothetic perspective of how the working-class as a whole deal with gentrification and displacement.

Positionalities and perspectives

Paton's work is one of the very few that gives the victim of gentrification a voice, along with Sullivan and Shaw (2011) account of retail gentrification in Portland, Oregon and Ley and

Teo's interviews of residents in Hong Kong (2014). The majority of the research seems to be performed "from the ivory tower," relying mostly on census data and unobtrusive observations of landscape changes.

Another issue is the absence of research on the gentrifier, with the exception of Helms (2003) empirical analyses of gentrifier renters in Chicago; though data rich and methodologically strict, his research, as he himself acknowledges, lacks information on the landlords. The landlords themselves might be deemed as gentrifiers, for they are direct agents on the housing affordability issue.

Other than income, professional status and household size, very little information is available, and most data on gentrifiers comes from secondary sources. Except for big developers and government officials, no in depth information on the typical gentrifier is available. Assumptions and intuitive public discourse places the blame on white-collar workers from high-paying industries like tech and assume they are mostly white, childless couples.

The trouble with that is that tech companies often employ workers from overseas, who do not necessarily fit this description. By simply assuming gentrifiers as white "yuppies," the body of literature on gentrification produced by the social sciences perhaps misses an opportunity of observing flows of migration and immigration that could add new dimensions to the analyzes of the subject. Ellen and O'Reagan's (2011) work for example finds no evidence that gentrified low-income communities become more white.

References to neoliberalism and the trouble with welfare propositions

Many works have made references to neoliberalism as the cause/enabler of gentrification, and of those, all are in agreement with each other regarding approaches to curb the negative

effects of gentrification on vulnerable populations (Ellen, O'Regan, 2011; Ley,1996; Ley, Teo. 2014; Maloutas, 2012; Paton, 2014; Talen, 2012).

Talen, from the perspective of an urban planner, acknowledges that walkable neighborhoods are prone to being gentrified, and recommends social housing, rent caps and ordinances of zoning laws that protect small businesses. Ley (1996) expands on that, citing the successes of communities in Vancouver B.C in resisting gentrification as impossible without the help of the local government and the provision of welfare.

Empirical evidence, however, has shown that these measures alone, have not worked on the long term in the very communities researches deem as "successes." A recent online publication (Diewert, Walia, 2012) cites Canadian geographer Loretta Lee's argument that "over the longer term poor, people suffer more from the loss of benefits of living in a poor neighborhood, than they gain from living in a more affluent one." The article goes on to cite that facilities such as food banks and shelters are systematically expunged from these neighborhoods, forcing the displacement of those reliant on them.

Operationalization and incongruences with reality

The operationalization used to measure gentrification relies virtually always on the observation of demographic changes and housing developments, particularly the rent gap (Knopp, 1990; Ley, 1996; Ley, Teo, 2014; Paton, 2014; Vigdor, 2010). For that reason, no research has been able to predict gentrification, and it has not been observable until it actually starts and picks up momentum.

Meanwhile, Starbucks seems to have found a formula – or several – to assist on that prediction, employing an army of GIS specialists to monitor neighborhoods in order to find the

next best spot for their new locations (Rascoff, 2015). More interestingly, housing prices have been noted to spike *after* a new Starbucks is introduced to the neighborhood. *Starbucks thus, does not follow a trend of gentrification, but sets it in motion*. Urban planning publications pro-gentrification consider attracting fancy restaurants and retails to "design a neighborhood" as a necessary task if a planner strives to attract the "creative class" to a neighborhood (Beyer, 2015), while others that oppose gentrification emphasize the importance of saving small businesses for the local economy and diversity in neighborhoods (Hinshaw, 2016; Callaghan, 2016). These discourses suggest that the importance of commerce in a community is tremendous, and might even outweigh that of housing.

Complains regarding Seattle's Capitol Hill gentrification have been largely based on culture clashes, the devolution of the "gayborhood" to "tech bros" looking for fun in nightclubs, and the replacement of local businesses that represented the local culture and economy with chain stores, overpriced and "monocultural." (Balk, 2014; Berger, 2013; Kelety, 2015; Romano, 2015). Housing issues are just one of the aspects, and in the case of Capitol Hill, arguably one of the least central.

Empirical evidence of the gentrification in places like Capitol Hill suggests that perhaps the way all literature perceives gentrification could be, in some cases, operating on reverse; in this scenario, housing prices spike because of the gentrification of local businesses, not the other way around.

Conclusion

While the work of Sullivan and Shaw (2011) does an important job in linking racial exclusion to retail gentrification, the whole body of literature on gentrification assumes that all gentrification is set in motion by housing developments, and the influx of wealthy residents. All recommendations stemming from these researches propose housing alternatives and welfare provision as ways of avoiding the "pricing out" of residents from gentrifying communities. But what if is the commerce in these communities, that is pricing them out?

Sullivan and Shaw subjects revealed feelings of discomfort when frequenting upscale businesses that were not cater for them. Capitol Hill's empirical evidence shows that local businesses are attracting a certain kind of "undesirable" patrons, that clashes with the local culture. Social housing alternatives failed to avoid the displacement of residents in Vancouver.

At the center of all this, two concepts are central; first, time-geography. If one must travel to a different neighborhood to find affordable amenities, such as grocery stores and cheap entertainment, why not relocate? Second, the construction of meanings, values and promotion of social and racial exclusion through the manipulation of the commerce in a community – or as cultural geographers would frame, its landscape.

Perhaps then, the right question to ask regarding the gentrification of Capitol Hill in Seattle is; **did commercial gentrification precede the housing affordability issues in Capitol Hill?** If commercial gentrification is a phenomenon that might precede changes in demographics as a trigger to overall community gentrification, then new, revelatory nuances to this complex urban process might become more visible, and new recommendations to curb its negative effects might apply.

Developed Methods

Considering the wide gap in the academic literature regarding commercial gentrification, while observing the empirical evidence found in many gentrifying communities that the commercial design of neighborhoods excludes some in favor of others, the purpose of this research is to further explore the process of gentrification in the Seattle neighborhood of Capitol Hill with a focus on its commercial reconfiguration.

Capitol Hill has been chosen as the place of focus of this research particularly for two main factors; first, while it has been noted that Seattle as a whole has been going through a process of gentrification for decades (Berger, 2013; Romano, 2015), Capitol Hill has been one of the most cited neighborhoods on public discourse, particularly based on claims of change of neighborhood orientation. Known since the 70's as the city's "gayborhood," the neighborhood is now confronting cultural conflicts, often leading to violent homophobic hate crimes. This inversion of values seems to be at the center of talks regarding gentrification, even more so than housing affordability issues (Romano, 2015; Kelety, 2015). Second, Capitol Hill has historically always been a mixed-income neighborhood, with many arguing that when considering poverty and income distribution, Capitol Hill cannot even be classified as a gentrifying community (Balk, 2014).

Thus, the proposed question of this exploratory research is more specifically, **how has commercial gentrification affected Capitol Hill's residents?** It is however, important to note that the invaluable knowledge gathered over five decades of study on gentrification is not to be ignored, but rather complemented by the exploration of how the design of the commercial street

might have tremendous effects the local community, even before atypical patterns of inflow/exodus of its residents.

Population studied and timeframe of interest

Since gentrification has been conceptualized as a process of displacement of the original residents and alteration of its previous character, the focus population group of this study are long term residents of Capitol Hill. Since it is nearly impossible to point out when gentrification started in the neighborhood, for the purposes of this study, "long term" can be defined as residents who have lived in the neighborhood prior to 2010.

The reason for this time frame has to do with Amazon's commercial boom in 2010, which also propelled the economy of the city, it's tech industry and its inflow of residents (Demay 2015; Herzog, 2015). These are the factors that are most often associated with the dramatic changes in Seattle and Capitol Hill, so residency prior to 2010 is considered here to be one of the main factors on assuring representativeness of the samples.

Population size, however, is not known and not relevant for this study, as this is not an explanatory research and the amount of people displaced does not factor in understanding the developments triggered by gentrification in the neighborhood.

Unit of analysis/observation and sampling type

This research will follow the steps of more idiographic studies on gentrification (Paton, 2014; Sullivan, Shaw, 2011) and focus on the individual as unit of analysis. Though works that focused on unobtrusive and archival research could be effective in analyzing the landscape changes of the neighborhood overtime (Ley, Teo, 2014), the impact of these changes is very

subjective and hard to measure from secondary sources; any method that does not directly inquire the subjects would be highly speculative.

The personal experiences of residents who had seen the changes of the neighborhood is invaluable, helping make sense of impact of these changes in individuals, to then, much like Paton's work (2014) draw a more nomothetic, general picture of the impact on the overall population that is supposedly being displaced.

The sampling type would thus, have to be non-probability – for there is no database to randomly select them from – and mostly purposive; the reason for that is to elect a sample that is representative enough of the general population of the Capitol Hill "pre-gentrification". Thus, a population that reflects the values and orientation that as public discourses argue, has been lost, or in the process of being replaced. Snowball sampling follows, as interviewees may grant access to a larger, willing to participate sample.

Modes of observation, variables and importance of conceptualization and operationalization

Since the variables and themes of this study may be highly abstract (table 1), and its framework a bit more geared towards cultural geography than quantitative analysis, the majority of themes and variables analyzed are to be measured at a nominal level, often lacking scale and having an open-coded, wide variety of possible answers. Hence, the main mode of observation to be employed is qualitative interviewing, with some transect walks to complement the analysis of the landscape and enhance the quality and preciseness of the account of the interviewees.

Of all the variables to be employed in this research method, *income, time spent in and out of the neighborhood* and *where residents do most of their shopping* will be the most closed-ended. Income matters, because gentrification is virtually always associated with the inflow of

wealthier residents. Also, if businesses in the area are catering to those who have more financial power, class exclusion might be observed. Free/leisure time spent in the neighborhood can be more easily quantified than what it reveals; the commercial street of a community tends to be the focal point of its residents. If it fails to attend the needs of the residents, then it will prove a polarizing factor, as residents will travel further for the amenities/commerce they seek (Beyer, 2015). This issue of time-geography is also present when examining where residents shop; are there affordable grocery stores in the area? Do businesses cater for them? Are there more pet grooming shops in the area than affordable amenities?

In order to draw more precise conclusions, these factors must also be analyzed in a more open-ended, nominal way. *Views of other residents in the area*, as well as – and more importantly – personal accounts of how they *perceive the current and past local businesses* is essential – though very complicated to operationalize and conceptualize. Feeling "satisfied" or "unsatisfied" with the local bar and retail scene for example, leaves much for speculation; attributes and adjectives that may relate to certain values and specific orientations are sought, and encouraged by the "open-endness" of the mode of observation.

Operationalizing murky, abstract and descriptive concepts such as "feeling welcome" at a store or the "character" of the neighborhood depend manly on two factors. First, the combination of words and adjectives that might elucidate the profile of the interviewee and business in question; disapproving accounts of how "authentic" family owned businesses are being replaced by "cold, soulless" stores and restaurants for example, might reveal and help conceptualize what "character" means to interviewees, and shed light on the general sentiment of the population represented by the interviewee. "Gay friendly," "snob" or "artsy" are some examples of adjectives used to define places that might reveal important aspects of the values and

characteristic of those who use these words interchangeably with concepts such as “good” and “bad.”

Second, it is important to consider intersectionality. *Sexual orientation*, for example, is an important variable, for Capitol Hill is known for being a gay neighborhood; however, occupation is a heavy factor as well, with most public discourses condemning those who work in the field of technology as gentrifiers (Demay, 2015; Kelety, 2015; McKinnish et al, 2010). *Race* is another important factor, as most accounts of gentrification suggest that gentrified communities become whiter – in other words, gentrifiers are almost always white. So how does a gay, black man who works for Amazon as a programmer feels towards the commercial environment of Capitol Hill? Or Capitol Hill as a whole? Analyzing the intersectionality of this variables might shed light on the kind of individual who is being pushed out of the neighborhood, and how – if true – changes in the commercial configuration of the neighborhood exclude them; racially, financially, based on sexual orientation, etc.

The strengths of this mode of observation and way of operationalizing variables rely on the richness of detail provided by interviewees. Not limited to filling dots on a survey, interviewees are free to express how they feel about the retail in their community, which followed by careful operationalization and conceptualization of the variables in question, helps pinpoint specific aspects of gentrification that might not be visible otherwise. Validity weaknesses are the lack of quantifiable aspects, and the reliance on very subjective variables such as feelings and emotions, that are likely to be disputed.

The hope is that the predominance of nominal level variables will not overshadow the validity of the results, but instead, complement a vast literature that is concerned primarily with

rent gaps, land devaluation and housing costs – neglecting the crucial human aspects involved in the process.

Table 1: List of Variables/Themes

Variable/Theme	Possible Values	Scale	Level of Measurement	Where Measured
Income	Any value from $0 (no income)	US Dollars	Ratio	Qualitative Interviewing
Race/Ethnicity	Not pre-coded. Possibilities include Black, White, Hispanic, Asian, etc.	N/A	Nominal	Qualitative Interviewing
Occupation	Not pre-coded. Possibilities include managerial positions, service sector, specific career fields, part-time/full-time	N/A	Nominal	Qualitative Interviewing
Sexual Orientation	Heterosexual, LGBTQ	N/A	Nominal	Qualitative Interviewing
Residency Status	Resident, ex-resident or looking to move out of Capitol Hill	N/A	Nominal	Qualitative Interviewing
Feelings Towards Residents/Neighbors	"Unsatisfied" and "satisfied" are possible values, but more open, explicative answers are sought/preferred	N/A	Nominal	Qualitative Interviewing/Transect Walks
Feelings Towards Local Businesses (specially on Broadway)	No pre-codding, but values sought are mostly to do with feeling welcome and being the target audience	N/A	Nominal	Qualitative Interviewing/Transect Walks
Amount of Leisure/Free Time Spent in/out of the Neighborhood	Numeric or nominal. Values such as "most of the time" or "rarely" are accepted/expected.	N/A	Nominal/Ratio/Ordinal	Qualitative Interviewing/Transect Walks
Where most of the shop is done	Within or outside of Capitol Hill	N/A	Ordinal	Qualitative Interviewing

Table 2: Timeline

Research Portion	Projected Timeline
Sampling	3 months
Observation/Measurement	2 months
Analysis	3 months
Total Proposed Length of Research	8 months

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