**Memorandum**

**To:** Professor Andrew Greenlee

**From:** Rosario Barrera

**Date:** March 3, 2021

**Subject:** Project Proposal

**Objective**

Gentrification can manifest itself in both positive and negative ways in terms of neighborhood change, however; it is a highly contested issue. This research will focus on analyzing gentrification at the census tract level in the city of Chicago and its impact on community typologies. The research will analyze the relationship between citizenship and displacement in gentrifying neighborhoods across the city of Chicago. This research will be presented to public policy advocates and public housing advocates in the hopes to increase accessibility to affordable housing to non-citizens in the city of Chicago, specifically Latinos.

The question I will be focusing on for my research project:

Is there a relationship between citizenship and displacement in gentrifying neighborhoods?

**Background**

Hwang, Jackelyn. 2015. Gentrification, Race, and Immigration in the Changing American City. Doctoral dissertation, Harvard University, Graduate School of Arts & Sciences

Professor Hwang wrote her dissertation on the topics of gentrification, race, and immigration specifying on the city of Chicago. She specifically focused on gentrification during the Daley administration and the implementation of slum clearance policies in the city of Chicago. She discovered several things through research and analysis:

* There is a racial order to gentrification and its location and pace
* Unevenness of gentrification contributes to the persistent disadvantage that black and Latino neighborhoods experience
* Advance the understanding of how people in particular groups and neighborhoods remain poor
* Asians and Latinos after 1965 serve as pioneers in low income, declining urban neighborhoods bringing economic and social stability and racial and ethnic diversity to areas which attracted gentrification
* Pressure for affordable housing have important implication for gentrification
* Role of race in gentrification at the neighborhood level is conditional on city level racial structures of immigration flows
* It's not a self-segregation or affordability issue, it’s a policy issues because cities have the power to intervene and mitigate the consequences of displacement

While Professor Hwang has some intriguing findings, she particularly focuses on the experience of Asians in the city of Chicago. I would like to further expand my research to analyze whether the vulnerability that Latinos experience in the gentrifying neighborhoods is due to affordability concerns as well as citizenship concerns.

**Methodology**

Independent variable: Chicago Community areas

Dependent Variables: (based on Vorhees Index of Neighborhood change)population, percent white, percent black, percent Latino, percent elderly, percent children, percent college educated, percent median family income, percent owner occupied, percent families below poverty, percent manager occupations, percent female households with children, percent private school attendance, citizenships \*

Data

* US Census Bureau
  + 5-year ACS
  + Decennial

Time period

* 2016 5-year ACS (2014-2018)
* 2000 decennial census

Location

* Chicago, Illinois
* Specific Case: Pilsen Community Area

Methods

Use R Studio to collect and analyze data. Using the census data, I will garner the percentages to determine change between the two indicated census periods. From these percentages I will compose a composite score that will indicate if the neighborhood is gentrifying, declining, or has experienced little to no change. Using citizenship rates from Chicago community areas I will conduct a regression analysis to determine whether neighborhoods with high rates of non-citizens are more likely to experience gentrification.

Deliverables

Colored maps to demonstrate composite scores

Colored maps to indicate gentrifying areas throughout the city of Chicago

Regression analysis to determine the relationship between citizenship and gentrification vulnerability

Justification/ Explanation

For the purpose of this research citizenship status is taken into consideration as non-citizens are significantly disadvantaged in their communities and vulnerable to displacement associated with gentrification. Non-citizens have many obstacles preventing them from being able to accumulate wealth and generational wealth. Non-citizens are unable to qualify for mortgages that would otherwise allow them to buy a home and create generational wealth in their communities. For the purposes of inability to buy homes, non-citizens may be more likely to be renters which will make them more vulnerable to affordability concerns due to rent increases. Considering that renters may be more vulnerable to increasing rent values, they may no longer be able to live in the gentrifying community; thus, being displaced and forced to move into a more affordable community that may not provide an equally adequate social safety net. The purpose of using the Vorhees index will help us analyze the rate of neighborhood change in neighborhoods throughout Chicago, but specifically at neighborhoods that have a high rate of non-citizens.

**Case Study: Pilsen, Chicago. A majority Hispanic neighborhood undergoing gentrification**

“History of Pilsen.” WTTW Chicago, 26 Mar. 2018, interactive.wttw.com/my-neighborhood/pilsen/history.

Pilsen has always been a working-class immigrant community. In the 1840’s the first immigrants to make Pilsen their homes were Irish immigrants. However, due to constant flooding Irish working-class families left the neighborhood to seek better housing conditions. They were quickly replaced by Czech immigrants, many who were Bohemian Free thinkers, agnostics who valued reason and logic over tradition and church doctrine. “Downtown banks at the time refused to loan money to blue-collar workers, so the Freethinkers formed their own credit unions and savings and loan associations, providing the means for much of Pilsen’s earliest and grandest development projects. To this day, the favored neo-Bohemian baroque architecture, marked by heavily corniced, mixed-use structures, defines the neighborhood’s unique aesthetic.” Pilsen continued to be a working-class neighborhood, however after 1918 when the Czech gained independence, immigrant arrival decreased, and immigrant children assimilated to American life.

Following the great depression and WWII, the Czech moved to the suburbs. Additionally, urban renewal practices gained popularity within the United States. “A spate of local, state, and federal laws in the 1940s and ’50s created multiple funding streams to incentivize projects that would displace low-income residents, demolish dilapidated structures, and rebuild in the most blighted urban areas.” One of the projects that contributed to the to the displacement of low-income residents included the construction of the Stevenson expressway. Additionally, the Chicago Land Clearance Commission began appraising and purchasing lots and residents began moving out.

“In September 1960, Mayor Daley proposed that the University of Illinois (UIC) build its new downtown campus at the precise location of the proposed affordable housing units, as well as several adjacent acres. The neighborhood coalition fought fiercely – with demonstrations and a lawsuit – but ultimately lost.

In the end, an estimated 5,000 people were displaced to make way for UIC. Several Mexican families moved south to nearby and affordable Pilsen, kicking off a wave of migration that would change the face, character, and trajectory of the neighborhood.”

Mexican families who moved to Pilsen were welcomed to the community were met with hostility. Due to ostracization Pilsen residents created their own coalitions to address the needs of their children including refugee centers, alliances that would push back against further urban renewal, community centers where people could organize, and filled their community with art. Eventually, Czech and polish neighborhoods made their way to the suburbs and Pilsen became predominately Mexican.

In 1973, the school board approved the construction of a new high school in the Pilsen neighborhood. Benito Juarez Community Academy finally opened its doors on September 16, 1977.

Up until recent trends of gentrification, Pilsen has been a hub for Latino immigrants to garner access to work and social opportunities. For that reason, Pilsen will be the neighborhood I will closely analyze to understand the repercussions of gentrifying a community. Taking a close look at this community will help us understand how the neighborhood has changed in terms of demographics, but also the different organizations, social safety nets and economic opportunities that were specifically available for Latinos within the community.

**Policy Implications**

*Public Welfare Policy Implications and Housing*

“Overview of Immigrant Eligibility for Federal Programs.” National Immigration Law Center, 16 June 2016, www.nilc.org/issues/economic-support/overview-immeligfedprograms/.

The 1996 welfare law created two categories for immigrants to determine their eligibility to welfare services. However, the law excluded most people in both groups from welfare programs. The qualified immigrant criteria include: “lawful permanent residents, refugees, people granted asylum or withholding of deportation/ removal and conditional entrants, people granted parole by the U.S Department of Homeland Security or a period of at least one year; Cuban or Haitian entrants; certain abused immigrants, their children, and/or their parents; certain survivors of trafficking.” all other immigrants who do not meet these criteria means they are unqualified.

General public welfare is generally denied to unqualified immigrants. The services are not specified by federal law, however individual federal granting agencies clarify their own terms. The United States Department of Housing and Urban Development (HUD) focuses on issues pertaining to housing throughout the United States. However, under United States Housing Policy, unqualified immigrants do not qualify for public housing despite their socioeconomic status. For this reason, I would like to focus on garnering enough evidence to to prove that there are several non-citizen groups in need of public housing opportunities especially those affected by gentrification and the inability to become owners.

*Initial Policy Recommendations to reduce the effects of Gentrification*

* Preventing gentrification → **Community Benefits Agreement:** a contract signed by community groups and real estate developer that requires the developer to provide specific amenities or mitigations to the local community or neighborhood
* Expanding home buying programs to community members despite citizenship status through the **Community Reinvestment Act**: is a federal law enacted in 1977 to encourage depository institutions to meet the credit needs of low- and moderate-income neighborhoods. The CRA requires federal regulators to assess how well each bank fulfills its obligations to these communities.
* Hold banks accountable for lending discrimination associated with redlining and beyond
* Expanding and improving immigration laws in the United States to be more inclusive of non-citizens and their impact on the United States Economy
  + Review the National Latino Real Estate Association Homeownership Report

*For Review/ Additional research*

To further examine the process and facilitation of gentrification I will be looking at local mortgage rates and practices and how they have change over time in specific neighborhoods. I will be using the Home Mortgage Disclosure Act data portal for this portion of the analysis as well as the Woodstock institute. This research area will be reviewed throughout the process of the research above. This section intends to understand the rationale behind gentrifying neighborhoods.