



## CENTER FOR COMMUNITY INNOVATION

### **Mixed Income Defined: An Examination of Income Diverse Neighborhoods and What Keeps them Stable**

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This study engages in exploratory research on the subject of mixed-income neighborhoods and evaluates what contributes to their ability to stay mixed in the long run. It begins by offering a quantitative definition of income diversity and then applying that definition to all of the counties in the San Francisco Bay Area. From there three case study sites for further examination were selected, North Oakland, California; San Francisco's Mission District; and San Francisco's Western Addition. The case study sites were examined for the factors that contribute to income diversity and encourage stability. The analysis revealed three divergent stories of income diversity and stability: The North Oakland site offers a story of income mixing through physical barriers; the Western Addition achieves income diversity through government intervention; and the Mission neighborhood tells a story of income mixing and stability achieved through active social institutions and ample social seams.

## **Introduction**

The term mixed-income is a buzzword among planners, politicians, developers and the public, alike. The ideal of the mixed-income community intuitively appeals to many who equate it with inclusiveness, the promotion of diversity, and shared understanding among people of different backgrounds. Some associate an income diverse community with a sense of neighborhood vitality not found in other neighborhoods. But in fact, little is known about what elements make an income diverse neighborhood, what it looks like physically, or even how it is defined quantitatively.

Despite this, there remains a strong interest in income diversity. The basis of this interest is rooted in the sentiment that “communities function best when they contain a broad social mix.” (Berube 2005). The mixed-income ideal puts forth the notion that the mixture of household types, tenures, and incomes that create income diversity are vital components of neighborhood revitalization (Jacobs 1961; Berube 2005). Such an income mix can also serve to break up or prevent concentrations of poverty that are viewed as generators of neighborhood decline. Theoretically, good social services, especially education and safety, are easier to provide in communities with more economic advantages because of the existence of a “fiscal basis” to pay for such services (Jargowsky 2003). The attendant effect of providing better services is that everyone in the community benefits from them; low-income families benefit, just like middle-class families, from reductions in crime rates and their children benefit from access to higher quality education (Freeman 2005; Varady and Walker 2003). Overall, these mixed-income neighborhoods are valued for creating an environment where the poor are not as segregated from the mainstream as they are in neighborhoods with a concentration of poverty (Jargowsky 2003). Some supporters also suggest that middle-income residents serve as role models for low-income residents. And that by association, they acquire the skills needed to break away from the oppressive culture of poverty that exists in poor communities, thus reducing social costs down the road (Varady and Walker 2003). Income diverse communities are also seen as better equipped than low-income communities to avoid and withstand periods of decline because of their diversity of housing options and established economic base (Berube 2005).

While much can be said about the benefits of a mixed income community, a critical departure point in expanding our current understanding of income diverse neighborhoods is to establish a definitional basis from which to start the discussion. If city planners and policy makers are to continue to develop and promote these neighborhoods, we must have a way to measure our progress. Further, it is not enough simply to appreciate income diverse neighborhoods when they exist; an understanding of the characteristics that garner stability is an essential, and currently lacking, component of the income diversity toolkit. Without sound policy choices and the knowledge of what ensures stability, these neighborhoods are prime candidates for tipping to upper-income communities or slipping into an increased concentration of poverty.

## **Literature Review**

Mixed-income is a term of art for the Department of Housing and Urban Development (HUD), as well as property management companies operating HUD and Low Income Housing Tax Credit projects around the country. The idea reached prominence in the late 1980s and early 1990s when political will coalesced around deconcentrating urban poverty. Starting in the late 1960's, the Gautreaux lawsuits set the stage for mobility programs and the Moving to Opportunities demonstration program that aimed to relocate public

housing residents to mixed-race and mixed-income neighborhoods.<sup>1</sup> These programs operated with the idea that diversifying a person's environment would give them a leg up and access to advantages not available in public housing. These programs operated in two fundamental ways. The first was to attract market-rate tenants to HUD-managed properties to create a HUD-managed mixed income community (the HOPE VI program, popular throughout the late nineties and early twenty-first century, grew from these programs). The second approach to restructuring public housing was via dispersal programs that granted tenants Section 8 vouchers and allowed them to use the voucher to move into market-rate housing in the neighborhood of their choice, provided that landlords would accept the voucher (Goetz 2003).

Scholars hotly debate both types of programs and their outcomes. Rosenbaum's findings support the effectiveness of dispersal programs. He concludes that families who moved into suburbs rather than to inner-city housing were more likely to have jobs, better pay, and interracial friendships with neighbors (Rosenbaum 2000). Varady and Walker are more conservative in ascribing success to dispersal programs. They find that beyond the ability to relocate residents to safer neighborhoods with better schools, little is known about the long-term benefits of public housing resident relocation and further, that research fails to support the idea that social benefits are bestowed on low-income residents through new social networks with middle-income residents (Varady and Walker 2003). Goetz questions the "creaming effect" of voluntary dispersal programs that attract self-selecting residents with the highest levels of skill and human capital. He questions the favorable findings of voluntary mobility programs citing that residents that volunteer for such programs are atypical of public housing residents. Furthermore, he stresses that mobility programs have been unable to provide answers for residents who do not want to leave their neighborhood (Goetz 2003).

The flurry of excitement displayed by scholars to study the HOPE VI program is second only to the frenzy of cities vying for a HOPE VI grant. Keating raises concerns over the lack of resident participation and relocation options for tenants. He is also critical of the preference for demolition within the HOPE VI law (Keating 2000). Other researchers have focused their study on what it means to live in a newly developed HOPE VI property for low-income tenants. Are they benefiting from proximity to middle-income tenants? de Souza Briggs declares, "geographic proximity does not a neighbor make"(de Souza Briggs 1997). Pursuant to this question, a new body of research on neighborhood social networks, has emerged that focuses on job-searching approaches, and interaction among HOPE VI tenants and scattered-site tenants, though by-and-large the question remains to be answered (Kleit 2001).

Embedded in the mixed-income discussion are the issues of economic segregation, "the spatial segregation of households by income or social class," and the concentration of poverty that, in theory, is undone by an income diverse community (Jargowsky 2001). Several methodologies for determining economic segregation

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<sup>1</sup> There were two *Gautreaux* decisions; the first, *Gautreaux v. Chicago Housing Authority (1969)* heard by the federal district court, determined that the Chicago Housing Authority discriminated based on race in the placement and leasing of public housing. The second case, *Gautreaux v. Harris (1979)* was heard by the US Supreme Court, which ruled in favor of mobility programs that provided Section 8 vouchers for public housing residents to move to predominantly white neighborhoods. The Moving to Opportunities (MTO) was authorized in 1992 and was modeled after *Gautreaux* but differed in that it was designed to relocate residents living in neighborhoods with a concentration of poverty rather than racial concentrations. The program relocated residents living in areas with greater than 40% of residents below the federal poverty level to areas where less than 10% of the population was below the federal poverty level. Source: Goetz, Edward G. 2003. *Clearing the Way: Deconcentrating the Poor* Washington, D.C.: The Urban Institute Press.

or neighborhood inequality exist, (see Jargowsky 2001, Erbe 1975, Massey and Eggers 1990 and Myles 2000). In 2001, Jargowsky found that economic segregation from 1970 to 1980 increased in all racial and ethnic groups he studied, including Whites. In the 1980s, however, he observed that increases in economic segregation were especially large for minorities, despite an overall decrease in residential segregation by race. These findings suggest problems with previous literature that alleged a linked relationship between racial and economic segregation. Swanstrom, 2005, finds that an overall growth in the number of poor and affluent places came at the expense of middle-income places becoming either more poor or more affluent (Swanstrom et al 2004). Together, Jargowsky's and Swanstrom's findings present strong support for further research into income diverse communities.

While Jargowsky examined racial and economic segregation, Nyden evaluated the stability of racially diverse neighborhoods over time (Nyden et al. 1997). He offers methods for determining stable racially diverse communities as well as several policy recommendations for influencing a community's racial-stability. Nyden suggests that stable racially integrated communities do exist and that they are growing in number, a finding supported by Ellen (1998). Nyden's research revealed two types of diversity: diversity spread over blocks and small pockets of racial homogeneity within the larger diverse community (Nyden et al. 1997). Nyden alludes to Jane Jacobs in his findings that the presence of social seams, or "points in the community where interaction between different ethnic and racial groups is 'sewn' together in some way," are characteristic of stable diverse communities (Nyden et al. 1997). His findings also suggest that a consciousness among residents of the community's diversity is an important element in stability. This type of awareness is likely to spur the formation of social and community groups, which also contribute to stability. Nyden coins this "self-conscious diversity" and contrasts it with "laissez-faire" diversity. This concept aligns with Galster's 1990 finding that "affirmative marketing" policies adopted by municipalities in the Cleveland area resulted in greater levels of integration than in municipalities that lacked an overt policy (Galster 1990). The importance of the role of community groups in gentrification is also the focus of Fraser, 2004, who concludes that in an age of neoliberalization, "the formation and activities of neighborhood-based communities, and their relation to state and market forces, have become increasingly important factors to examine" (Fraser 2004).

Immergluck and Smith take up this topic of neighborhood racial diversity and add income to the equation. They examine the flows of residents moving into neighborhoods in Chicago by looking at home-buying patterns and their respective implications on racial and economic diversity. Immergluck and Smith find an increasingly diverse nature to home buying with a corresponding decrease in the number of census tracts with predominantly white homebuyers. However, they also find an increase in the number of census tracts that have high income restrictions to entry (Immergluck and Smith 2003). Immergluck and Smith conclude that a significant number of neighborhoods achieved either a racial or income mix, while only a small number achieved both.

In the study described in this paper, we have examined stable income-diverse neighborhoods in the San Francisco Bay Area focusing on the policy, housing, economic development, and physical development patterns that contribute to a neighborhood's socio-economic mix and stability over time. Just as Nyden, in his 1997 study, sought to develop a "tool kit" of policies, community-based strategies, and government intervention" (Nyden et al. 1997) for racially- and ethnically- diverse communities, so too does this study strive to offer similarly practical solutions for income diverse communities. This study is part of a larger body of work that aims to make specific policy recommendations for Richmond, California, a city in the San Francisco Bay Area with a predominantly low-income population that is facing significant development pressures. While this study has a broader goal of identifying what an income diverse community is and what influences its stability, many of the particulars of the study were designed with Richmond in mind.

## Methodology

What is an income diverse neighborhood? In order to answer the question, it is first necessary to establish a definition of mixed income. No accepted definitions of naturally occurring income diverse neighborhoods exist in the literature, although definitions do exist for properties subjected to HUD or other oversight bodies. Because of the lack of a definition for mixed-income neighborhoods, research on model constructions extended to literature on neighborhood change, economic segregation, mixed-race neighborhoods, and neighborhood stability. Drawing from these sources, a quantitative definition that accounts for educational attainment and the evenness of income mixing was developed. Using this quantitative definition, case study sites in the Bay Area were identified for analysis.

Research examined the physical design of case study sites in order to better understand how the neighborhood's built environment influenced income mixing. Additionally, researchers conducted semi-structured interviews with local stakeholders to understand the processes of neighborhood change and the policy, housing, and economic development efforts of each neighborhood that contributed to its ability to stay income diverse over the long-term. Conclusions, recommendations, and opportunities for future research are offered.

### Mixed Income Definition

The initial part of this study required the creation of a quantitative definition of what constitutes a naturally occurring, mixed-income community. This definition is comprised of three parts, which are combined to produce a mixed income score. Each part of the definition was applied to U.S. Census defined block groups throughout the Bay Area. The first component is adapted from Immergluck & Smith, 2003, who measured neighborhood racial- and income- diversity in home-buying patterns in Chicago. The second component measures diversity in educational attainment levels, based on the importance of education as a long-term indicator of income (Erbe 1975). The final component uses the diversity (entropy) index to measure the even representation of income in quintiles at the block group level. Values approaching 1 reflect greater diversity, while those approaching 0 reflect greater homogeneity. The diversity index calculation is based on the concept of entropy from physics and thermodynamics, which states that any system will naturally spread-out or trend toward evenness (imagine hot water cooling, diffusion across cell walls, etc). The amount of entropy in a system refers to how far along a system is in reaching complete evenness or equilibrium. More entropy means closer to evenness. In the social sciences researchers have developed an index to measure entropy of a population across social categories. This is also referred to as the Shannon-Weaver or the Shannon-Weiner indexes. The index is calculated as follows.

(5)  $H = -\sum_i^k \pi_i \ln \pi_i$  ; which ranges from 0 to  $\ln(k)$ , where  $k$  is the number of social categories. To convert (5) into an index that varies from 0 – 1 we can divide by  $\ln(k)$ .

$$(6) H = \frac{-\sum_i^k \pi_i \ln \pi_i}{\ln k} .$$

Finally, a mixed income score was determined by averaging the results from the three separate indicators.

### **Index I: Concentration of Low vs. High Incomes**

Immergluck's model for examining diversity in buying patterns was adapted and used as a method for analyzing the diversity of existing incomes in a community. To do this, the percentages of families in a block group making below 80% of the county's Area Median Income (AMI) was calculated and the percentage of families in a block group making above 120% of the county's AMI was calculated. The 80% figure was indexed at .4 and the 120% figure was indexed at the county median (subtracting out

all percentages below .20). Finally, these two figures were averaged together to achieve one number reflective of the block groups' concentration of low and high incomes.<sup>2</sup>

### **Index II: Educational Attainment**

Using census data, educational attainment levels for each block group were sorted into four groups: less than high school diploma, high school diploma or Graduate Equivalency Diploma (GED), some post-secondary education, and Associate degree or above. For each block group the percentage of education attained in each category was calculated and a diversity index calculation was performed for the tract. This score was the final measure for the educational attainment index.

### **Index III: Diversity Index of Income**

Using census data, block group income levels were sorted into five income categories. Income categories were constructed to reflect the broader aggregated income spread for each county in each time period analyzed. For each block group the percentage in each group was calculated and a diversity index constructed for the tract.

### **Time Period Covered by Analysis**

Each indicator described above was calculated for each block group using census data from 1980, 1990 and 2000.

### **Variables of Interest**

In order to better understand what factors influenced the stability of income diverse neighborhoods, several variables were identified for study. These variables are identified in Table A.

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<sup>2</sup> For example, in 2000, Tract 4006 had 49.6% of its residents below 80% AMI (\$44,756). 49.6% was indexed at .4 to get .9034. In the same year, the tract had 28.1% of residents above 120% AMI (\$67,135). This number was indexed at .45, the mean number of all tracts in Alameda County for percent of residents above 120% AMI with everything below .20 removed, to get .8291. Then .9034 and .8291 were averaged together to get .8663, the final score for Tract 4006 on Index I.

Table A: Variables of Interest

| Variable   | Citation<br>(when applicable) |
|--|-------------------------------|
| Social Seams   | Jacobs 1961; Nyden 1997       |
| <i>Grocery Stores</i>  | Jacobs 1961; Nyden 1997       |
| <i>Commercial Strips (presence and type, i.e. Neighborhood- versus regional-servicing)</i> | Jacobs 1961; Nyden 1997       |
| <i>Parks &amp; Outdoor Recreation Space</i>  | Jacobs 1961; Nyden 1997       |
| <i>Religious Institutions (Ecumenical Services)</i>  | Jacobs 1961; Nyden 1997       |
| <i>Schools</i>   | Jacobs 1961; Nyden 1997       |
| <i>Social Interaction</i>  | Jacobs 1961; Nyden 1997       |
| Perception of Crime  |                               |
| <i>Sites for Entrapment</i>  | Blöbaum 2005                  |
| <i>Neighborhood Perception of Crime</i>  |                               |
| Barriers/Edges   |                               |
| <i>Major thoroughfares</i>   |                               |
| Community Involvement in planning and civic issues   | Nyden 1997                    |
| General quality of life issues/neighborhood dynamics                                       |                               |
| Awareness of Income Diversity in the neighborhood  | Nyden 1997                    |
| Census Data  |                               |
| Mix of Housing Type  |                               |
| Age of Residents   |                               |
| Tenure   |                               |
| Year Residents Moved into the Tract  |                               |

### Variable I: Social Seams

The importance of social seams has already been discussed in the literature section of this paper. However, it is worth mentioning again because of Nyden's (1997) finding that social seams were a significant factor in the ability of neighborhoods to maintain a stable mixed-race or mixed-ethnic population. For this reason, the presence of social seams and the neighborhood interaction they promote are hypothesized to influence the stability of mixed-income communities as well. This is in part due to the public consciousness of diversity that they reinforce. The measurement of social seams in this study replicates Nyden (1997); social seams were identified through an inventory of grocery stores, parks, schools, religious institutions and commercial strips. As a part of interviews, key neighborhood informants were asked about locations in the neighborhood where people of different socio-economic backgrounds interact and the relative frequency of these interactions.

In addition to inventorying commercial strips for their role in creating social seams, commercial establishments were also analyzed by the catchment areas<sup>3</sup> they served. Commercial strips were categorized as serving the neighborhood or the region. Regional-serving commercial establishments attract people from outside the community and position the neighborhood as a destination within the broader community. While a regional-serving business can still function as a social seam, it is also likely to be patronized by people from outside the neighborhood.

### Variable II: Perception of Crime

The perception of safety within the neighborhood was evaluated since it is hypothesized to be a critical component of how attractive the neighborhood is to people with housing choices. Locations of entrapment, (defined by Blöbaum 2005, as a physical feature that "blocked escape" and contributes to

<sup>3</sup> A catchment area is the area from which the customer base for a store is drawn.



perceived physical danger) were mapped as a part of the fieldwork. The perception of crime and safety was also addressed during interviews.

### **Variable III: Barrier and Edges**

Barriers or edges were examined in order to determine the ways in which they shaped the neighborhood within their bounds. It was hypothesized that barriers could contribute to economic segregation at both the high and low ends of the income spectrum because of their ability to thwart neighborhood change by isolating the neighborhood. Barriers, like major thoroughfares, can keep a place from gentrifying because they create unpleasant neighbors and lots of traffic. But barriers like topography can keep a neighborhood wealthy by making it inaccessible physically and economically. The presence of barriers such as major thoroughfares or boulevards, fast-moving traffic, topography, and land use barriers were mapped as a part of fieldwork.

### **Variable IV: Community Involvement**

Nyden's research also describes how community involvement in planning and civic issues and the community's awareness of the racial diversity of their population, were critical components of the neighborhood's long-term stability as a diverse place. This study borrows these findings and hypothesizes that they are also contributing factors to stable income diversity. Evidence of the presence of these more illusive elements of neighborhood dynamics was gathered in a qualitative manner through neighborhood interviews.

### **Variable V: Census Data**

Because the housing-type mix (single-family v. multi-family) and tenure (renter-occupied v. owner-occupied) can be a significant factor in determining who can live in a neighborhood, this data was collected from the U.S. Census. Census data regarding when residents moved into the neighborhood and the age of residents were also collected in an effort to analyze migration patterns into and out of the neighborhood.

### **Interviews**

For each case study site, a minimum of three interviewees were identified. The typology consisted of a city planner or city official for each neighborhood, a local community development representative, and a neighborhood resident. See Attachment 1 for the interview guide.

## **Case Study Selection**

The mixed-income scoring calculations described earlier were applied to census tracts and census block groups in all nine counties of the San Francisco Bay Area (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma) and were used to select case study sites for further localized analysis. As mentioned earlier, this study seeks to inform policy and development decisions in Richmond, California; therefore, the three case study sites were selected to share demographic or physical characteristics within Richmond's Iron Triangle. The Iron Triangle is comprised of Richmond's flatland and gets its name from being bound on three sides by train tracks and highway 580. Demographically, the Iron Triangle stands in stark contrast to the more affluent areas of Richmond. It lags behind the rest of the Bay Area in terms of gentrification, revitalization and housing appreciation. The Iron Triangle is positioned as a remaining pocket of affordable housing in the Bay Area because of the disinvestment it has experienced in recent decades. As a result, it has become an increasingly attractive place for higher-income residents seeking to maximize their buying power. This study aims to inform decision-makers in Richmond of methods for managing future development using stable mixed-income strategies both to mitigate the displacement of existing residents and to accommodate new residents.

In order for this study to extrapolate lessons for Richmond, case study sites were selected that shared significant demographic characteristics with the Iron Triangle. Three significant perceived characteristics of the Iron Triangle are that it is a low-density, post-World War II development with high percentages of African Americans and Latinos. For this reason, the three characteristics most important to isolate within this study were the percentage of single-family dwellings, the percentage of Hispanic residents, and the percentage of African-American residents. In order to account for Richmond's lag behind the region in development and investment, case study sites were selected that had a demographic characteristic in 1980 that Richmond had in 2000. This structure permits the examination of how areas similar to Richmond in their demographic configuration have responded to change over time.

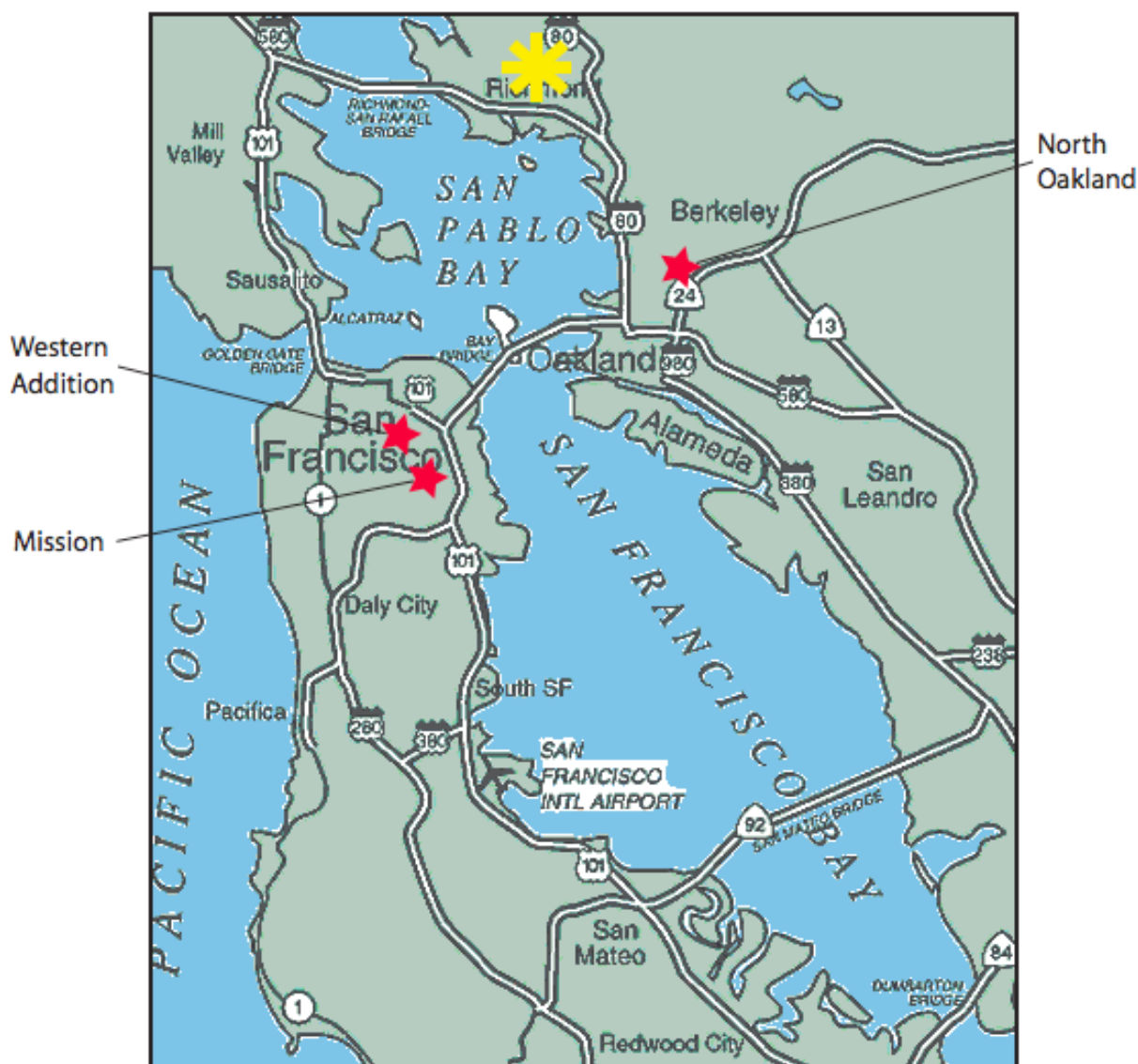
When selecting case studies, several other elements in addition to their relative similarity with the Iron Triangle were considered. These include, their income diversity over time and mixed income scores as well as the percent of the population in poverty (percent living below the poverty line) and two wealth measurements: percent of the population above 120% Area Median income (AMI) and percent of the population above 150% AMI.


All three sets of case studies reflect a matched-pairs construction.<sup>4</sup> They are located in geographically similar environments and, for the most part, are impacted by the same policies. Special attention was given to identifying matched pairs that shared similar characteristics but had at least one dissimilar variable. For example, both block groups may be income diverse, but one experienced an increase in wealth and decrease in poverty, while the other experienced no demographic change in wealth and poverty figures.

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<sup>4</sup> The matched pairs test groups like variables, in this case neighboring block groups, in order to examine the differences between them. Our charge in this case is to understand why when there are two geographically similar block groups, they show different trends in income diversity.

*Map A: Regional Map of Case Study Sites*



 Richmond, California's Iron Triangle district

**Case Study I: Gentrifying to Become Mixed**

The first pair of block groups is located in northern Oakland, California and was selected because of their relative similarity to Richmond's Iron Triangle in their percentage of single-family dwelling units. Single-family, detached dwellings comprise 48.3% of the Iron Triangle's housing stock. The North Oakland case study was comprised of 52.0% single-family detached units in 1980. Block group 1 of tract 4006 (4006-1) and block group 2 of tract 4007 (4007-2) in north Oakland were selected. The block groups were chosen for their relative similarities as well as their differences. Block group 4006-1 has low wealth and high poverty in 1980 (see Table B); 4007-2 starts with a smaller percentage of people in poverty than 4006-1 and also has small percentages of people in wealth (150% and 120% AMI) but does not experience as much income mixing as 4006-1 by 2000.

*Table B: North Oakland Block Group: Mixed Income Score and Income Demographics*

| Block Group | Mixed Income Score |       | % Individuals Below Poverty Line |       | % Above 150% AMI |       | % Above 120% AMI |       |
|-------------|--------------------|-------|----------------------------------|-------|------------------|-------|------------------|-------|
|             | 1980               | 2000  | 1980                             | 2000  | 1980             | 2000  | 1980             | 2000  |
| 4006-1      | 0.846              | 0.951 | 37.6%                            | 19.2% | 4.6%             | 22.3% | 17.0%            | 30.0% |
| 4007-2      | 0.830              | 0.819 | 12.9%                            | 18.9% | 6.6%             | 5.9%  | 17.0%            | 10.5% |

### Case Study II: To Gentrify or Not To Gentrify?

The second pair of block groups is located in San Francisco, California and was selected because of its relative similarity to Richmond's Iron Triangle in their percentage of Hispanic or Latino residents. The Iron Triangle has four times the Hispanic or Latino population as the Bay Area region. The Mission neighborhood study site contains 4.3 times the regional average of percent Hispanic residents. For comparison, block groups 2, 3, and 4 in tract 209 in the Mission neighborhood of San Francisco, California were selected as case studies (209-2, 209-3, and 209-4). Like the other case studies, these block groups were selected for their similarities as well as their differences. All three start out with more people in poverty than in the 150% wealth grouping, although 209-4 has almost the same percent of the population in poverty as wealth, see Table C. 209-2 maintains a large population of people in poverty, while both 209-3 and 209-4 have a decrease in the percentage of people in poverty. Despite this shared decrease, 209-3 and 209-4 exhibit different trends. 209-3 gets richer and more mixed and 209-4 gets slightly less wealthy and less mixed.

*Table C: Mission Block Group: Mixed Income Score and Income Demographics*

| Block Group | Mixed Income Score |       | % Individuals Below Poverty Line |       | % Above 150% AMI |       | % Above 120% AMI |       |
|-------------|--------------------|-------|----------------------------------|-------|------------------|-------|------------------|-------|
|             | 1980               | 2000  | 1980                             | 2000  | 1980             | 2000  | 1980             | 2000  |
| 209-2       | 0.851              | 0.902 | 26.8%                            | 27.5% | 9.9%             | 12.3% | 20.2%            | 19.8% |
| 209-3       | 0.858              | 0.949 | 27.8%                            | 15.9% | 19.5%            | 21.5% | 25.5%            | 35.0% |
| 209-4       | 0.914              | 0.885 | 27.2%                            | 11.9% | 25.4%            | 19.6% | 37.0%            | 30.8% |

### Case Study III: Non-Mixing

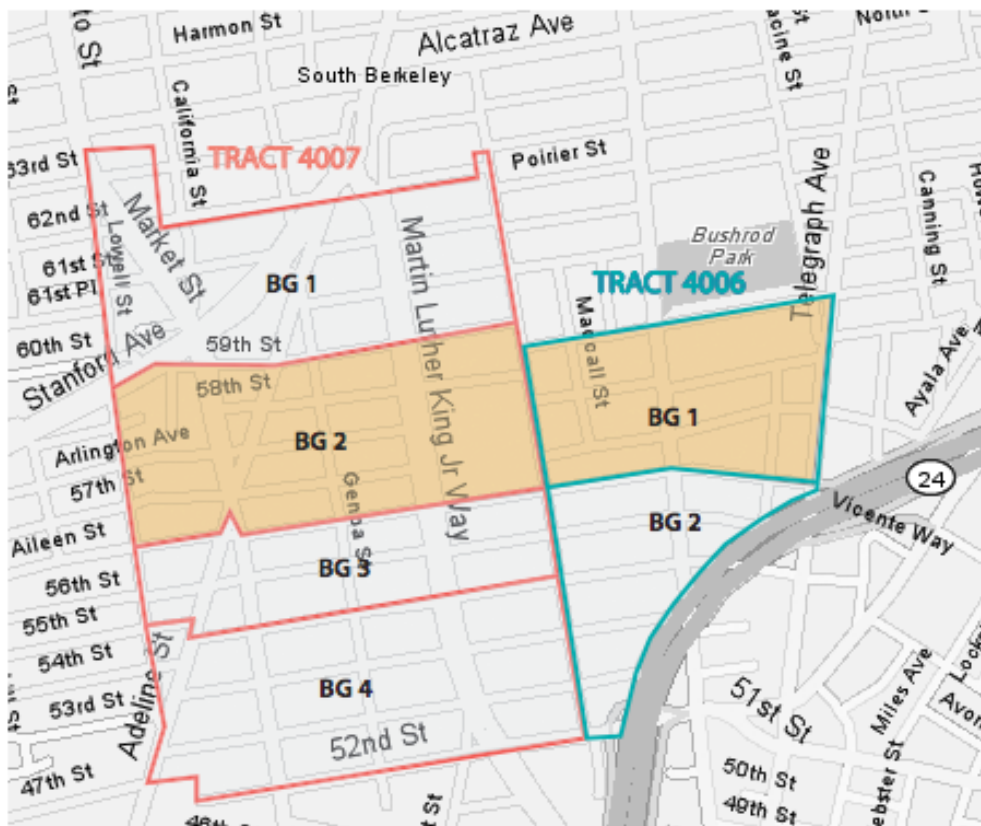
The third pair of block groups is located in the Western Addition neighborhood of San Francisco, California. It was selected because of its relative similarity to Richmond's Iron Triangle in their percentage of African American residents. In 2000, 48.8% of the Iron Triangle's population was African American residents compared with 65.7% of Western Addition residents. Like the other case studies, these block groups were selected for their similarities as well as their differences. They are Tract 163, block groups 1 and 2 and Tract 167 block group 4 in the Western Addition of San Francisco. All three start out more poor than rich and are not income diverse, see Table D. Block groups 163-2 and 163-3 experience a decline in their income diversity, while 163-1 is stable. However, 163-3 has a much larger increase in wealth than 163-1 and 163-2 has an overall decrease in wealth.

*Table D: Western Addition Block Group: Mixed Income Score and Income Demographics*

| Block Group | Mixed Income Score |      | % Individuals Below Poverty Line |       | % Above 150% AMI |       | % Above 120% AMI |       |
|-------------|--------------------|------|----------------------------------|-------|------------------|-------|------------------|-------|
|             | 1980               | 2000 | 1980                             | 2000  | 1980             | 2000  | 1980             | 2000  |
| 163-1       | .889               | .897 | 16.2%                            | 20.7% | 12.3%            | 17.2% | 23.4%            | 28.7% |
| 163-2       | .861               | .821 | 24.1%                            | 18.2% | 16.4%            | 11.6% | 23.2%            | 18.9% |
| 163-3       | .920               | .903 | 17.9%                            | 17.4% | 18.0%            | 31.7% | 25.4%            | 45.8% |

### Description of Case Study Sites

*North Oakland, California*



Selected block groups

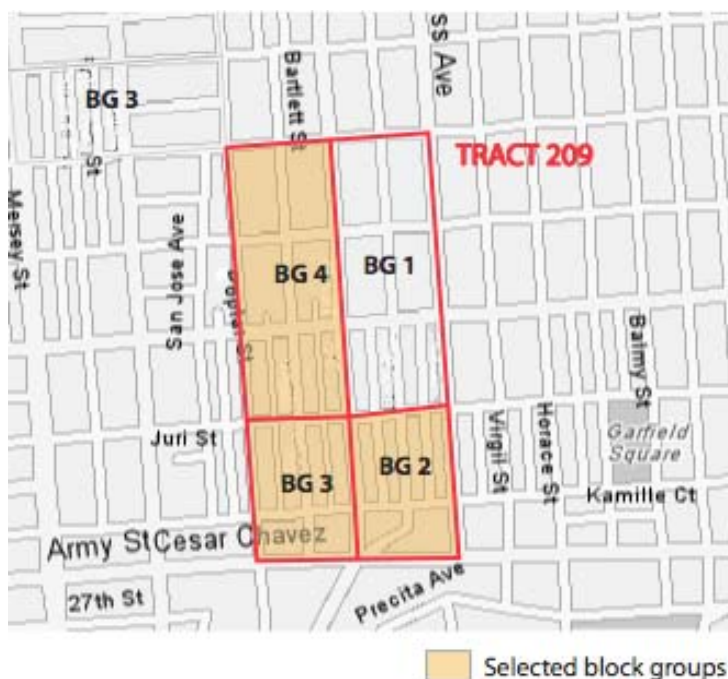
The North Oakland case study is comprised of block groups within census tracts 4006 and 4007. North Oakland is on the Berkeley border and adjacent to the Temescal neighborhood. The neighborhood is part of the Oakland flatlands west of Highway 24 and east of Highway 80. Tract 4007 block group 2, is bounded by 59<sup>th</sup> Street to the north, Lowell Avenue to the west, Aileen Street to the south, and Dover Street to the east. Tract 4006 block group 1 is bounded by 59<sup>th</sup> Street to the north, Dover Street to the west, Telegraph Avenue to the east, and Aileen Avenue to the south.

In 2000, the two block groups had a combined population of 2,183 people and were 64.1% African American, 18.3% White, and 11.1% Hispanic or Latino. Of the area's residents, 58.7% were renters and 41.2% were homeowners. Of all households, 72.2% were family households. Combined, the block groups had an average median income in 1999 of \$34,907 compared with \$40,055 for the City of Oakland. Of all residents in the block groups, 37.0% were employed in management and professional occupations, 27.4% in sales and office occupations, 20.8% in service occupations, and 10.0% in production and transportation occupations.

The settlement of this part of Oakland began in the middle of the nineteenth century when the area around Telegraph Avenue was founded in anticipation of the future streetcar line. The area would later become known as the Temescal neighborhood. The streetcar arrived around 1869 and opened the area for development and settlement. The railroad followed and ran until 1892. Streetcar service continued down Telegraph Avenue until 1948. During this time, the area was home primarily to Italian immigrants as well as others moving from San Francisco. More recently, the neighborhood has been shaped by the construction of Highway 24 and the Bay Area Rapid Transit (BART) tracks. In the 1960s, BART constructed elevated tracks down the center of Martin Luther King Avenue.

The North Oakland site is a largely residential district. The neighborhood consists of low-density California bungalows with a small enclave of Spanish Tudor homes within block group 4006-1. Despite the fact that over 50% of its structures are not single-family units, the neighborhood maintains a mostly residential feel because the multi-family structures in the community are relatively small (74.7% of non-single family structures contain between two and nine units). The residential character of this area is disrupted by Martin Luther King Jr. Way, a major thoroughfare with six lanes of traffic and elevated BART tracks running down the middle. This auto corridor is the location for most of the large buildings within the area. It is also an area of concentration for commercial businesses. Some commercial business can also be found on Shattuck Avenue and Telegraph Avenue, which like Martin Luther King Jr. Way, is also a significant arterial within the block group, although it does not compete with Martin Luther King Jr. Way in the volume or speed of traffic.

*San Francisco's Mission District*



The Mission District is located just south of the San Francisco Central Business District. It is predominantly flat land, with parts of the neighborhood climbing to moderate levels of elevation as the area approaches its Noe Valley and Castro neighbors. The Mission has historically been the center of San Francisco's Latino community. Block group 2, of Tract 209, is bounded by 25<sup>th</sup> Street to the north, Mission Street to the west, Cesar Chavez Street to the south, and South Van Ness to the east. Block group 3 is bounded by 25<sup>th</sup> Street to the north, Valencia Street to the west, Cesar Chavez Street to the south, and Mission Street to the east. Block group 4 is bounded by 22<sup>nd</sup> Street to the north, Valencia Street to the west, 25<sup>th</sup> Street to the south, and Mission Street to the east. In 2000, the three block groups had a total combined population of 3,038 and 25.1% of the population was White, 1.3% was African American, 10.4% was Asian, 55.1% was Hispanic or Latino, and 5.5% was two or more races. Of all households in the study area, 66.7% were families. The average median income in 1999 for the two block groups was \$45,037, as compared with \$55,946 for the City of San Francisco. Of all occupied housing units, 12.1% were owner-occupied, while 87.8% of units were rental units. Of all employed residents in the study site, 32.6% were employed in management and professional occupations, 25.6% in sales and office occupations, 25.3% in service occupations, 8.5% in construction, and 6.9% in production and transportation occupations.

San Francisco's Mission District has long been characterized as a "sheltering ghetto" for the most recent immigrants to the city (Godfrey 1988). It was urbanized starting in the late 1800's but was originally settled by Spanish settlers who established the Mission Dolores in 1776. After gaining independence from Spain in the early 1800's, Mexico took over control of the California missions and began laying out streets named after prominent Mexican families, such as Guerrero and Valencia. At this time, the San Francisco street car line was extended down Market Street, finally reaching the Mission District, that was then on the urban fringe. Further street platting of the "Mission Addition" in the 1860's-1870's positioned the area for growth, and housing production took off. "By the turn of the century...the district had become more densely populated and took on a more working-class air, populated largely by Irish, Germans, Scandinavians, and Italians" (Godfrey 1988). The Mission District went undamaged in the 1906 earthquake and, because of its proximity to downtown and other affected areas, became a place to house people displaced by the earthquake. During this period, large houses were subdivided, higher density units were built and vacant lots were developed. This activity, "lowered the social standing of the district, making it a more strictly working-class area" (Godfrey 1988). In the early 1900s, European ethnic groups inhabited the Mission District. By the 1950s, however, the area was home to an increasing number of immigrants from all over Latin America, which is thought to have contributed to the white flight that occurred around the time. By 1980, the area was over 60% Hispanic (Godfrey 1988).

Today, the Mission District is characterized by multi-story apartment buildings that create a much denser and more urban feel than the North Oakland tract. Many of these buildings are quintessential three-story San Francisco Victorians, but there are many that are of a more modern, stucco construction. The Mission District is largely identified with Mission Street, an active commercial destination point that offers almost any type of product imaginable at any price point. The Mission District is serviced by two BART stops, only one of which is in this case study site (Mission and 24<sup>th</sup> Street). Commercial uses spill onto many side streets and are also heavily concentrated on Valencia Street. Commercial uses within the study site run a full spectrum from financial services, retail, expensive restaurants, inexpensive restaurants, bars, auto and body shops, light industrial shops and yoga studios.



*Western Addition neighborhood of San Francisco, California*



The Western Addition neighborhood was selected for this study because of its relative similarity to Richmond, California in the percentage of African American residents who live there. The Western Addition is north of the Mission in the central part of the city. The area is widely known as one that was impacted by urban renewal although the three block groups of this study are just outside the designated Redevelopment Area. The Western Addition case study is comprised of block groups 1,2, and 3 in census tract 163 (163-1, 163-2, and 163-3). Block group 163-1 is bounded by Fulton Street to the north, Webster Avenue to the west, Hayes Street to the south and Laguna Street to the east. Block group 163-2 is bounded by Hayes Street to the north, Webster Avenue to the west, Oak Street to the south, and Laguna Street to the west. Block group 163-3 is bounded by Fulton Street to the north, Steiner Street to the west, Oak Street to the south and Webster Avenue to the east. In 2000, the three block groups had a total combined population of 4,521 people and was 50.2% White, 29.8% African American, 9.2% Hispanic or Latino and 6.8% Asian. Of all residents, 8.0% were homeowners and 92.0% were renters. Of households within the study area, 43.2% were families. Combined, the tracts had an average median income in 1999 of \$40,829 compared with \$55,946 for the City of San Francisco. Of all the employed residents within the case study, 55.5% were employed in management and professional occupations, 25.0% in sales and office occupations, 17.0% in service occupations, 3.9% in production and transportation occupations, and 3.3% in construction, extraction, and maintenance occupations.

The Western Addition was first platted in the 1860s as San Francisco strived to accommodate the population that had moved there for the Gold Rush some twenty years earlier. Over the course of the next twenty to thirty years, the Victorian became a prominent housing type in the neighborhood. During this time, the neighborhood became home to many of San Francisco's Jewish and Japanese residents. Like the Mission neighborhood, the Western Addition acted as a refuge for people displaced by the 1906 earthquake. The earthquake brought most of San Francisco's Japanese population to the Western Addition and they gave the neighborhood its nickname, "Japanese town". During the first half of the twentieth century, the Western Addition was the home to Filipino, Mexican, African-American, Japanese, Russian, and Jewish immigrants. By the 1930's, the African-American population was still small, around 5,000 people, but the racial covenants so common in other parts of the city and country were not in effect in the Western Addition, so by 1945 the African-American population reached 30,000. During this time, many nightclubs opened in the neighborhood causing the music scene in the Western Addition to be "likened to the Harlem Renaissance" (KQED website). In 1953, the beginnings of urban renewal hit the Western Addition and by 1959 it was in full swing. The initial plans included street widening and redevelopment of the Japanese Culture and Trade Center. A second plan that affected many more residents than the first was unveiled in



1963. By 1970, sixty square blocks had been cleared following the plan but financial institutions were unwilling to invest in the commercial venture planned for the site. As a result, that land lay vacant for fifteen years until the project was finally built in 1985.

Today the case study area is almost fully built-out and it is predominantly flatland. Much of the area contains examples of classic San Francisco Victorians but there are also a large number of affordable housing unit developments in the area. Fell Street and Oak Street are major thoroughfares that bisect tract 163 leading to Highway 101, which is outside of this case study area.

## Discussion

Analysis of the three case study sites reveals three divergent stories of income diversity and stability: The North Oakland site offers a story of income mixing through physical barriers; the Western Addition achieves income diversity through government intervention; and the Mission neighborhood tells a story of income mixing and stability achieved through active social institutions and ample social seams.

### North Oakland: Barriers of Stability

This case study offers a picture of two block groups, one that gentrified to become income diverse and another that did not gentrify or become income diverse but remained stable. In 1980, 4006-1 started with 37.6% of the population below the poverty line<sup>5</sup> and a mixed income score of .846. By 2000, 4006-1 had experienced a 10.5% increase in its mixed income score, ending with a score of .951, the highest of any block group analyzed in this study. In contrast, 4007-2 experienced a nominal decrease of .011% from .830 in 1980 to .819 in 2000, see Table B. The question this pair presents is two-fold: Why did 4006-1 gentrify while 4007-2 did not? And the subsequent question, what kept 4007-2 stable when 4006-1 was not? (See Table E)

*Table E: North Oakland Change In Income Demographics*

| <b>Block Group</b> | <b>Mixed Income Score</b> | <b>Individuals Below the Poverty Line</b> | <b>Individuals Above 150% AMI</b> |
|--------------------|---------------------------|---|-----------------------------------|
| <b>4006-1</b>      | Increase                  | Decrease                                  | Increase                          |
| <b>4007-2</b>      | Decrease                  | Increase                                  | Decrease                          |

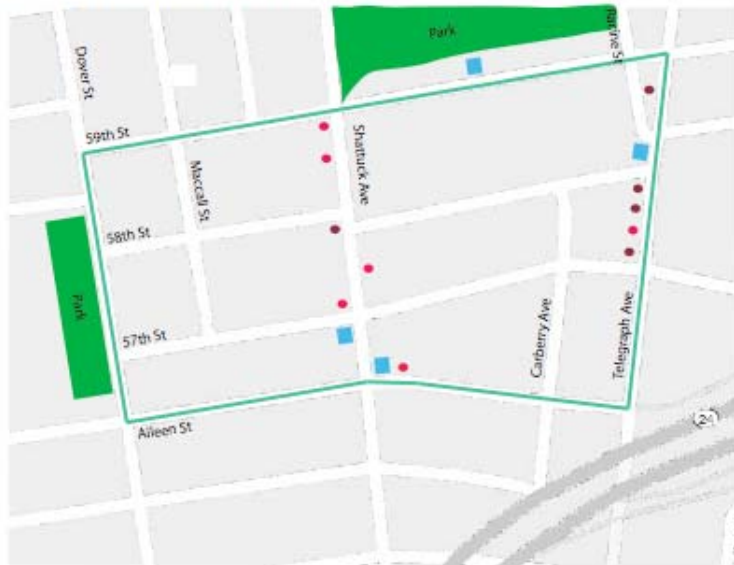
In their physical characteristics, the two case study block groups present a stark example of the potential long-term impact of large-scale infrastructure and land use planning on neighborhoods. Map B shows the locations of major physical barriers in both block groups as well as social seams and points of entrapment.

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<sup>5</sup> Having 40% of residents below the poverty line is the commonly held rule-of-thumb for determining the existence of a concentration of poverty.

# North Oakland: Social Seams, Areas of Entrapment & Physical Barriers

Block Group 4006-1



Block Group 4007-2



| Social Seams                             |                                 | Perception of Crime                   |                                   |
|--|---------------------------------|---------------------------------------|-----------------------------------|
| <span style="color: blue;">■</span>      | Senior Center                   |                                       | * no areas of entrapment observed |
| <span style="color: lightblue;">■</span> | Religious Institution           |                                       |                                   |
| <span style="color: red;">●</span>       | Neighborhood Serving Commercial | <span style="color: yellow;">—</span> | Street Barrier                    |
| <span style="color: brown;">●</span>     | Regional Serving Commercial     | <span style="color: pink;">■</span>   | Land Use Barrier                  |
| <span style="color: red;">G</span>       | Grocery Store/Market            |                                       |                                   |

Map B: North Oakland Social Seams, Areas of Entrapment & Physical Barriers

While 4006-1 is relatively unencumbered by physical or land use barriers, they are copious in 4007-2. Two major streets penetrate block group 4006-1: Shattuck Avenue and Telegraph Avenue. Shattuck Avenue, at this location in Oakland, is not a physical barrier to the neighborhood because of the presence of larger arterials nearby that divert traffic away from it. Telegraph Avenue, on the eastern end of the block group, is slightly wider and busier than Shattuck and may serve as a barrier but because the western side of Telegraph Avenue is not a part of this study, its impact is not fully known. However, one interviewee, a resident and professional in the neighborhood, commented, "People actually walk down Shattuck and Telegraph," an attribute that makes the character of these two streets entirely different than that of Martin Luther King, Jr. Way in block group 4007-2. The same interviewee said of Martin Luther King Jr. Way, "Nobody walks down MLK." This barrier is significant because it carries six lanes of traffic with two parking lanes and elevated BART tracks running down the middle.

As the map shows, Martin Luther King Jr. Way is not the only physical barrier in this block group: Stanford Avenue has four lanes of traffic with a parking lane on each side and a twenty foot median; Market Street has four lanes of traffic, parking on each side and a 7 foot median and there is a large, six-point intersection where Market Street, Adeline Street and Stanford Avenue come together. The impact of these major traffic arterials is exacerbated by the fact that when they intersect, they tangle the regular street grid, creating oddly shaped blocks of housing cleaved from the rest of the residential area, far removed from the type of rehabilitation and reinvestment that an interviewee reported as "happening in blocks" elsewhere in the vicinity. The area is so impacted by the presence of these highways that a resident characterized the neighborhood by its, "big, old, ugly freeways running through the community." Another barrier that occurs in block group 4007-2 is a "land use" barrier starting on Lowell Avenue where the district becomes light industrial. Active warehouses are present on both sides of Lowell Avenue, abutting the residential neighborhood to its east and wedging it between the industrial uses and major roads.

The two block groups are evenly matched in the presence of social seams. Both areas have some commercial activity on major streets. 4006-1 has three churches and two parks that abut the neighborhood. In 4007-2 there are two markets or groceries, a large senior center, and a park. Neither block group has significant areas of entrapment. When interviewees were asked about interaction between people of different socio-economic status, they said that not having much in the way of gathering spots was, "what's missing" in the neighborhood and the absence of such places is "part of the problem."

When asked about the community involvement in planning and civic issues, interviewees reported that the majority of community activity tended to occur in block clubs, predominantly organized around issues of crime and safety. The interviewees reported a consciousness of income diversity elsewhere in the neighborhood but not explicitly within the two case study block groups. One interviewee expressed doubt about "how much really happens in practice" around the preservation of the income diversity in the broader community, even though people are aware that it exists. Instead, "people are fussing" about the lack of police and sanitation services relative to other parts of the city.

*Table F: North Oakland Demographic Changes*

| Block Group | Mixed Income Score, 2000 | % Change Mixed Income, from 1980 to 2000 | % Moved In Since 1995, 2000 | % Moved In Before 1989, 2000 | % 65 and over, 2000 | % Change in people 65 and over, from 1980 to 2000 | % Renters, 2000 | % change in Renters, from 1980 to 2000 |
|-------------|--------------------------|--|-----------------------------|------------------------------|---------------------|---|-----------------|--|
| 4006-1      | 0.951                    | 12.4%                                    | 62.5%                       | 28.4%                        | 16.0%               | 10.4%   | 60.6%           | 11.8%                                  |
| 4007-2      | 0.819                    | -1.4%                                    | 47.0%                       | 33.5%                        | 21.0%               | 22.3%   | 57.3%           | 8.5%                                   |

Just as the mixed income score of 4007-2 was stable from 1980 to 2000, census data also reveals stability of residents in 4007-2, with only 47% of households having moved into the block group since 1995, compared to 62.5% for 4006-1, see Table F. Further, 33.5% of residents in 4007-2 moved in before 1989, compared with 28.4% for 4006-1. Both block groups show an increase in residents 65 years of age or over and both have an increase in the number of renters. In 2000, they had relatively similar percentage of renters (4006-1 had 60.6% and 4007-2 had 57.3%).

While the two areas change with relation to the stability of their populations, they are both relatively stable in terms of changes to the housing stock. Between 1980 and 2000, block group 4006-1 lost one housing unit and block group 4007-2 saw an 8.7% increase in housing units. These figures were reiterated by an interviewee who commented that “there have not been a lot of changes...the change has come in how people are looking at their property...can see people fixin’ up their homes.”

This pair of block groups demonstrates the effect of significant physical barriers on neighborhood change within an area. In this case, the block group without the barriers gentrified to the point of being highly mixed, while the block group with the unattractive physical barriers remained highly stable in both its mixed-income score and in the population as a whole. Although 4006-1 was highly mixed in 2000, its decreases in people in poverty and corresponding increases in people with wealth suggest that this block group may no longer hold an income diverse community by the next decennial census if current trends persist.

### **Mission District: Stable Social Institutions**

In this case study, block groups 209-2 and 209-3 both got more mixed from 1980 to 2000, with increases of 5.1% and 9.0%, respectively, see Table C. Block group 209-4 declined slightly in its mixed income score from 1980 to 2000 with a decrease of -.02%. The story of 209-3 is a corollary to that of 4006-1 in North Oakland, although it is not as stark an example, because it gentrified to become mixed. This is evidenced by an increase in the mixed-income score, decrease in percent of people below the poverty line, and slight increase in people with high incomes. 209-2 is the only one of the three to hold onto a sizeable percentage of people in poverty, with a 2.7% increase, while 209-3 and 209-4 saw dramatic (-42.8% and -56.3%, respectively) declines. Yet despite this increase in people in poverty, 209-2 also experienced a slight increase in wealth and an increase in the mixed-income score. 209-4 is the only block group with a decrease in people of wealth (above both 150% and 120% AMI). Its decrease in mixed-income score and decreases in people of wealth could suggest an economic downturn for this block group, but the fact that it also saw a 56% reduction of people under the poverty line indicates a trend from economic disparity (with over a quarter of the population in poverty and another quarter above 150% AMI) to one with a greater concentration of middle income people.

**Table G: Mission District Change In Income Demographics**

| <b>Block Group</b> | <b>Mixed Income Score</b> | <b>Percent Individuals Below the Poverty Line</b> | <b>Percent Individuals Above 150% AMI</b> |
|--------------------|---------------------------|---|---|
| <b>209-2</b>       | Increase                  | Slight Increase                                   | Increase                                  |
| <b>209-3</b>       | Increase                  | Decrease  | Slight Increase                           |
| <b>209-4</b>       | Decrease                  | Decrease  | Decrease                                  |

The question presented by this case study site is why did these neighboring block groups see such different shifts in populations, impacting their mixed-income score and overall stability? (See Table G)

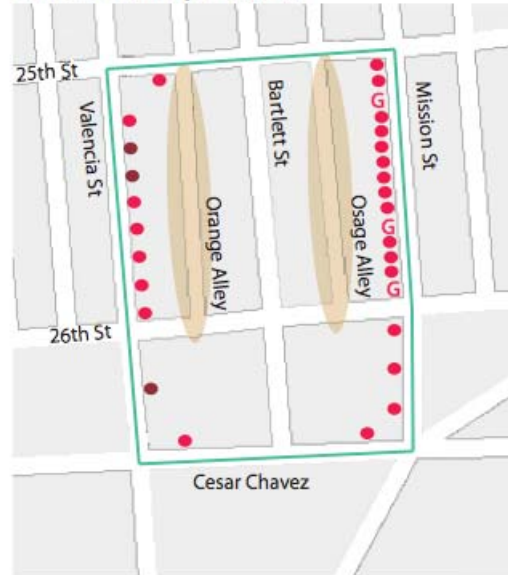
Fieldwork reveals an abundance of social seams and institutions in this set of block groups that are not present to such a high degree in any other case study site, see Map C. All three block groups have social seams in the presence of commercial districts and grocery stores, but 209-4 stands out in this category for the sheer volume of locations of social seams within the block group. Not only does it have the commercial districts that are present in the other two, but it also has two schools, the College of San Francisco-Mission campus, two churches, a library, and a cultural center.

# Mission: Social Seams, Areas of Entrapment, & Physical Barriers

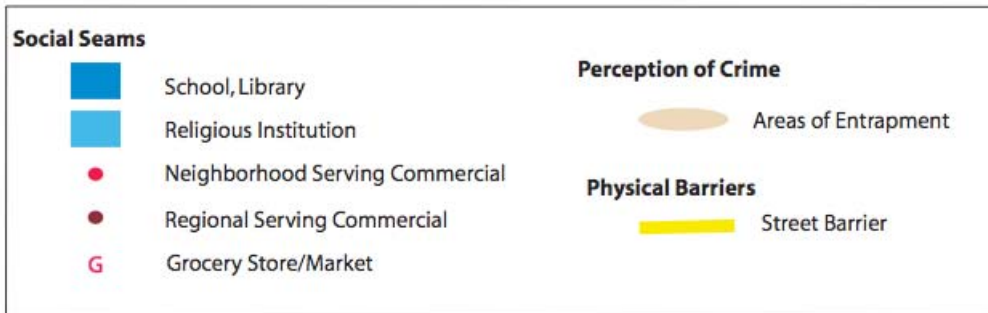
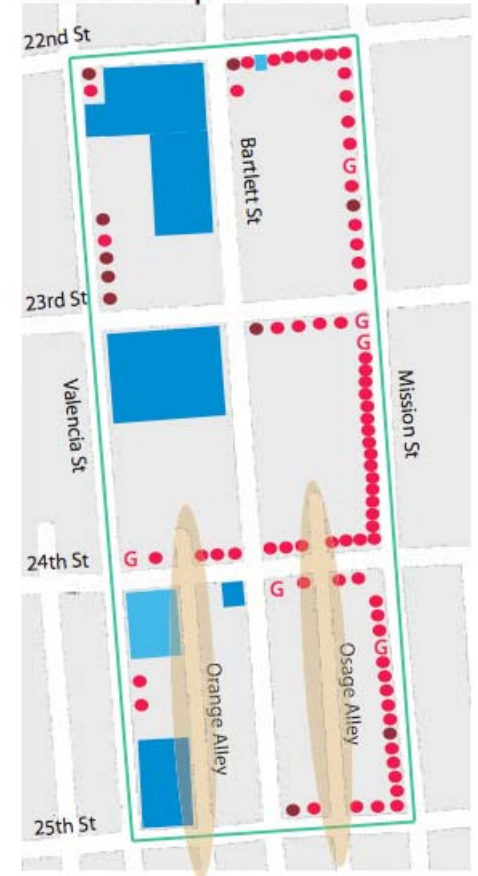
Block Group 209-2



Block Group 209-3



Block Group 209-4



Map C: Mission District Social Seams, Areas of Entrapment & Physical Barriers

All three block groups are similarly impacted by areas of entrapment, since all are penetrated by multiple alleys. 209-2 has a slightly larger area of entrapment in the southern corner of the block group where the street grid is abandoned in favor of a more isolated street pattern.

Another story of similarity between the three block groups is the absence of barriers and edges; none of them is dramatically impacted by major physical barriers in the form of streets or uses. Cesar Chavez Street, the southern boundary of 209-2 and 209-3, is a major, fast-moving street, but because it occurs on the periphery of these block groups, its impact is not fully known in this study. Other major streets are Valencia, the western boundary for 209-3 and 209-4, but it currently does not have the same type of barrier-like effects as were observed in the North Oakland sites. One interviewee who was a resident and a planner in the neighborhood spoke about how the addition of “bike lanes have had a huge impact on Valencia,” and that now it is “not so much of a major arterial” and that it has emerged as a “gourmet ghetto” since the change. South Van Ness Avenue, on the eastern boundary of 209-2, exhibits a similar dynamic as a non-barrier. Mission Street, while a heavily used commercial district and transportation hub, does not act as a physical barrier or edge but rather serves as the activity center of the neighborhood. On all three of the North/South running streets (Valencia Street, Mission Street and South Van Ness Avenue) there is a dispersion effect of traffic; because they are aligned with the street grid and are all of relatively similar dimensions, traffic doesn’t gravitate to one over the other.

While Mission Street does not create a barrier that is impossible to traverse, its role in shaping neighborhood dynamics warrants further scrutiny. Interviewees contrasted Mission Street with Valencia Street: “Mission hasn’t changed the same way [as Valencia];” retail in the Mission district is “immigrant serving and has kind of held the line [on gentrifying] a bit.” A resident reiterated this observation by saying, “most of the dynamic change happened closer to Valencia Street. Mission Street is still predominantly the grocery stores, fish markets, and five and dime-type places.” He also characterized Mission Street as the heart of the racially- and ethnically-diverse neighborhood by saying that Mission Street is the “...river of life. The interaction is ethnic Chinese from Vietnam running a store where they hire Latinos and they speak several languages (Vietnamese and Chinese) and in their store they have everything from Asian food to churros and tamales.” Another interviewee, a planner and former resident of the Mission district, reported that the neighborhood gets “more white as you go west.” These observations suggest that Mission Street forms a psychological or market-oriented barrier for people considering a move into the area. In other words, there is a conception that the western side of Mission Street is a desirable one, while the eastern side is not.

Questions concerning the community’s involvement in planning and civic issues evoked long lists cataloging the neighborhood’s high level of community activism and groups. Interviewees spoke about the tremendous anti-displacement efforts in the neighborhood geared at preventing wholesale residential and commercial change. Landlord/tenant relations, youth organizing, open space creation and maintenance, merchant organizing and affordable housing are all topics for action under the umbrella of the Mission Anti-Displacement Coalition (MAC). Interviewees report that just as these efforts are diverse, the organizations serve a varied group of people: “they represent immigrants, low-income people and their needs.” Block clubs and other, more localized, resident groups are also present in this neighborhood. A new type of organized community effort has recently emerged in response to the work of the MAC. It is called the Mission Coalition for Economic Justice and Jobs and is a coalition of property owners, developers and new housing advocates. A planner interviewed characterized this group as having “no substantial concerns about neighborhood change.”

The activity and breadth of these community groups alone reveal an extensive acknowledgement and ongoing discourse about income diversity in the Mission. One planner characterized the views by saying that there are two camps, one, “divided along keeping the status quo and production of housing for people who live there” and a third promoting “just out-and-out housing production.”

*Table H: Mission District Demographic Change*

| Block Group | Mixed Income Score, 2000 | % Change Mixed Income, from 1980 to 2000 | % Moved In Since 1995, 2000 | % Moved In Before 1989, 2000 | % 65 and over, 2000 | % Change in people 65 and over, from 1980 to 2000 | % Renters, 2000 | % change in Renters, from 1980 to 2000 |
|-------------|--------------------------|--|-----------------------------|------------------------------|---------------------|---|-----------------|--|
| 209-2       | 0.902                    | 6.0%                                     | 51.0%                       | 23.0%                        | 9.8%                | 10.8%   | 92.0%           | 10.1%                                  |
| 209-3       | 0.949                    | 10.6%                                    | 51.6%                       | 26.6%                        | 6.5%                | -42.9%  | 91.8%           | 10.4%                                  |
| 209-4       | 0.885                    | -3.1%                                    | 45.2%                       | 30.7%                        | 8.1%                | -16.1%  | 83.1%           | -13.8%                                 |

Just as block group 209-4 had the most stable mixed-income score, it also had the most stable population with 30.7% of residents living there since before 1989 and 45.2% of residents having moved in since 1995, see Table H. Block group 209-2 and 209-3 are somewhat similar to each other with 23.0% and 26.6%, respectively, moved in before 1989 and 51.0% and 51.6%, respectively, having moved in since 1995. Another important, and surprising, difference between 209-4 and the other two tracks is their percent change in renters from 1980 to 2000. 209-4 had a decrease of 13.8%, in renters, while the other two block groups both shared a 10% increase. The increase in homeowners in 209-4 was not expected, given the decrease in people of wealth in the block group. This finding may suggest that renter-occupied units were converted to homeownership units with the same residents occupying them, since the block group also experiences a relatively stable population base. Block group 209-2 and 209-4 both share an increase in the number of housing units (47 and 80 units, respectively), while 209-3 loses 65 housing units. It is interesting, however, that while 209-2 and 209-4 both add units, these units house completely different ends of the population, with 209-2 attracting both poor and wealthy individuals and 209-4 attracting those in the middle, between the poverty line and 149% AMI. 209-2 is the only group of the three that increases its number of elderly with an increase of 10.8% in people age 65 and above, from 1980 to 2000. This could be a key to understanding the reason for the increase in people below the poverty line since 13.5% of people in poverty were age 65 and above (37.3% of all people age 65 and above were below the poverty line). This may also be an explanation for some of the decrease of 209-3’s people under the poverty line because it experienced a 42.9% decrease in people over the age of 65.

Block groups 209-2 and 209-3 both get more mixed because of an increase in people of incomes above 150%, but 209-3 experiences a loss of people in poverty while 209-2 does not. This is curious since these two block groups are mirror images of each other and share similar social seam types and locations. One explanation for the difference is the psychological barrier that Mission Street provides. 209-3 is on the eastern side of Mission, closer to the affluent neighborhoods of Castro Valley, Noe Valley, and Mission Dolores. This may explain some of why it has experienced a more typical pattern of gentrification than 209-2. It has the highest amount of people above 120% AMI in 2000, a 35% decrease from 1990. Mission Street’s influence on 209-2 may be even further exacerbated because of the large area of entrapment located within the block group, this may contribute to an elevated perception of 209-2 being on the wrong side of Mission Street.

209-4 presents a case of stability that does not lead to much income mixing, as its score is the lowest of the three and it actually experienced a decrease in income diversity from 1980. However, it did not do



this through a typical gentrification pattern since it lost both people in poverty and people in wealth. Instead, the huge number of social seams and social institutions located within it shape the story of this tract. While their effects extend beyond just the block group to the entire neighborhood, their physical location within this particular block group, with even better proximity to Mission Dolores and other more upscale neighborhoods than the other two, seems to have kept the block group from becoming hot real estate. This could be a case where people want a school nearby but not necessarily across the street. One interviewee said that the institutions “bring a different sense to this neighborhood.”

Because this case study site is so influenced by the major social institutions and commercial districts within it, and they have catchment areas well beyond just the block group level, it is necessary to evaluate the area on a larger scale. When the statistics for the entire census tract 209 are aggregated together, they paint a picture of a neighborhood’s gentle trend toward income mixing, done gradually rather than with quick and sizeable population shifts. The 209 census tract dropped from having 23.2% of people in poverty in 1980 to 17.0% in 2000. Likewise, it had 16.3% of people making above 150% AMI in 1980 and 18.1% in 2000.

Coupling this income stability with the fieldwork and interview data on social seams and community involvement, a picture of socially-organized, institution-driven impacts on neighborhood stability emerges. It seems that in the Mission neighborhood, grass-roots, citizen-led efforts were so successful in influencing change they inadvertently established the community group as the defacto mechanism necessary for determining neighborhood change. This is seen in the fact that groups with goals contrary to the original neighborhood groups, such as the promotion of housing development, have established community groups that mimic in form, those of the anti-displacement groups that came before them.

### **Western Addition: Government-led Mixing**

In this grouping of case study sites, block group 163-1 experienced a slight increase in its mixed income score from 1980 to 2000, see Table D. It does this while also having an increase in the percentage of people below the poverty line and an increase in the percentage of people with high incomes. Block group 163-2 experienced a decrease in its mixed income score and decreases in both its percentage of people below the poverty line and people with high incomes. Block group 163-3, the block group with the highest mixed income score of the three, stays constant in its percentage of people below the poverty line and sees a dramatic rise (from 18.0% to 31.7%) in the percentage of people with high incomes. In so doing, its mixed income score decreases, but it stays mixed overall.

*Table I: Western Addition Change in Income Demographics*

| <b>Block Group</b> | <b>Mixed Income Score</b> | <b>Percent Individuals Below the Poverty Line</b> | <b>Percent Individuals Above 150% AMI</b> |
|--------------------|---------------------------|---|---|
| <b>163-1</b>       | Slight Increase           | Increase  | Increase                                  |
| <b>163-2</b>       | Decrease                  | Decrease  | Decrease                                  |
| <b>163-3</b>       | Decrease                  | Constant  | Increase                                  |

The question that this set of block groups presents is similar to the one considered in the Mission site: why do these areas experience such different population shifts and overall stability, impacting their income diversity, when they are neighbors? (see Table I)

Fieldwork reveals one critical difference in the Western Addition site when compared to the others; the presence of large low-income or public housing properties. These properties are located in block groups 163-1 and 163-2 and undoubtedly affect income diversity in these areas.

# Western Addition: Social Seams, Areas of Entrapment & Physical Barriers

Block Group 163-1



Block Group 163-2



Block Group 163-3



- Public Housing
- Social Seams**
- School, Library
- Religious Institution
- Neighborhood Serving Commercial
- Regional Serving Commercial
- Grocery Store/Market

- Perception of Crime**
- Areas of Entrapment
- Physical Barriers**
- Street Barrier

Map D: Western Addition Social Seams, Areas of Entrapment & Physical Barriers

When analyzing for social seams in the block groups, all three had a similar number of locations for interaction. Block group 163-1 had two churches, a grocery store, and a park. Block group 163-2 had a park, and a small commercial strip on Laguna Street. Block group 163-3 had five groceries, two churches, a school, and abutted a park.

Physical barriers also evenly impacted each of the block groups. The largest physical barrier in 163-1 was the public housing development that encompassed nearly three of the block group's six blocks. Webster Street, a four-lane boulevard with parking on both sides and a large median, also impacted the western edge of this block group. A HOPE VI project occupies nearly a quarter of block group 163-2, but Fell and Oak streets also intersect this block group. Both of these streets are three lanes wide with parking on either side. They are one-way in the opposite directions and serve to funnel vehicles to and from the freeway to the east of this neighborhood. Fell and Oak also impact the southern portion of 163-3. One planner described these two streets by saying "Oak & Fell are basically like city highways...like living on a highway." She went on to say that they "define the character of the community." Webster Street also impacts 163-1, where 163-3 and 163-1 share a boundary.

Examining the three block groups for areas of entrapment revealed that block groups 163-1 and 163-2 both have alleys within their boundaries that create isolated locations without eyes on the street. The park in 163-1 is also an area of entrapment because it is surrounded on three sides by buildings. 163-3 was free of areas of entrapment.

Questions with interviewees regarding the community's involvement in civic and planning issues illuminated a mixed picture of citizen involvement. A resident reported that there are few block clubs in the area and that citizen involvement consists of "always the same people...involved in different issues." One important issue for the community is housing. A planner reported that residents want "to be able to buy [in the neighborhood] even if it means buying [their] apartment that hasn't had anything done to it for thirty years." Planners characterized a lack of organized community groups in the area saying that in their absence, the Redevelopment Agency acts as "the face of the city." In this vein, there has been public involvement in the official planning process for the Western Addition General Plan.

**Table J: Western Addition Demographic Change**

| Block Group | Mixed Income Score, 2000 | % Change Mixed Income, from 1980 to 2000 | % Moved In Since 1995, 2000 | % Moved In Before 1989, 2000 | % 65 and over, 2000 | % Change in people 65 and over, from 1980 to 2000 | % Renters, 2000 | % change in Renters, from 1980 to 2000 |
|-------------|--------------------------|--|-----------------------------|------------------------------|---------------------|---|-----------------|--|
| 163-1       | .897                     | .9%                                      | 53.4%                       | 31.5%                        | 15.9%               | 129.9%  | 89.3%           | 15.0%                                  |
| 163-2       | .821                     | -4.6%                                    | 78.8%                       | 12.4%                        | 2.4%                | -74.1%  | 89.4%           | -.8%                                   |
| 163-3       | .903                     | -1.8%                                    | 63.0%                       | 18.3%                        | 3.6%                | -58.4%  | 84.3%           | -7.0%                                  |

Block group 163-3 shows a pattern of gentrification similar to the gentrifying block group in the Mission (209-3), except that instead of a slight decrease in the percent of people in poverty, it remains constant from 1980 to 2000 with 17% of residents under the poverty line. This figure indicates that although the area has become attractive to residents with high incomes, the displacement of low-income residents has not occurred. The poverty number for this block group is the only one that remains constant; other variables indicate significant change. Sixty-three percent of residents moved in since 1995 and this block group has the smallest percentage of residents having lived in it since before 1989, see Table J. Though the block group gets less mixed, it is the most mixed of all three. The decline in its mixed income score

is directly related to the increase in people with high incomes. This is not surprising given the fact that this area is made up of many quintessential San Francisco Victorians. One planner discussed how the neighborhood is “historic old San Francisco that everyone wants” and that “people are paying to live in an antique.”

Block groups 163-1 and 163-2, the two block groups with the public housing units in them, are interesting because they experience dramatically different trends in their population, despite the fact that both contain sizeable public housing developments. Block group 163-1, with its increase in wealth and increase in people in poverty, is not impacted by the same character-defining boundaries that penetrate 163-2. Rather, it is located directly adjacent to tony Hayes Valley. The public housing development in 163-1 explains the increase in poverty and the desirability of the neighboring location explains a market demand for this area that attracts higher income residents. The areas of this block group that are not occupied by the public housing development are architecturally similar to block group 163-3. The explanation for block group 163-2’s decrease in its mixed income score and decrease in both percentage of people in wealth and percentage of people in poverty is two-fold; it is impacted by the physical barriers of Fell and Oak Street as well as the presence of a HOPE VI project. While Fell and Oak may insulate the area from large jumps in market appreciation, the HOPE VI project also dictates the income ranges of residents. HOPE VI projects have higher income standards than the traditional public housing development and require low-income residents to make more money than if they were in public housing. They also strive for an engineered mixed-income environment by renting units to people of higher incomes. In this way, the HOPE VI serves a majority of people who are neither below the poverty line nor above 150% AMI, a policy that can be seen in the demographic changes within this block group.

The Western Addition case study sites present an opportunity to evaluate the impact and effectiveness of government-controlled income mixing in the form of dedicated low-income rental units within the neighborhood. Interviewees at the Redevelopment Agency say, “The reason that [the Western Addition] is fairly economically diverse is because of us [Redevelopment Agency].” The data does bear this out. Government’s impact is best seen by comparing 163-1 and 163-3. Neither block group is unduly affected by the presence of physical barriers, they are similarly located, near Hayes Valley, and they share a similar housing stock. The difference, of course, is that 163-1 has a large public housing development and 163-3 does not. Because of this development, 163-1 stays stable in its mixed income score (increasing slightly from .889 in 1980 to .897 in 2000). As can be expected, the public housing units enable the block group to withstand the in-migration of high-income residents while not experiencing a corresponding decrease in people below the poverty line. 163-3, while income diverse according to the definition put forth within this paper, is seeing a decrease in its income diversity (from .920 in 1980 to .903 in 2000). This decrease is almost entirely a result of increases in the percentage of high-income residents (18.0% of the total population in 1980 and 31.7% in 2000) since the percentage of people in poverty stays the same. Like 4006-1 in North Oakland, this is another block group that is exhibiting an overall trend toward losing its income diversity.

While the presence of public housing in this case study site may be the difference between an income diverse community or one on the road to complete gentrification, the analysis cannot end there. More than any of the other two sites, acrimony and contentious relations between old and new residents were described in the Western Addition. One resident said of the income- and racial-mixing taking place, “I don’t see it being beneficial to African-Americans, but I do see it being beneficial to everyone else.” She went on to say that, “There’s a lot of divisiveness in this community because of a lack of economic opportunities [for African-Americans]... I would feel better if there were more opportunity for more

people.” Unlike the community-activism observed in the Mission, interviewees reported a neighborhood where there are a lot of people mostly interested in their property values and that this dynamic is felt when people from the Hayes Valley neighborhood lobby for projects “to get their property values up,” but these projects do not provide analogous opportunities for low-income residents of the Western Addition as they do for those with higher incomes.<sup>6</sup> Further, all interviewees were hard-pressed to name locations within the block groups where interaction between people of different backgrounds took place, suggesting that the income diversity achieved within these block groups occurs in concentrations of isolated pockets and that people of differing income groups have little opportunity for interacting with one another.

## Conclusion

*Table K: Environmental Factors Behind Stable Income Diversity*

| Case Study Site  | Environmental Factors Behind Stable Income Diversity |
|------------------|--|
| North Oakland    | Barriers   |
| Mission District | Social Seams, Institutions, Civic Engagement         |
| Western Addition | Public Housing                                       |

The three case study sites examined in this paper, emphasize the importance of social institutions, barriers and government-led housing initiatives in establishing income diverse communities. Of course, two of these, barriers and public housing developments, have serious down sides. The barriers analyzed in this study create places “on the fringe,” as one planner described, that are passed through on the way to somewhere else. This is especially true in the Western Addition site, where neighboring areas were described as more desirable because they were not “a short cut to any place” but were a place in and of themselves. This leads to another issue associated with fringe places, which is that they can suffer from a lack of neighborhood identity. This is seen in the presence of fewer community and social groups organized around neighborhood-based concerns and possibly in weaker housing markets. While barriers, such as those in the North Oakland site, can insulate against neighborhood change and protect income diversity, they also limit the spread of revitalization efforts that occur in waves throughout other areas of the neighborhood.

While we recognize the usefulness of government-led housing developments in achieving a stable income-diverse neighborhood, there are serious problems with this approach, as well. First and foremost, there are historical problems of wholesale change and community disenfranchisement within many neighborhoods, like the Western Addition, where public housing developments now stand. These histories provide the foundation for a perception among minority and low-income residents that their interests are not being heard or valued. This type of disenfranchisement is only exacerbated when programming within the neighborhood appears to be targeted at newer or non-minority groups. A Western Addition resident said that the “system [is] not set up for poor people who are not educated”

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<sup>6</sup> The project specifically referred to was the redesign of San Francisco’s Octavia Boulevard. Octavia Boulevard was damaged in the 1989 earthquake before which it was a major highway through the neighborhood. The redesign still funnels cars to the highway but it was done in a boulevard style that is neighborhood- and pedestrian-friendly.

and that there are “few services to the black community.” She said this happens because “people don't have the patience or desire to work with a group that is so bitter and disenfranchised.”

The Western Addition also highlights the need for newly emerging bodies of research on neighborhood interaction. It became clear during this research that little interaction between groups occurs in this community and that equally little is being done to change that. As disintegration continues between different groups, problems of equity and inequality, real or imagined, are exacerbated and discord remains. The findings of this paper do not condemn public housing on its face, but they do suggest that there is significant room for improvement in the manner in which projects are implemented and integration efforts are made within the overall community.

The final finding, the value of social seams, social institutions, and community activism, is the most promising for managing the stability of income diverse communities in the future. We do not purport that the Mission is a blissfully happy, income-diverse utopia. On the contrary, it is saddled with the burden of San Francisco's strong housing market that threatens to rid the area of the very diversity for which people appreciate it. In this scenario, low-income people, especially immigrants, are forced to move out because they can no longer afford to live there. But what the Mission does offer is a community-oriented, neighborhood-self governance that has clearly driven the debate and impacted future growth of the neighborhood. In this way, it has placed an element of control over the neighborhood's future squarely in the hands of residents. While there is certainly not always consensus on how the future should look, the dynamic of the invisible hand of government or the Redevelopment Authority, as seen in the Western Addition, is removed. This is certainly a more positive road to change than erecting freeways all over town and declaring victory.

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## Attachment 1: Interview Guide

I am a graduate student at Cal and I am working with Karen Chapple, a professor of City and Regional Planning. We are working on a study of the way that neighborhoods have changed over time and why different neighborhoods change in different ways. For example, we are examining what makes one neighborhood hospitable to people of different economic means while an adjacent neighborhood maintains a concentration of wealth or poverty.

For this study we have selected several case studies sites, one of which is census tract

4006:

4007:

163:

167:

180:

207:

209:

The purpose of this interview is to get expert first-hand observations and knowledge about the study site that will help us to understand the story of the area in a way that data alone cannot tell. Before we get started, do you have any questions for me regarding the premise of our study?

How long have you worked/lived in the neighborhood?

*Topic 1:*

**Please describe the quality of life in the neighborhood.**

- crime
- schools
- retail
- neighborhood vitality

*Topic 2:*

**Please tell me how the neighborhood today compares to the neighborhood when you first arrived/started working here. Prompts: What is different? What is the same?**

Residents:

**Please describe the typical resident of the neighborhood? How would this description be different if I asked you about the typical resident in 1985, 1995, and 2005?**

**Do Section 8 voucher holders live in this neighborhood? How easy is it for voucher holders to find a unit in the neighborhood? How does this compare to when you first moved/started working here.**

- Income
- Class
- Levels of educational attainment
- Career or professional status
- Section 8 status (private/public market for vouchers)

Physical and Policy Change to the Neighborhood:

**Thinking about the “physical” make-up of the neighborhood, please tell me how it compares today to when you first arrived/started working here. Prompts: What is different? What is the same?** [For example, has there been new housing construction or the demolition of affordable housing?]

Affordability & Economic Issues:

**How does the cost to live in this neighborhood compare to other areas in San Francisco/Oakland? What is the availability and affordability of rental units in the area? How does this compare to past years/decades?**

*Topic 3:*

**Tell me about the community’s involvement in planning and other civic issues.**

**What type of community groups are active in the area? What issues do they focus on? Describe their membership. How has it changed over time?**

- Effective political influence dominated by one group?
- Crime & safety
- Existing social institutions (e.g., churches, schools and businesses)
- Fair housing & affirmative marketing
- Encouraging neighborhood diversity

- Blight & revitalization
- Gentrification
- Affordable housing
- Social networks v. empowerment
- Community development

*Topic 4*

**Describe where people of different racial or socio-economic backgrounds interact with each other. Do you know of friendships that exist between people of differing socio-economic backgrounds? How often does this occur? How has this changed over time?**

- Shopping areas (cheap restaurants)
- Schools
- Parks
- Ecumenical services
- Childcare
- Other social networks

*Topic 5*

**Census data indicate that this is a mixed-income neighborhood, with people of many different income levels living here. Do you think that residents and policy makers are aware of this and are there efforts to sustain this mix?**