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Turning the Corner in The Twin Cities

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Turning the Corner in The Twin Cities

September 2019

A study conducted by:

University of Minnesota Center for Urban and Regional Affairs
Wilder Research
Twin Cities Local Initiatives Support Corporation

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Turning the Corner in the Twin Cities

Introduction

Study background

In the years following the Great Recession, concerns about rapidly escalating housing costs and an uneven economic recovery have grown. At the same time, a renewed demand for residential living in urban neighborhoods has created both opportunities and challenges as communities struggle to balance economic development and cultural preservation goals.

In response to these concerns, Turning the Corner: Monitoring Action for Neighborhood Change was launched by the Urban Institute's National Neighborhood Indicators Partnership and the Federal Reserve-Philanthropy Initiative, a collaboration between the Restoring Prosperity in Older Industrial Cities Working Group of the Funders' Network for Smart Growth and Livable Communities and several participating Federal Reserve Banks. The initiative uses an applied research model to explore processes of gentrification and neighborhood change in lower-income neighborhoods. To date, participating cities include Minneapolis and Saint Paul, Minnesota; Buffalo, New York; Detroit, Michigan; Milwaukee, Wisconsin; and Phoenix, Arizona.

More information about the Urban Institute's Turning the Corner initiative can be found online at www.neighborhoodindicators.org/turningthecorner.

Local research teams engaged in the initiative are committed to the following activities:

- Advancing the field through a summary of local findings on neighborhood change and proposed strategies for incorporating data and analysis into local decision-making.
- Producing research protocols for studying and monitoring neighborhood change that can be adopted by other cities.
- Facilitating informed conversations among community stakeholders who can use data to develop policies and programs that support equitable neighborhood revitalization.

In Minneapolis and Saint Paul, Twin Cities Local Initiatives Support Corporation commissioned the University of Minnesota's Center for Urban and Regional Affairs and Wilder Research to carry out a research study that addressed two key questions:

1. What are early indicators of gentrification? How do community perceptions align with existing data?
2. What interventions and policy changes can be pursued to address residential, business, and cultural displacement?

Grant support for the study was provided to Twin Cities Local Initiatives Support Corporation by the McKnight Foundation, along with in-kind technical support from the Federal Reserve Bank of Minneapolis.

To provide a broader understanding of neighborhood change and gentrification in the Twin Cities, the study included two census tracts susceptible to gentrification (one in the Jordan neighborhood of Minneapolis and one in the Dayton's Bluff neighborhood of Saint Paul), one census tract in the

early stage of gentrification (in the Near North neighborhood of Minneapolis), and one census tract in the active stage of gentrification (in the Whittier neighborhood of Minneapolis). These gentrification typologies (*susceptible*, *early*, and *active* stage) are based on the Bates method, a widely accepted approach in the field of urban studies for identifying stages of gentrification, which is described in the full report. These three neighborhoods offer rich case examples of how gentrification plays out in different contexts.

What did the study find?

Key learnings

This study uncovered that the level of community concern about gentrification is correlated with visible changes, which do not always match, and sometimes lag, existing quantitative data. To that end, trends in quantitative data offer reliable early indicators of change.

The proportion of residents with a bachelor's degree in a given neighborhood appears to be a more reliable indicator of gentrification risk than other indicators, such as increases in median household income.

This study used the Bates method for assessing vulnerability to gentrification. Our study results generally support the use of this method in the Twin Cities going forward and in other cities where gentrification happens over a longer timeframe.

Neighborhood residents experience multiple types of displacement

Key informant interviews revealed that Twin Cities residents have experienced multiple types of displacement related to gentrification pressures. These displacement experiences include:

- **Residential displacement:** Some households have been forced to move as a result of increased income vulnerability, rising rents, rising property taxes, upgrades to existing rental properties, condo conversions, and the expiration of affordable rental units created through the use of federal Low Income Housing Tax Credits.
- **Commercial displacement:** Some business owners have been forced to move due to rising rents, rising property taxes, rental building sales, and shifts in consumer preferences.
- **Cultural displacement:** Some individuals no longer feel “connected” to their neighborhood due to a loss of social connections resulting from displaced residents and businesses, changes in neighborhood character, and changes in accepted neighborhood norms.
- **Political displacement:** Some populations have lost political power due to a loss of social connections and changes in elected representation.

Our findings fall into one of two categories: 1) changes that are visible from the street or through easily accessible information; and 2) changes that are less visible, ascertained only through insider knowledge or further data analysis.

Demographic and cultural changes

WHAT IS VISIBLE

Community leaders and neighborhood residents described cultural changes in terms of behaviors carried out by young, white professionals. These behaviors included bicycling, dog walking, driving

newer cars, joining neighborhood associations, and making “unwarranted” calls to the police. This was true in all study census tracts, which ranged from *susceptible*, to *early* gentrification, to *active* gentrification.

LESS VISIBLE, EARLY INDICATORS

- The proportion of residents without a bachelor’s degree increased slightly in one study census tract *susceptible* to gentrification, but declined across other study census tracts in varying stages of neighborhood change by as much as 10 percent between 2000 and 2016.
- Between 2000 and 2016, change in median household income varied across neighborhood typologies. It grew in one study census tract *susceptible* to gentrification, but declined in other study census tracts, which included both those in the *susceptible* stage and also those that were in *active* gentrification.

Housing market changes

WHAT IS VISIBLE

- New construction of condos and luxury rental apartments and façade improvements to existing homes.
- Median home sale prices for all study census tracts increased by 53 percent or more in the last five years, and by as much as 100 percent in some census tracts adjacent to the study area.

LESS VISIBLE, EARLY INDICATORS

- Median gross rents (adjusted for inflation) increased sharply between 2000 and 2016 for study census tracts in the *susceptible* and *early* stages of gentrification by 30 percent or more. For study census tracts in the *active* stage of gentrification, median gross rents increased by less than 10 percent.
- Between 2000 and 2016, the change in the number of renters varied across neighborhood typologies. One study census tract in the *susceptible* stage of gentrification experienced as much renter decline as another study census tract in the *active* stage of gentrification, while another census tract in the *early* stage of gentrification experienced renter increase.

Commercial changes

WHAT IS VISIBLE

Neighborhood residents mentioned increases in “trendy” retail establishments. This perception of change was existent in all study census tracts, which ranged from *susceptible*, to *early* gentrification, to *active* gentrification.

LESS VISIBLE, EARLY INDICATORS

Community leaders expressed concerns about the consolidation of real estate ownership and cited the planned redevelopment of commercial corridors and vacant lots. This was true in all study census tracts, which ranged from *susceptible*, to *early* gentrification, to *active* gentrification.

Issues to consider

- There exists a need for more and readily accessible data to monitor neighborhood gentrification and displacement, especially for commercial businesses.
- Low-income renters face the greatest risks with neighborhood gentrification, and strategies to prevent residential displacement should be prioritized.
- Efforts to elevate the voices and power of indigenous peoples and communities of color in plans for economic development are important and can help to prevent cultural displacement.
- Truly successful mixed-income neighborhoods will require addressing the racial tensions that exist between older and newer residents.
- Regional strategies and solutions are needed to address and mitigate the negative effects of gentrification, including those that address housing, transit, and commercial development.

Recommendations

Five key areas of action are recommended:

- I. Increased availability of data to monitor neighborhood change.
- II. Additional community ownership and wealth preservation models.
- III. Implementation of policies that support housing affordability and stability.
- IV. Increased support for community-based organizations.
- V. Expansion of affordable public transit.

How was the study conducted?

Reported findings and recommendations come from four major sources:

1. Demographic, social, and economic data from secondary sources, including U.S. Census, American Community Survey, HousingLink Rental Revue, Minneapolis and Saint Paul city parcel data, National Establishment Time Series database, and the Equifax Consumer Credit Panel.
2. Themes discovered through key informant interviews with 22 neighborhood leaders and residents.
3. An online survey with 215 neighborhood residents of the Near North/Jordan and Whittier neighborhoods of Minneapolis and the Dayton's Bluff neighborhood of Saint Paul.
4. Two advisory groups made up of representatives from neighborhood organizations, community economic development groups, and local government.

Study Methods

Definition of gentrification

For purposes of this study, the research team defined gentrification as *the influx of higher-income residents or establishments that cater to higher-income residents into predominantly low-income, urban neighborhoods, which can lead to the pressure of economic or cultural displacement for existing residents and businesses.*

Identification of study area neighborhoods

There exists a rich body of research on neighborhood gentrification. To inform the selection of neighborhoods and the data analysis plan for our study, we focused the literature review on the methodologies used to measure gentrification. Our search uncovered three widely cited study authors: Bates, Ding, and Freeman. In summary, these authors defined gentrification as “neighborhoods that were once lower-income or below average in one or more socioeconomic moves in a positive direction over time at a rate that outpaces city or regional values.” Each researcher used a combination of demographic or socioeconomic change plus change in activity in the housing market over a given period of time to measure the presence or absence of gentrification in a given neighborhood. Each study author followed a similar process, described as follows. The first step was to define geographies that can be gentrified. These areas tend to be lower-income, predominantly inhabited by people of color, and are often in or near the central business districts of a city, or along existing or planned transit corridors. The second step was to look at more recently available data to see if these areas have changed relative to the surrounding city or metro area. For instance, a low-income neighborhood where rents are rising faster than average or socio-demographics, such as income and education, are increasing at a rate greater than the region. For all three studies, Census data for the year 2000 was used as a baseline for vulnerability to gentrification, but they differed in their approach for assessing vulnerability to gentrification. The Ding study used median household income; the Freeman study used central city location, median household income, and percentage of housing built in the last 20 years; and the Bates study used race, education, tenure, and Area Median Income. After examining the merits and weaknesses of each of these three approaches, we elected to follow the Bates model. Reasons for selection included the opportunity to conduct a more nuanced analysis that shows more than a simple binary “in” or “out,” or “gentrified” or “not gentrified” classification, and also the fact that it measures the degree to which gentrification is occurring (early, active, or late.) Employing the Bates approach at the census tract level would also allow us to examine subtle changes occurring within neighborhoods themselves.

The first step that we took to identify study areas follows the works of Bates, Ding, and Freeman. We began with a quantitative analysis of neighborhoods that are susceptible to gentrification. Not all neighborhoods experience the kind of change associated with gentrification, and only those that meet certain conditions are thought to be at risk. To measure the susceptibility for gentrification we used the Bates method for examining whether or not a vulnerable population was present at the beginning of the study time period. In this case, we looked at neighborhood conditions beginning in 2000. According to Bates, a vulnerable population exists if three of the following four conditions are met: 1) the neighborhood’s percentage of residents of color is higher than the regional average,

2) the percentage of renters in a neighborhood is higher than the regional average, 3) the percentage of people with a bachelor’s degree is lower than the regional average, and 4) the median household income of the neighborhood is lower than the regional average.

For vulnerable neighborhoods that met three of the four aforementioned conditions, the next step was to examine change in both demographic and housing market variables to test the degree to which neighborhood change is occurring. Using the four vulnerability measures (residents of color, income, education, and housing tenure), we looked for increases above or declines below regional values. Similar to the vulnerability analysis, if three of the four variables showed changes consistent with gentrification, or if the neighborhood had an increasing white and college-educated population, the neighborhood moved from vulnerable to actively gentrifying.

Housing market change was measured by looking at appreciation in home values in neighborhoods susceptible to gentrification. Neighborhoods were classified as either *adjacent* (low appreciation, but adjacent to high-value neighborhoods), *accelerating* (high appreciation rates), or *appreciated* (home values that have moved from the bottom 60 percent of all neighborhoods to the top 40 percent of all neighborhoods).

The gentrification risk stage that a given neighborhood was assigned was dependent on both the presence of demographic change and the type of housing market appreciation that occurred. In that regard, the assignment of values was a two-stage process. If a given neighborhood experienced no demographic change, it was determined to be susceptible to gentrification. For neighborhoods where demographic change did occur, the housing market analysis determined its gentrification risk stage (either early, active, or late.) See Figure 1 for Bates Gentrification Risk Categories.

Our analysis was completed using census tracts, since they provide the most granular and consistent source of neighborhood-level data across the study period. The baseline data were derived from Census 2000 data and the demographic change analysis incorporated American Community Survey 5-year average data from 2014. It should also be noted that American Community Survey data contain margins of error that could affect the presence or absence of demographic change. Using a method that requires observance of change in three or more conditions helps mitigate this limitation, but caution should still be exercised.

Figure 1. Bates gentrification risk categories

Neighborhood Type	Vulnerable Population	Demographic Change		Housing Market
Susceptible	YES	NO		Adjacent
Early Stage	YES	YES	OR	Accelerating
Actively Gentrifying	YES	YES		Accelerating
Late Stage	YES OR NO	% white & % with bachelor’s degree increasing		Appreciated

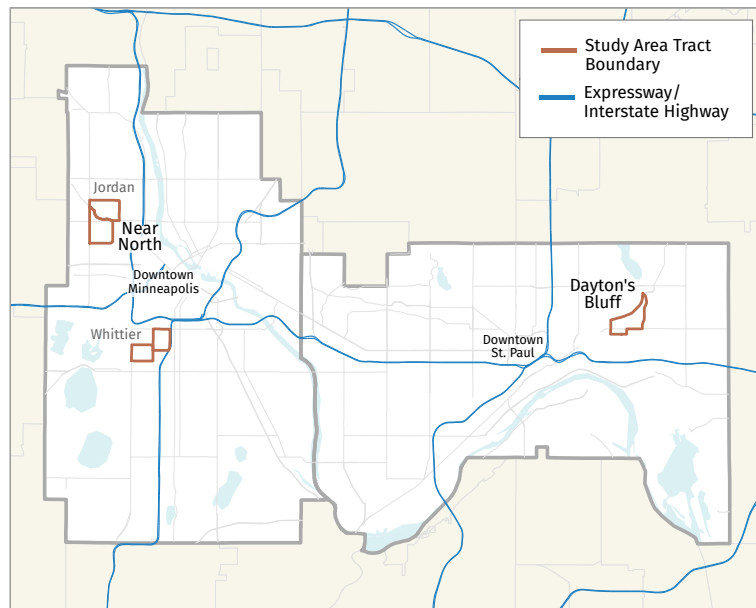
The research team decided that it would be most beneficial to study neighborhoods in the susceptible or early stages of gentrification. Neighborhoods that were part of another Center for Urban and Regional Affairs gentrification study during that same time period were removed from consideration. These two parameters narrowed the potential areas of focus to about a dozen neighborhoods. Next, the team enlisted the help of a community advisory group made up of neighborhood and local government leaders and also interviewed key stakeholders in the field of community economic development who could offer some regional perspective. Ultimately, their input led to the selection of three study areas:

1. Dayton's Bluff neighborhood in Saint Paul (census tract 317.01). Bates gentrification risk level: Susceptible
2. Near North/Jordan neighborhood in Minneapolis (census tracts 1069 and 1070). Bates gentrification risk levels: Early Stage (Near North), Susceptible (Jordan)
3. Whittier neighborhood in Minneapolis (census tracts 1021 and 1028). Bates gentrification risk level: Early Stage

Figure 2
Map of Selected Study Areas

Study design

The research team used a mixed-methods approach to answer the study's key research questions. Secondary data were analyzed from the following sources: U.S. Census, American Community Survey, HousingLink Rental Revue, Minneapolis and Saint Paul city parcel data, National Establishment Time Series database, and the Equifax Consumer Credit Panel.



Primary data were collected through key informant interviews with 22 neighborhood stakeholders and an online survey of 215 neighborhood residents. Key informants were identified using a respondent-driven sampling approach. Interview questions addressed overall concerns about gentrification and observed changes related to housing, commercial development, and culture in the neighborhood. Interviewees were also asked to offer their insights on potential strategies for addressing gentrification and encouraging equitable development. (For a complete list of key informants, see the Acknowledgements section at the beginning of this report; for a complete list of interview questions, see Appendix A.) The online survey, which provided additional perspective from neighborhood residents, included questions about perceptions of neighborhood change over the past five years and neighborhood likes and concerns. A random, address-based sample was used to invite a select group of residents to participate. (See Appendix B for a complete list of survey questions.)

Descriptive characteristics of study neighborhoods

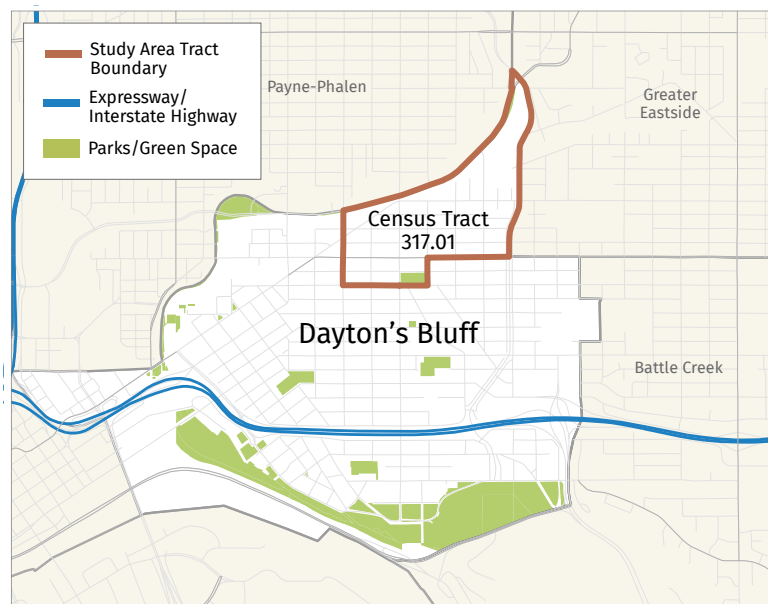
Dayton's Bluff neighborhood, Saint Paul

Figure 3

Map of Dayton's Bluff area

According to the Bates method for assessing vulnerability to gentrification, the Dayton's Bluff neighborhood is considered to be in the Susceptible Stage.

Located northeast of downtown Saint Paul, the Dayton's Bluff neighborhood borders the Mississippi River, and contains a large section of undeveloped land that is owned by the Saint Paul Port Authority. There are a number of historic homes in the neighborhood that could be appealing to housing market speculators who are willing to renovate them.



The racial makeup of the Dayton's Bluff area is 24 percent white non-Hispanic, 41 percent Asian, 16 percent black, 13 percent Latino, 2 percent Native American, and 10 percent who identify as some other race or two or more races. Between 2000 and 2016, the population of color in Dayton's Bluff increased, but not as much as in the Twin Cities metro overall.

The median household income in Dayton's Bluff is about \$49,000, which is much lower than the metro area median of \$70,485. Approximately one-third of Dayton's Bluff households live below the poverty line, compared to just 5 to 7 percent of all Twin Cities metro area households over the study period. However, Dayton's Bluff experienced an overall rise in the median household income between 2000 and 2016—a 16 percent increase, compared to a 9 percent decrease for the Twin Cities metro area overall.

The current homeownership rate in Dayton's Bluff is 54 percent and the median rental price is \$952 (which includes all unit sizes). Between 2000 and 2014, the neighborhood saw a 16 percent decrease in rental households. Between 2000 and 2016, median gross rents in the study area increased by 35 percent. Between 2011 and 2017, home prices also increased in census tracts adjacent to the study area by 138 percent. Comparatively, the Twin Cities metro area saw median gross rents increase just 7 percent and home prices increased by 26 percent during that same period. The rate of home price increase for the City of Saint Paul alone was 64 percent.

Between 2008 and 2018, the median Equifax risk score for Dayton’s Bluff residents held steady at the 27th percentile of the Twin Cities metro area risk score distribution. This is well below the 50th percentile that we would expect if the neighborhood’s risk score distribution were the same as the overall metro area (see Appendix C). This suggests that the relative financial well-being of Dayton’s Bluff residents has not improved significantly over the past 10 years, and confirms the Bates assumption that gentrification is not yet underway.

Recent community development investments in the neighborhood include a new senior housing development on the west side; a cooperative grocery store (Mississippi Market) and redeveloped commercial space that houses nonprofit and social service organizations, including East Side Enterprise and CLUES (Comunidades Latinas Unidas en Servicio); the expansion of the East Side Health Center, a federally qualified health care clinic; and Indigenous Roots, a new cultural arts center.

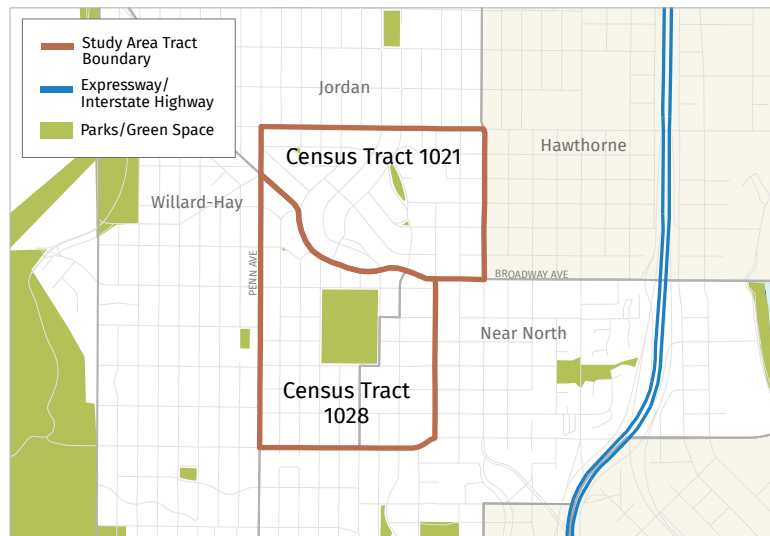


Near North/Jordan neighborhood, Minneapolis

Figure 5
Map of Jordan area

According to the Bates method for assessing vulnerability to gentrification, Near North is in the Early Stage and Jordan is in the Susceptible Stage.

Located northwest of downtown Minneapolis and near Wirth Parkway (adjacent to the suburban city of Golden Valley), the Near North/Jordan neighborhood is predominantly residential. The close proximity to downtown and the suburbs, the large number of single-family homes, and a high rate of foreclosures during the Great Recession have made this neighborhood appealing to housing speculators.



The racial makeup of the Near North/Jordan area is 17 percent white non-Hispanic, 54 percent black, 16 percent Asian, 4 percent Latino, 1 percent Native American, and 11 percent who identify as some other race or two or more races. Between 2000 and 2016, the growth in population of color for the Twin Cities metro overall outpaced that of the neighborhood.

The median household income in Near North/Jordan is about \$33,000, which is much lower than the Twin Cities metro area median of \$70,485. Approximately 42 percent of Near North/Jordan households live below the poverty line, compared to just 5 to 7 percent of all Twin Cities metro area households during the study period. Racial economic disparities in this area are among the largest in Minnesota. Between 2000 and 2014, study area census tracts saw a 4 percent to 12 percent decrease in rental households. The median household income in Near North/Jordan decreased by 18 percent, while the decrease in the Twin Cities metro was just 9 percent.

The current homeownership rate in Near North/Jordan is 38 percent and the median rent is \$1,279. Between 2000 and 2016, median gross rents in the study area increased by 31 percent and 15 percent, respectively. Between 2011 and 2017, home prices also increased in study area census tracts by 109 percent and 156 percent, respectively. Comparatively, the Twin Cities metro area saw median gross rents increase just 7 percent and home prices increase 26 percent during that same period. The rate of home price increase for the City of Minneapolis alone was 47 percent.

Between 2008 and 2018, the median Equifax risk score for Jordan residents remained at the 14th percentile. The median Equifax risk score of Near North residents dropped from the 18th percentile to the 16th percentile. Both are well below the 50th percentile that we would expect to see if the neighborhood’s risk score distribution were the same as the Twin Cities metro area overall (see Appendix C). These data show that the relative financial well-being of Near North and Jordan residents has not improved over the past 10 years. This indicator confirms the Bates assumption that gentrification is not yet underway. However, the Near North census tract experienced a decrease in the percentage of individuals without a bachelor’s degree and accelerating home prices—indicators that are suggestive of early-stage gentrification.

Recent community development investments in the neighborhood include the expansion of the North Point Health and Wellness Center, a federally qualified health care clinic; new multifamily residential and mixed-use development along West Broadway and Penn avenues (both commercial corridor streets); community gardens; a community kitchen; an annual arts and culture festival called “Flow”; a new rapid bus transit route that will connect to planned extension of the light rail transit (the Bottineau Line); and the relocation of Thor Construction headquarters to the neighborhood in a new commercial building that will also house other services. (Thor Construction is the largest African American owned construction firm in the United States.)



Whittier neighborhood, Minneapolis

Figure 7
Map of Whittier area

According to the Bates method for assessing vulnerability to gentrification, the Whittier neighborhood is considered to be in the Early Stage.

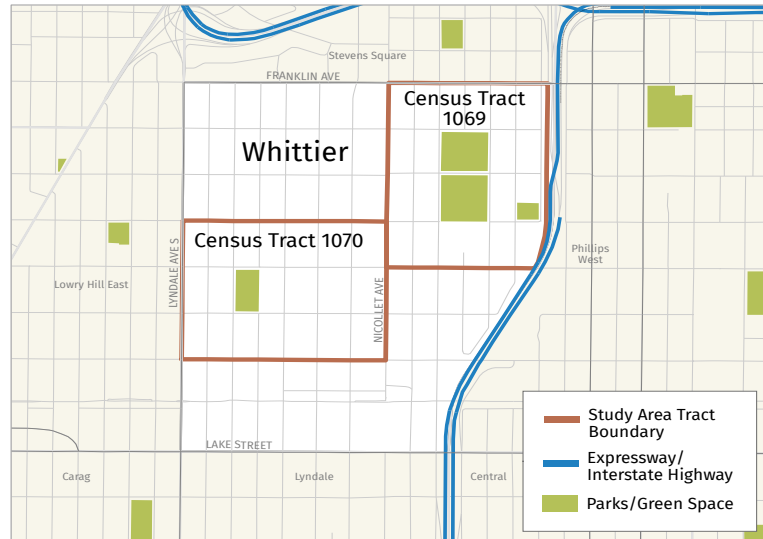
The Whittier neighborhood is located one mile south of downtown Minneapolis. Historically, the neighborhood is known for the stretch of Nicollet Avenue that runs through it, which was nicknamed “Eat Street” due to its large number of ethnic restaurants. Other commercial corridors that run

through the neighborhood include Lyndale Avenue, Franklin Avenue, and Lake Street. Whittier has been a center for the arts and artists in Minneapolis for around 100 years and is home to the Minneapolis Institute of Arts, the national-award-winning Children’s Theatre Company, and the Minneapolis College of Art and Design. Whittier contains many Victorian-era homes, some of which have been beautifully restored. All of these factors make the neighborhood appealing to housing speculators. Presently, most (90 percent) of the housing stock in Whittier consists of multifamily units.

The racial makeup of the Whittier neighborhood is 57 percent white non-Hispanic, 21 percent Latino, 15 percent black, 6 percent Asian, less than 1 percent Native American, and 13 percent who identify as some other race or two or more races. Between 2000 and 2016, the population of color for the Twin Cities overall grew, but in Whittier it declined.

The median household income in Whittier is about \$37,000, which is much lower than Twin Cities metro area median of \$70,485. Approximately one-quarter of Whittier households live below the poverty line, compared to just 5 to 7 percent of all Twin Cities metro area households during the study period. Between 2000 and 2014, the study area census tracts saw a 6 to 16 percent decrease in rental households. The neighborhood also saw a decrease in the percentage of individuals without a bachelor’s degree and accelerating home prices illustrative of the early stages of gentrification.

The current homeownership rate in Whittier is just 16 percent and the median rent is \$815 (this includes all unit sizes). Between 2000 and 2016, median gross rents increased 8 percent. Between 2011 and 2017, home prices also increased in census tracts adjacent to the study area by 82 percent. Comparatively, the Twin Cities metro area saw median gross rents increase just 7 percent and home



prices increase 26 percent during that same period. The rate of home price increase for the City of Minneapolis alone was 47 percent.

Between 2008 and 2018, the median Equifax risk score for Whittier residents increased from the 25th percentile to the 33rd percentile, approaching the 50th percentile that we would expect if the neighborhood's risk score distribution were the same as the Twin Cities metro area overall (see Appendix C). This change suggests that the relative financial well-being of Whittier residents has improved over the past 10 years and confirms the Bates assumption that gentrification in the study area is already underway.



Study Findings

Overall concern about gentrification

Community leaders and residents expressed varying levels of concern about gentrification, ranging from low to high, in the study area neighborhoods.

Overall, Dayton’s Bluff informants had the least amount of concern for gentrification (but there are still some signs). In fact, one key informant was adamant that the area selected was one of the least likely candidates for gentrification in the metro area. On the other hand, some neighborhood residents saw significant reasons for concern. Whittier informants expressed the most concern about gentrification and described very visible changes. Near North/Jordan informants expressed moderate concern about neighborhood gentrification. In addition, they expressed considerable concern about existing quality of life and safety issues. Below is a summary of responses.

Figure 9. Summary of community leader and resident concern for gentrification in study area neighborhoods

	Regional Key Informant Interviews	Neighborhood Key Informant Interviews	Resident Survey
Dayton’s Bluff	Moderate: one of four rated “early stages” and two rated “susceptible.”	Low: Five of seven rated at least some concern. Only two rated a lot of concern.	Low: 23% were at least somewhat worried; but only 5% were worried a lot (N=38).
Near North/Jordan	Moderate: one of four rated “early stages” and one rated “susceptible.”	Moderate: Four out of five had at least some concern: three had a lot of concern.	Moderate: 37% were at least somewhat worried; including 12% worried a lot (N=76).
Whittier	High: All four respondents said Whittier was already in early stages of gentrification.	High: All seven respondents had at least some concern, and four had a lot of concern about gentrification.	High: 62% were at least somewhat worried; including 22% worried a lot (N=92).

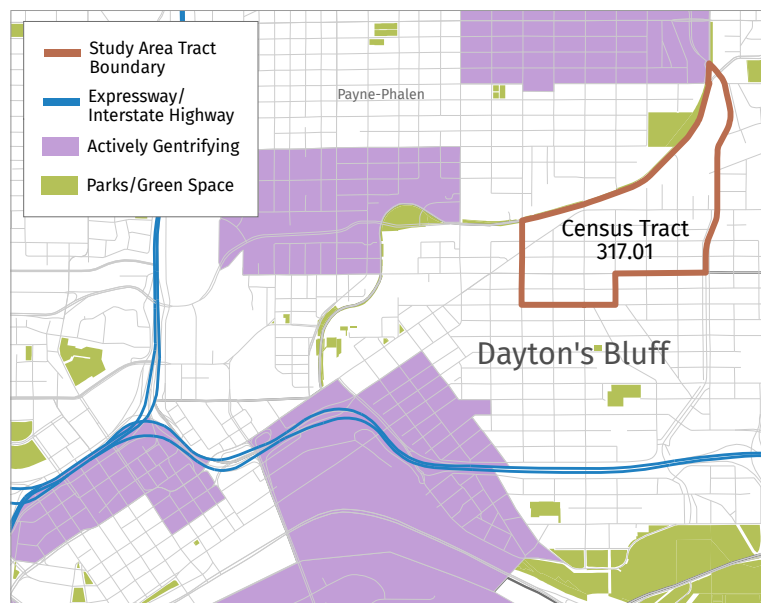
Perceptions of neighborhood change were influenced by changes in surrounding neighborhoods. In Dayton's Bluff, surrounding gentrification played an important role in the perceived risk of neighborhood gentrification, because changes happening outside the neighborhood were starker than what stakeholders were seeing in the neighborhood.

I view gentrification as kind of a groundwater pollution plume. Barring a recession and barring a massive build-up of low-income affordable housing, I think the pressure [of gentrification] is flowing the plume towards the census tracts selected for study in this neighborhood.

—Dayton's Bluff Key Informant

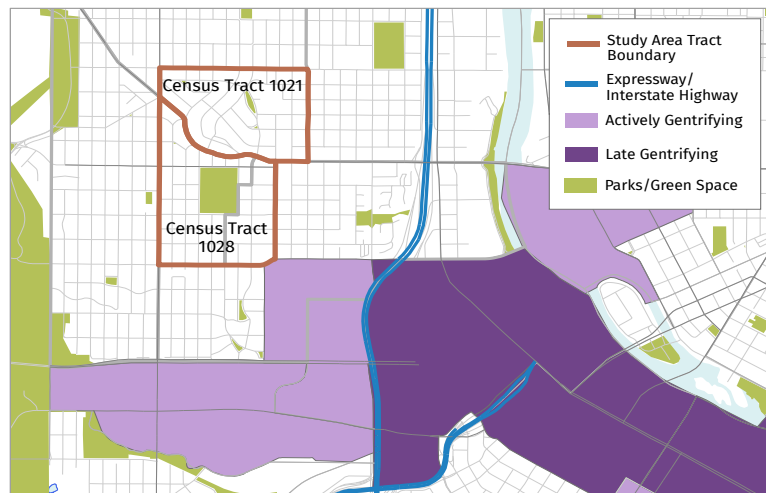
The “plume” of gentrification described by the stakeholder above connects to three actively gentrifying census tracts (see Figure 10). One of these tracts is directly north of the study area, and the other two are located to the southeast. The Southeast tracts correspond to the Lowertown area of Downtown Saint Paul, which over the past 10 years has transitioned from a neighborhood of artists to an actively gentrifying neighborhood. During that time, this neighborhood has experienced major infrastructure investments, including a light rail transit line and a minor league baseball stadium, as well as significant housing and restaurant business development.

Figure 10
Map of Dayton's Bluff study area and surrounding census tracts that are actively gentrifying



In the case of the Near North/Jordan study area, stakeholders identified significant changes in the North Loop neighborhood (southeast of the study area) and the Harrison neighborhood (south of the study area); see Figure 11. The North Loop, previously an underdeveloped area of downtown Minneapolis, has experienced the most commercial and residential development of any neighborhood in the Twin Cities metro area in the last decade.

Figure 11
Map of Near North study area and surrounding census tracts that are actively gentrifying



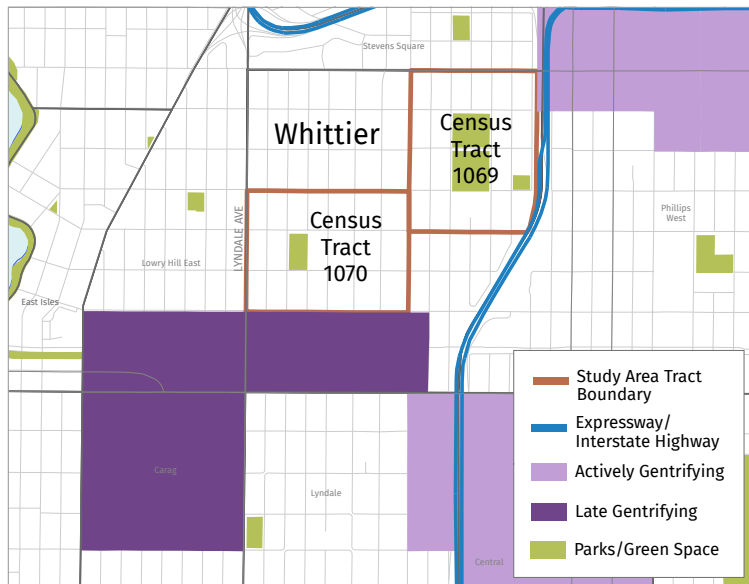
These areas of active and late-stage gentrification match the responses from Near North/Jordan neighborhood key informants; whereas, the Bates method classifies this study area as one that is susceptible to gentrification (but it has not yet occurred).

Whittier neighborhood key informants also described impending changes in terms of the adjacent Uptown neighborhood, which began transitioning from an artist enclave to a higher-income residential and retail neighborhood in the late 1990s and early 2000s. This type of redevelopment in the Uptown neighborhood continues today—15 to 20 years later. For illustration of this area, see Figure 12.

Certainly west of the neighborhood—Lyn-Lake, west of Lyndale, has had a more precipitous rise in rental prices, and the businesses that have been opening have been a little more bourgeois. Also, to my eye, there is much less diversity over there—it is a young, semi-affluent, white group of people that have moved in.

—Whittier Key Informant

Figure 12
Map of Whittier study area
and surrounding census
tracts that are actively
gentrifying



All study area neighborhoods appear to be at an inflection point regarding the interplay of development, gentrification, and displacement, as evidenced by quotes from respondents below.

I think about the [Whittier Neighborhood] being on the knife's edge. The neighborhood is kind of perfect right now. We are living in a community—the diversity has challenges, but overall the neighborhood is nimble and accepting. It's a delicate balance.

—Whittier Key Informant

I have noticed an awareness that gentrification could happen. I would not say that it necessarily has happened. What I hear people say is, "with all this creative placemaking stuff, will it lead to gentrification?" "The proposal for light rail, we don't want it; it will lead to gentrification." The work we do, we hold a mirror up to ourselves all the time because we are very aware of the fact that.

—Near North/Jordan Key Informant

Key informant interview and survey questions also addressed changes related to culture, housing, and commercial development in the neighborhood. Following is a synthesis of the quantitative and qualitative data on these topics for the three study area neighborhoods. See Appendix D for a complete list of quantitative data sources that were included in the analysis.

Demographic and Cultural Changes

Community leaders and residents expressed varying levels of concern about demographic and cultural changes in study area neighborhoods, ranging from low to high. Below is a summary of how their perceptions compared with the quantitative data on changes in socio-demographics for recent years.

Figure 13. Concern regarding cultural changes: Summary of community leader, resident, and quantitative data findings

	Neighborhood Key Informant Interviews	Resident Survey	Quantitative Data
Dayton's Bluff	Low: Stakeholders see low levels of cultural change in the neighborhood, but some tensions related to residents of different backgrounds.	Low: 14% of residents surveyed think the neighborhood has become less culturally diverse over the last five years.	Moderate: decrease in renters; increase in household income; increase in residents w/o college degree; increase in residents of color.
Near North/Jordan	Moderate: Stakeholders report some cultural changes from new residents moving in; but in some cases new residents are working to be part of the community fabric.	Low: 21% of residents surveyed think the neighborhood has become less culturally diverse over the last five years.	Moderate: increase in renters; increase in household income; decrease in residents w/o college degree; decrease in residents of color in Near North but an increase in Jordan.
Whittier	High: Stakeholders see a lot of cultural changes with younger people moving in, and the feeling of the neighborhood changing because of the shift in types of commercial businesses in the neighborhood.	Low: 16% of residents surveyed think the neighborhood has become less culturally diverse over the last five years.	High: decrease in renters; increase in household income; decrease in residents w/o college degree; decrease in residents of color.

Younger, trendier, and more expensive

In general, the cultural changes that neighborhood key informants observed were described as younger, trendier, and higher-income. Figure 14 shows that homeownership rates and the presence of college-educated residents have increased over time. The quotes below illustrate key informants' observations and concerns.

Figure 14. Changing demographics in study area neighborhoods, 2000–2014

Neighborhood	Tract ID	Housing Market			Demographic Change			
		2000 Value	2014 Value	Type	Percentage Point Change in % PoC	Percentage Point Change in % Renters	Percentage Point Change in % w/o a Bachelor's Degree	Change in Median Household Income (in nominal dollars)
Daytons Bluff	317.01	\$84,600	\$107,000	Adjacent	1	-16	3	148%
Jordan	1021	\$80,400	\$122,200	Adjacent	3	4	-4	115%
Near North	1028	\$81,000	\$147,200	Accelerating	-7	12	-14	111%
Whittier	1069	\$139,400	\$171,300	Adjacent	-12	-16	-8	134%
Whittier	1070	\$125,500	\$169,000	Adjacent	-20	-6	-10	130%
Metro Average					8	4	-6	157%

Data sources: U.S. Census 2000; American Community Survey 2014 (5-Year Estimates)

Not because of the population that is there now and what they want but because of policies and trends that are coming. There is a lot of "aging" of the ethnic community who own a lot of the businesses on Nicollet Avenue. When they decide to sell their businesses, it will be the end of Eat Street.

—Whittier Key Informant

[Question: Who is moving in to Dayton's Bluff?] DINKs, dual income, no kids, younger white folks. I see more white people now, but they've always been there—we're pretty diverse, so not terribly, no. The biker community is new—we have a bike lane now on Payne Avenue. There's a joke that when a brewery comes to town, you're being gentrified. Knowing about these places that exist and thinking who would actually go there and who could afford it—there are some changes. Hopes that it will bring in a community that has more money, but that's with a thought that the businesses benefit, not necessarily that the community benefits.

—Dayton's Bluff Key Informant

Lots of vacant housing or businesses. Lots of folks of higher incomes and white folks moving into the neighborhood. On Northside time, a lot of folks who moved in and now they have been in the neighborhood for five or eight years. That's nothing. Northsiders are like "yeah, they are not from here." Younger families, professional white folks that are moving into the neighborhood and joining neighborhood organization boards, business associations, and becoming civically engaged. Seeing that happen more and more.

—Near North/Jordan Key Informant

I also see white people have always been a huge part of the Northside because they concentrate these supposed helping agencies and that is who philanthropists tend to give the jobs to. That has not necessarily changed. What has changed is who you see at night. That is, people jogging and dog walking and other things that black people don't do in the same way. Those are signs of gentrification.

—Near North/Jordan Key Informant

My friends and I would joke about this. We didn't start seeing Subarus until 2007. You're starting to see a different cultural aspect coming into the neighborhood. There are people moving in who want closer access to the park, closer access to downtown.

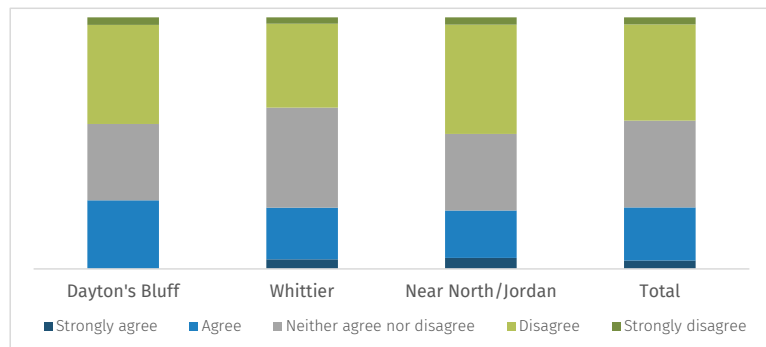
—Near North/Jordan Key Informant

Tension between new and old residents

Overall, the neighborhood key informants observed some tensions between new and old residents. In addition, about one-quarter of residents who participated in the survey either “Agree” or “Strongly Agree” that they have witnessed more tension between residents in the neighborhood in comparison to five years ago (see Figure 15). Quotes below, from key informants and survey participants, illustrate their observations and concerns.

Figure 15

Resident survey: I see more tension (in-person or online) between newer residents and longer-term residents in the neighborhood now [compared to 5 years ago]



[Observed any tension among residents?] Yes. Our Native community has expressed a lot of concerns about police. Phone calls are made on them when they are doing their powwows. A couple of churches have tried to open doors for homeless people in our community. That in itself has caused more drama than I can say.

—Dayton's Bluff Key Informant

Yeah. Along the line of new residents and longer-term residents. Online for sure. Facebook. Sometimes it's newer residents and older residents and sometimes it's more along racial lines. That is more than newer and older residents. But it is some of both. In real life, yes. It's present in neighborhood meetings and other kinds of meetings.

—Near North/Jordan Key Informant

The biggest tensions are with the newer residents not understanding and coming in with a privileged arrogance. E.g., “I am moving from my apartment in Edina into the slums,” and not understanding that they live next door to someone with a Ph.D., a college professor or counselor at De LaSalle. They do not understand that the quality of people who have chosen to come here did so way before they made a decision. They come because of a real estate decision, a strong-knit community, everyone knows their neighbors. That has been their biggest tension. It has had some effects on slowing gentrification down. People have moved because they thought they were moving into an environment where they would be king of the hill and realizing they are just like a bum. So they moved because they felt they could not control the landscape or push the vision out that they had for the neighborhood.

—Near North/Jordan Key Informant

Yes. Oh, yeah. The renters feel like they don’t have a voice in the neighborhood and the reason they don’t have a voice is they don’t come and share their voice. Somehow you’re supposed to—this goes back to the work at the Capitol—you may not get what you want if you go down and lobby, but if nobody has any idea what your needs are, they are not going to divine those. The renters are not voicing [their needs] in the community, they are saying their voices aren’t being heard.

—Whittier Key Informant

There is a tension about the trends for more density and there is a core of a millennial group wanting more density, and longer-term residents saying “we are already dense.” That conflict usually comes out in the public meetings when another development is being proposed.

—Whittier Key Informant

Yeah, definitely. I think I see the tensions between renters and homeowners—newer people are renters—tend to be younger, like hip things going on in the cities—like the number of people—like having a lot of people around. That’s what I see the younger crowd liking this atmosphere—older folks who have been there a long time—it feels more neighborhood-y—they like the privacy more—less noise, less density—so they have more space.

—Whittier Key Informant

Housing Changes

Housing market

Community leaders and residents expressed varying levels of concern about housing market changes in study area neighborhoods, ranging from low to high. Below is a summary of how their perceptions compared with the quantitative data on changes in housing market activity for recent years.

Figure 16. Concern regarding housing changes: Summary of community leader, resident, and quantitative data findings

	Key Informants	Resident Survey	Quantitative Data
Dayton's Bluff	Moderate: Increased listing prices for homes in nearby areas affecting listings in the study area.	Low: Rising housing costs did not register as a concern among residents surveyed.	High (ownership): 58% owner-occupied; 138% increase in median home sale prices (2011–2017). High (rent): median rent asked increased 28% (2012–2017); median gross rent increased 35% (2000–2016).
Near North/Jordan	Moderate: High quality housing stock is being bought, renovated, and flipped for \$200,000+ by outside investors.	Moderate: 13 of the 29 residents who reported they were concerned about gentrification in the neighborhood cited rising housing costs as one of the reasons.	High (ownership): 38% owner-occupied; 156% and 109% respective increase in median home sale prices (2011–2017) High (rent): median rent asked increased 26% in Jordan and 19% in Near North (2012–2017); median gross rent increased 15% in Jordan and 31% in Near North (2000–2016).
Whittier	High: New high-end multi-unit apartment and condominium complexes and updates to existing single-family, duplex, and fourplex buildings with large increases in rent.	High: 35 of the 58 residents who reported they were concerned with gentrification in the neighborhood also cited rising housing costs as one of the reasons; 13 of 47 residents who plan to move out of the neighborhood within 5 years cited rising housing costs as a reason.	High (ownership): 16% owner-occupied; 42% increase in median home sale prices (2011–2017); 82% increase if year 2011 is omitted. Low (rent): median rent asked increased 9% in tract 1070 and 6% in tract 1069 (2012–2017); median gross rent increased by 9% in tract 1070.

In Dayton's Bluff, the neighborhood perspectives regarding changes in housing costs and the quantitative data on housing costs tell slightly different stories. Quantitative data indicate that, among the three study area neighborhoods, Dayton's Bluff has experienced the largest increase in rental housing costs over the most recent five-year period (see Figures 17 and 18). Neighborhood key informants were somewhat softer in their assessment of the situation. Housing cost increases also did not register among the residents surveyed. However, key informants did note that increases in rent have the potential to drive lower-income families out of the neighborhood. They also mentioned rising home prices in nearby areas, and that the Dayton's Bluff study area could experience some pressure related to home prices, if those areas continue to see increases.

Dayton's Bluff is a part of an annual Parade of Homes. Houses are being fixed-up and then sold for anywhere from \$240,000 and up. There is a family with income of \$65,000 and on the east side that just doesn't work. There is a mismatch. This area is one of the highest density family areas in our city. So the affordable housing that does not exist is a concern. I also see us struggling even with having available housing here on the east side.

—Dayton's Bluff Key Informant

They are building and selling \$240,000 homes in Railroad Island, which is the 10th poorest census tract in the state. These are homes that only about 10 percent could afford. And that 10 percent already live around Lake Phalen. When Realtors calculate comps for pricing a house, they generally try and find all sales within six months within a mile. I did a rough mile around Rivoli Bluff (any Realtor selling a home is going to Rivoli Bluff as their comps). They will factor in age of house and sales but will look at sales. When those houses are sold within a mile, they become comps for the next mile. So you have a relay effect.

—Dayton's Bluff Key Informant

Quantitative data show that the Near North/Jordan neighborhood has experienced considerable increases in rental prices over the most recent five-year period. Neighborhood key informants report that the cost of buying or renting housing that is clean and safe has gone up, leaving people who cannot afford higher housing costs with lower quality housing. Some residents have needed to look outside the neighborhood in search of housing that is both decent and affordable. In addition, many of the desirable rental properties have been purchased and renovated to sell as owner-occupied homes.

A lot of people are looking for rental housing and what we are experiencing is there are fewer houses available. You used to be able to find a rental unit that was priced between \$1,200 and \$1,500 and that was affordable for a lot of people, or it was affordable for a group of roommates. We are seeing that decline with people who are just starting out. We are seeing the decline of the quality of those houses. You could live in a decent house but now that house at \$1,500 might be unappealing. One of the problems we've seen with that as the trends were changing, where we were going toward more owner-occupied, a lot of the rental property that still exists is within the hands of a very few slumlords; people who lived somewhere else and were buying up properties. That is what we are starting to see now. Even when people are moving into rental houses, there are major issues—the roofs are falling in; there is that slumlord tendency around rental properties that are available.

—Near North/Jordan Key Informant

In a neighborhood where median income level [is much lower than the region], we are selling houses at \$192,000, \$200,000, \$225,000, etc. We had an investor put \$200,000 of his own money into a property and moved into it. It used to be that people would not move into crime-ridden areas. That no longer exists, and for me, is a sign of gentrification. Our housing stock is increasing [in price]. In 2015, 92 families purchased homes and moved into Jordan. That is huge for a small neighborhood as this. I think in the beginning, it was because you could get a lower-valued home. Now, that scenario is also changing, when our housing market developers are coming in and buying cheap properties, rehabbing them, and putting them on the market at \$192,000–\$250,000. That means you are attracting people who are making \$55,000 and above in income. That changes the whole dynamic of the median income in our neighborhood, which is less than \$30,000. A person cannot afford this, as they are probably making \$12 or \$13 per hour.

—Near North/Jordan Key Informant

The Whittier neighborhood has seen the most prominent visual changes in the housing market. However, quantitative data, which show that Whittier has experienced the smallest change in rental market cost increases, somewhat contradict the perspectives on the ground. Whittier neighborhood key informants cited increased housing costs as a sign of gentrification, and neighborhood survey respondents cited rising housing costs as a reason they were looking to move out of the neighborhood more frequently than respondents in the other two study area neighborhoods.

There were two instances specifically I'm aware of where developers came in, bought properties that were largely single-family, or that were affordable to a single parent with kids, and basically developers spruced up the outside a little—slapped some paint on it and jacked the rent up 50–60 percent and [the tenants] can't afford it—and they could walk to school, walk to other places—now they had to go to the 'burbs and their kids had to change schools, same thing we hear over and over and most of those people were minorities.

—Whittier Key Informant

Same housing stock, but phenomenon of buying up existing affordable housing and doing minimal changes and bumping up the rent and pushing people out. A 350-square-foot studio for \$900—oh, we have a deck on top and there's bicycle storage. [Not worth it.]

—Whittier Key Informant

New housing or renovations

Figure 17. Change in median rent asked in study area neighborhoods, 2012–2017

Neighborhood	Tract	Median Rent Asked 2012	Median Rent Asked 2017	Percent Increase
Dayton's Bluff	317.01	\$967	\$1,235	28%
Jordan	1021	\$1,009	\$1,269	26%
Near North	1028	\$1,085	\$1,288	19%
Whittier	1069	\$977	\$1,038	6%
Whittier	1070	\$897	\$979	9%

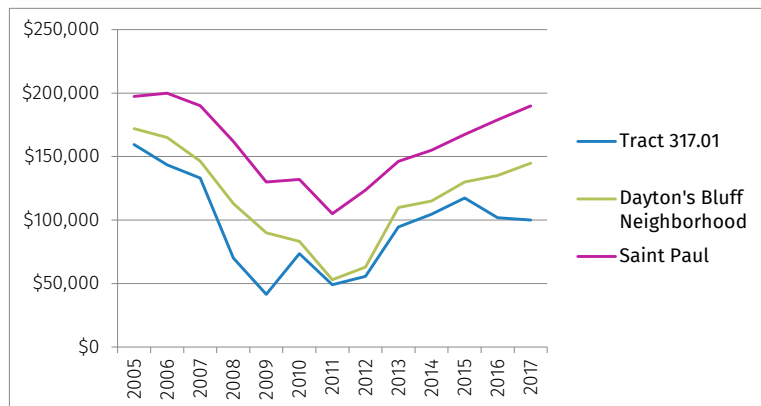
Data source: HousingLink Rental Reveu, 2012–2017

Figure 18. Change in gross median rent paid in study area neighborhoods, 2012–2017

Neighborhood	Tract	Median Gross Rent in 2000	Inflation-Adjusted Rent	Median Gross Rent in 2016	Percent Increase
Dayton's Bluff	317.01	\$507	\$707	\$952	35%
Jordan	1021	\$674	\$940	\$1,081	15%
Near North	1028	\$540	\$753	\$983	31%
Whittier	1069	\$571	\$796	\$836	5%
Whittier	1070	\$522	\$728	\$795	9%

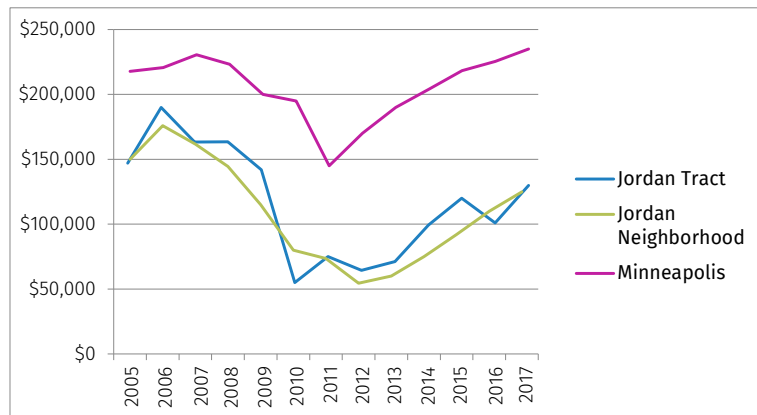
Data sources: U.S. Census 2000; American Community Survey, 2012–2016 (5-year estimates)

Figure 19
Dayton's Bluff neighborhood: Change in median home sale prices, 2005–2017



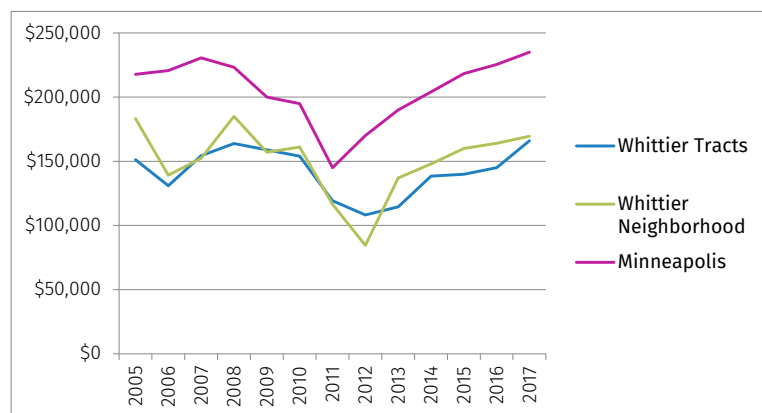
Data source: Ramsey County Assessor

Figure 20
Near North/Jordan
neighborhood: Change in
median home sale prices,
2012–2017



Data source: Minneapolis Assessor

Figure 21
Whittier neighborhood:
Change in median home
sale prices, 2012–2017



Data source: Minneapolis Assessor

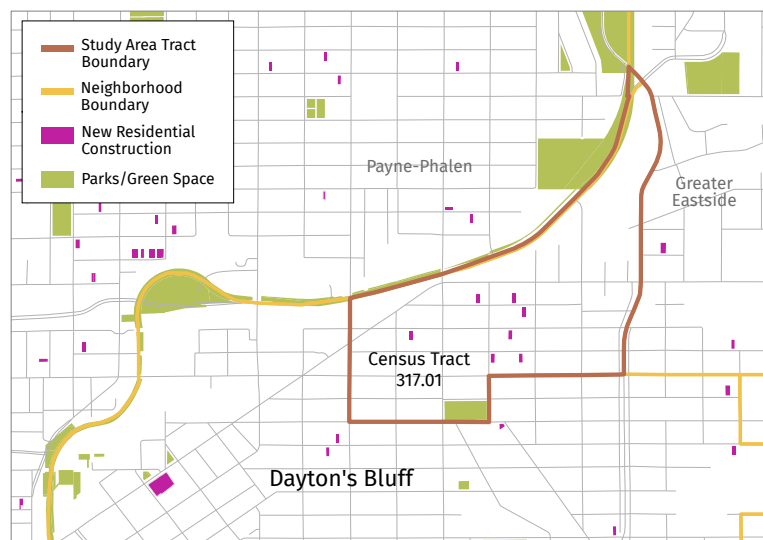
New and renovated housing

In the Dayton’s Bluff neighborhood, key informants did not report any considerable changes related to residential rehab or renovations other than standard upkeep of properties. However, informants mentioned a program that buys houses under market value with the expectation that they will be rehabbed. This program was framed both as an indicator that gentrification was not occurring because “they are practically giving away houses” and as a potential driver of gentrification because the houses they are giving away are a significant investment opportunity for people outside the neighborhood who can afford them. Figure 22 shows new residential construction in the Dayton’s Bluff neighborhood between 2013 and 2017, which includes a concentration of residential construction within the study area.

I was on the street canvassing in Dayton’s Bluff a lot 10 years ago. I have a bit of a construction background, so I look at things in terms of the housing conditions. I think things have improved gradually over the last 5 to 10 years. There has been a lot of minor updating of houses. The lawns and the way things are taken care of has improved ... I have not seen a lot of [major] improvement in residences. I don’t think there has been the scale of attention from either private or nonprofit developers that has turned any corners. The changes have been [small] and gradual.

—Dayton’s Bluff Key Informant

Figure 22
Map of new residential construction in and around the Dayton's Bluff neighborhood, 2013–2017



In the Near North/Jordan neighborhood, key informants described renovations and rehabs of existing housing stock as a leading indicator of gentrification in the neighborhood. Whereas, well-resourced developers from outside the neighborhood are able to buy, renovate, and flip the houses to their own benefit, there exists a shortage of resources available to current residents who want to fix up homes in the neighborhood.

I think there is interest in these Jordan houses. I think it is dual. I think they can be economical and accessible. I think there are still a lot of issues that make it not where some people want to live. I guess what I see is interest in rehabbing and kind of claiming these houses. There is a blossoming Somali community in Jordan that is buying houses. Some of that interest is coming from people who are coming in and completely rehabbing it and adding [\$1,000s] to the price trying to sell it. I just see their housing stock as a little bit more vulnerable.

—Near North/Jordan Key Informant

Things that concern me [about gentrification] are the opportunities that are available to new transplants that may have more economic stability. The residents who have been here 5, 10 years who weathered the housing crisis, and are underwater with their mortgages, which also caused them to take on debt in other areas, do not have the same access and their credit prevents them from accessing many opportunities to increase the value and the aesthetics of their homes.

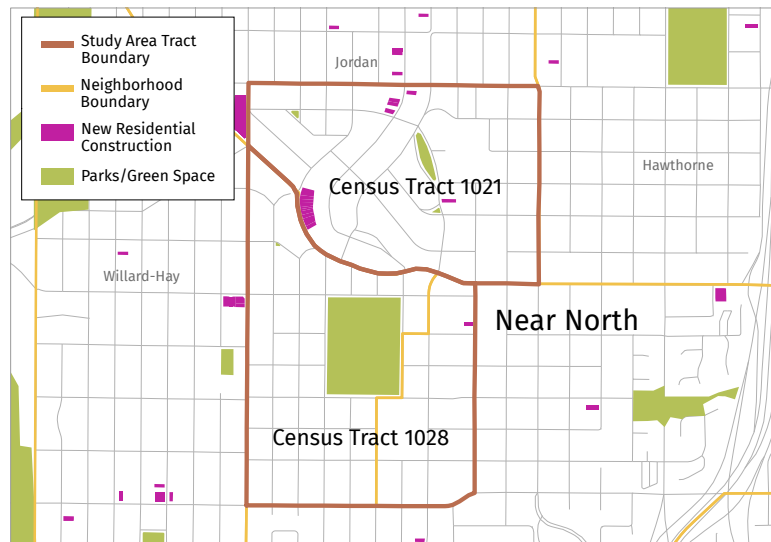
—Near North/Jordan Key Informant

I would say that this is a system problem. If black people do not own anything, we don't change anything. Our circumstances continue to be that barrier because of lack of ownership. If I can afford to pay for your mice-infested places but I cannot have ownership, that is a systemic problem. We need to think about, are we really being inclusive when we say we want the disparities to go down. Equity is equal access and opportunity. If I don't have the access to go into a bank and get [the same] loan as someone else. If that person can access a loan where they can have a 30-year fixed mortgage, then that person who is looking for that access and opportunity is not going to get it.

—Near North/Jordan Key Informant

Figure 23

Map of new residential construction in and around the Near North/Jordan Neighborhood, 2013–2017



Another key theme that emerged from interviews with key informants in the Near North/Jordan neighborhood was the issue of consolidated ownership of real estate. Recession, natural disasters, or sustained neighborhood disinvestment can all make a neighborhood susceptible to consolidation of real estate by a few owners. Community leaders viewed consolidation of ownership as a potential driver of gentrification because it can lead to wholesale redevelopment and change the look, feel, or dynamics of the neighborhood very quickly. While informants in all three study area neighborhoods reported some concern about the consolidation of real estate ownership, the issue was most salient in the Near North/Jordan area.

Jordan was hit hard with a tornado and the housing collapse. There were a lot of foreclosure properties. A lot of those properties were picked up by investors who renovated and re-sold them. We are getting near the end of that. The city has taken its inventory of houses that were primarily on the 249 list or condemned and incentivized the purchase of them to get them back on the tax rolls. Some investors have purchased some of those most recently and have renovated them. That is enabling the sales prices to go up in Jordan and Hawthorne.

—Near North/Jordan Key Informant

Money is a driving force for communities. A lot of times what we are seeing, especially on the Northside, are developers or investors. They will have access to cash and capital. They can buy 30 or 40 properties at once and can finance them. We have experienced an issue in Jordan where a landlord had 40 properties and the city had been after him for years trying to get him to fix up his properties. His license was finally revoked. What happens in a situation like that is it leaves not only the families (who have rented) but the community at risk. What is left is a portfolio of houses that need fixing and another potential investor who could come in with plans to buy them. It leaves the community vulnerable to know what is going to happen to that housing portfolio. Another investor can come in now and want that portfolio. They [the city] have the ability to say no and control it. Gentrification first starts at the city. They approve licensing, plans, and give money.

—Near North/Jordan Key Informant

Figure 24. Owners of 15 or more properties in the Near North/Jordan area

Owner Name/Entity	Properties Owned	Owner Name/Entity	Properties Owned
RHA 3 LLC	185	Broadway Avenue LLC	19
Danmark Properties LLC	37	Good Domus LLC	19
Urban Homeworks Inc.	36	Outlook Estates LLC	19
Mahmood Khan	35	Avalon Home Investments LLC	18
Danlen Properties LLC	34	Nicollet Properties LLC	18
Trio Investments LLC	31	Restored Bungalows LLC	18
Shop 2012 LLC	30	J&M Homes LLC	17
Steven Meldahl	57	Proton Investments Inc.	17
Goff Holdings LLC	24	Robert M. Anderson Trustee	17
City of Lakes Community Land Trust	22	Mark G. Langmade	15

Data source: Hennepin County, 2018

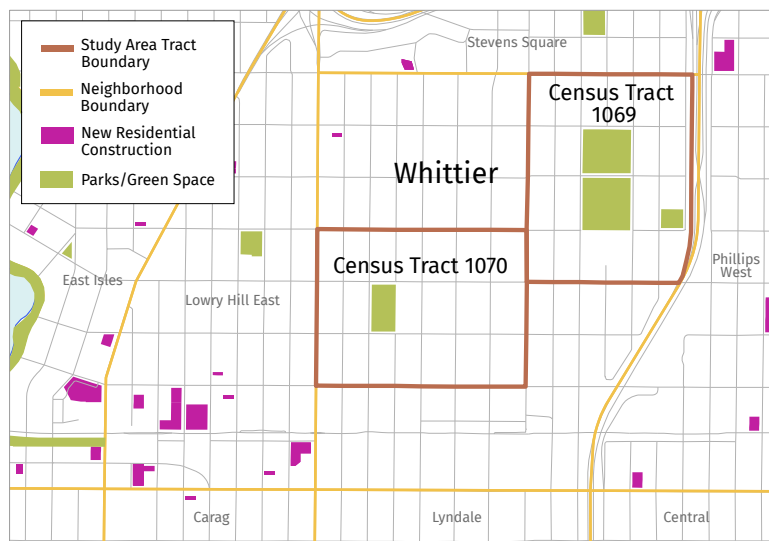


Whittier has seen the most prominent visual changes related to residential spaces and housing among the three study area neighborhoods. These changes include an influx of multistory developments that mix commercial and residential housing. Figure 25 illustrates the pattern of new residential construction and commercial sales between 2013 and 2017. According to the map, there are new residential buildings to the southwest of the study area. This matches neighborhood key informants' perspectives that gentrification pressures from the Uptown neighborhood are pushing into the Whittier neighborhood. Overall, the total number of new residential buildings in the study area is small.

I think the fact that it's a cookie cutter—these buildings are all the same—you drive up and down University Avenue and Uptown and they are all the same [as Whittier]—a little retail on the main thing and restaurants and boutiques and then the upstairs is residential—it's a formula being applied to every situation—if the only tool is a hammer, every problem looks like a nail.

—Whittier Key Informant

Figure 25
Map of new residential construction in and around the Whittier Neighborhood, 2013–2017



Commercial Changes

Community leaders and residents expressed less familiarity with the commercial changes in their neighborhoods in comparison to housing, but they identified some potential indicators of commercial gentrification. Their concerns ranged from low to high. Below is a summary of how their perceptions compared to the quantitative data available on this topic.

Figure 26. Concern regarding commercial changes: Summary of community leader, resident, and quantitative data findings

	Key Informant Interviews	Resident Survey	Quantitative Data
Dayton's Bluff	High: 3 stakeholders reported they had seen a lot of commercial changes in the neighborhood, and 4 stakeholders reported they had seen some changes.	Moderate: 31% of residents agree that the neighborhood has become more of a commercial destination in the last five years; 20% think that the services in the neighborhood have become less aligned with their needs in the last five years.	Low: Changes in the location quotients for finance and professional establishments increased from 2009 to 2014, but the change was modest.
Near North/Jordan	Moderate: 2 stakeholders reported they had seen a lot of commercial changes in the neighborhood, 4 stakeholders reported some change, and 2 stakeholders report no changes.	Moderate: 16% of residents agree that the neighborhood has become more of a commercial destination in the last five years; 30% think that the services in the neighborhood have become less aligned with their needs in the last five years.	Low: The location quotients for finance and professional establishments decreased from 2009 to 2014 for the combined Near North/Jordan neighborhoods.
Whittier	High: 5 stakeholders reported they had seen a lot of commercial changes in the neighborhood, and 2 stakeholders reported some changes.	High: 69% of residents agree that the neighborhood has become more of a commercial destination in the last five years; 16% think that the services in the neighborhood have become less aligned with their needs in the last five years.	Low: The location quotients for financial establishments showed a slight increase from 2009 to 2014.

New business establishments

Neighborhood residents who responded to the survey were asked to indicate whether commercial retail and services in their neighborhood had become a destination for visitors who live outside the neighborhood, and also whether existing retail and services are more or less aligned with their tastes and needs in comparison to five years ago. Below is a summary of responses by neighborhood (see Figures 27 and 28).

Figure 27

Resident survey: The neighborhood is now more of a destination for people from other neighborhoods to eat and have fun [than it was 5 years ago]

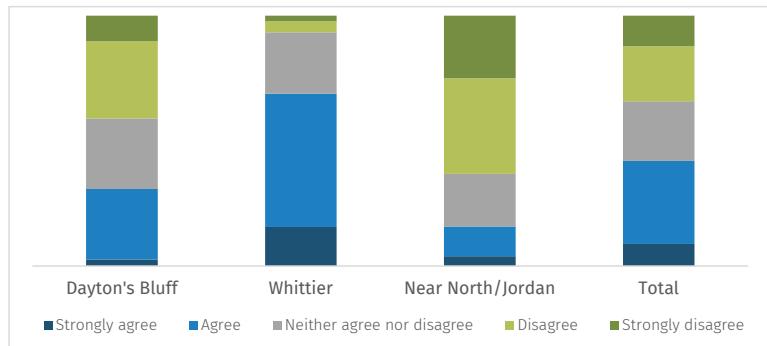
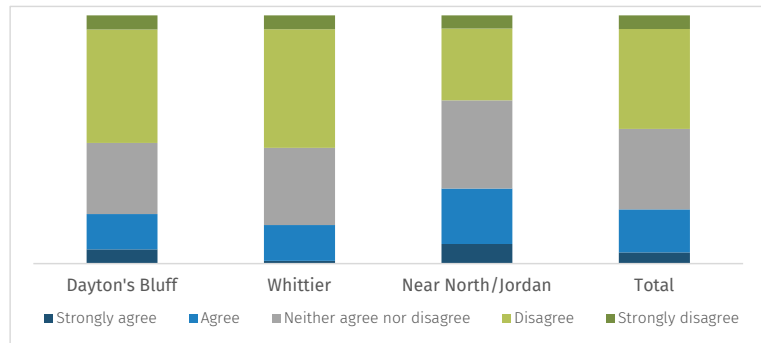


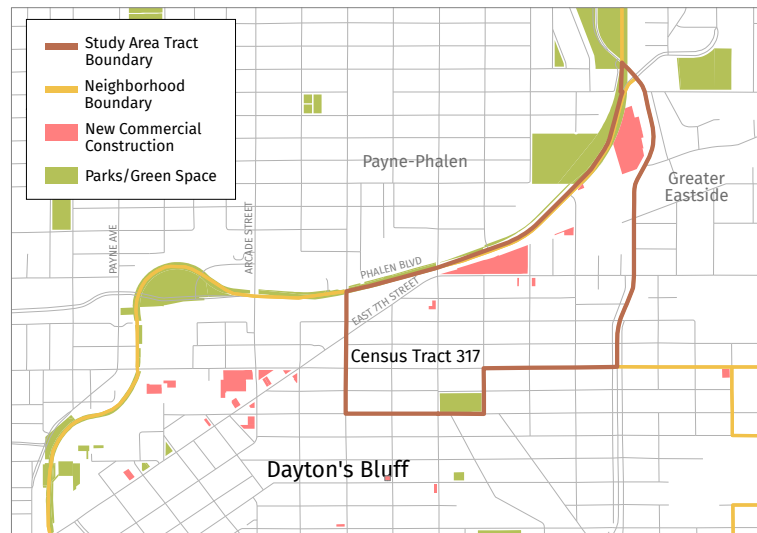
Figure 28

Resident survey: The services (beauty salon, restaurants, stores, etc.) in the neighborhood are less aligned with my taste now [than they were 5 years ago]



In the Dayton's Bluff neighborhood, Mississippi Market and the Dancing Goat Coffee House are examples of new commercial development that did not displace anything, but moved into vacant spaces. Key informants in Dayton's Bluff said that the lack of displacement is one reason they are less concerned about commercial gentrification. Below, Figure 29 illustrates recent commercial sales in the Dayton's Bluff neighborhood, including two large commercial sites along Phalen Boulevard and a few smaller commercial sites. The map also shows a cluster of commercial sales on the corner of Arcade and East 7th Street. According to neighborhood key informants, this corner has raised concerns among development project advisers because of the consolidation of the commercial properties in the area.

Figure 29
Commercial sales in the Dayton's Bluff neighborhood and surrounding area, 2013–2017



Data source: Ramsey County Assessor



In the Near North/Jordan neighborhood, new commercial development has been slow to emerge. One key informant suggested the consolidation of commercial properties along Broadway Avenue, a major commercial corridor, as one possible reason there have been few changes to the commercial landscape of the neighborhood.

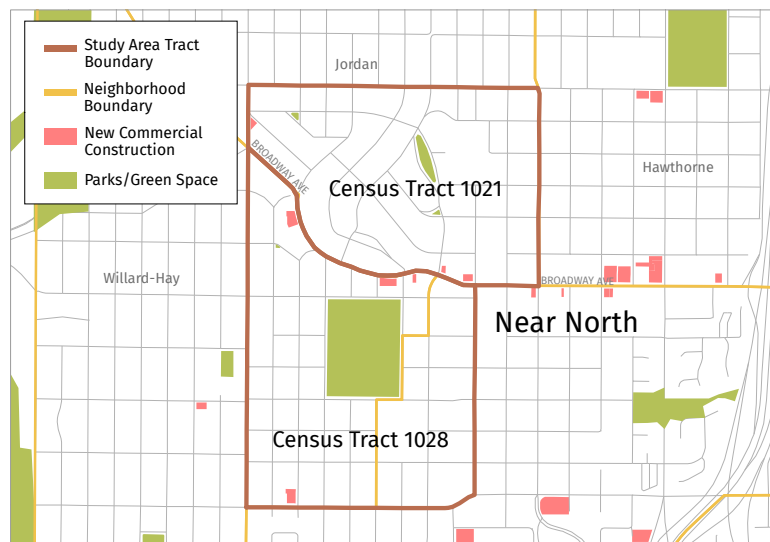
If the city does not get involved, it is going to be a long time before we see much [commercial] change. One thing that happened when the slumlords purchased all those residential properties, their counterparts or themselves purchased a lot of the commercial properties. Until those commercial properties change ownership, and why would they sell them if I live in Woodbury or St. Louis Park, as long as I am getting my check, I am not worried about the aesthetic of the neighborhood; I am just cash-flowing. That is one of the biggest problems we found with the commercial properties. There is some lock-in. Look at Broadway—the majority of it is owned by three or four people.

—Near North/Jordan Key Informant

Mostly but not exclusively new nonprofit organizations that are filling the commercial gap—this is probably not a popular opinion, but I think the concentration of the nonprofits is a good thing. It is preventing more fast-paced gentrification from happening in the neighborhood. It is spurring development, and in a way that the development is for and with people. That is why a nonprofit exists: to serve the civic good. In our case, I think we are fortunate in a lot of ways. Most of the nonprofits concentrated in these neighborhoods are really rooted with the people in this community. Now, the school board has a much bigger charter and they haven't gotten their legs under them about being a neighbor to this neighborhood in a real way.

—Near North/Jordan Key Informant

Figure 30
Commercial sales in the Near North/Jordan neighborhood and surrounding area, 2013-2017



Data source: Minneapolis Assessor

Whittier residents were more likely than residents of other study area neighborhoods to say their neighborhood has become more of a destination. At the same time, they were less likely to say that the current retail and services in their neighborhood were less aligned with their tastes and needs.

New entertainment and food service businesses have opened along Nicollet Avenue, the commercial corridor called “Eat Street” and traditionally known for its large variety of ethnic restaurants. In addition to these changes, key informants mentioned that national chains have moved into storefronts on the first level of multistory residential developments on locations that once housed “mom and pop” businesses. Key informants also pointed to an increase in professional services in the neighborhood, such as law firms and design firms. The Whittier neighborhood and surrounding area has also experienced a high number of recent commercial building sales.

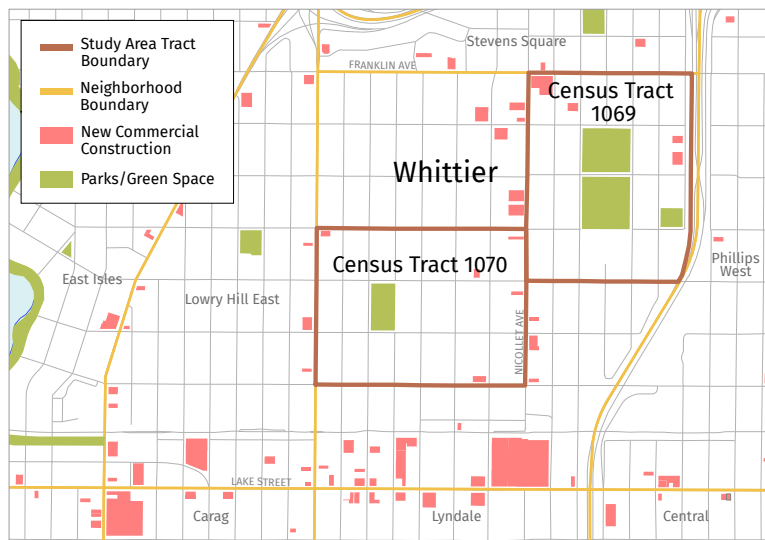
The biggest area for potential gentrification is at Whittier’s boundary at Nicollet and Franklin. It wasn’t a great corner. There was a 7-Eleven and a Bobby & Steve’s gas station. It is happening with chains that are coming in and the housing above it. Real estate is too expensive for the immigrant businesses to open another restaurant, so Starbucks, CVS, or Jimmy Johns gets it. In my view, I can see the attraction of Nicollet Avenue right now from Franklin to the mural on the back of Kmart is that it is this mix of built properties and businesses that are approximately 75 percent privately owned. As those owners decide to cash in, that will change the face of Nicollet Avenue and it will become more gentrified. More retail or professional spaces will be filled in by the Metro Dentals or Subways because they will be too expensive for the private owner to open a business. It happened with an Asian grocery store that sold out and the Wedge Co-op moved in. There will be the ripple effect. Real estate will be too expensive for the private owner.

—Whittier Key Informant

We see mostly mainstream business coming in because real estate prices were much more attractive than other places near to the lakes. We don’t see as many new Latino/Hispanic businesses pop up—Lake Street as well—strong Hispanic businesses are there, but no new ones that pop up as well. Same as Asian businesses on Nicollet—don’t see it as much. We see more mainstream businesses pop up.

—Whittier Key Informant

Figure 31
Commercial sales in the Whittier neighborhood and surrounding area, 2013–2017



Data source: Minneapolis Assessor

Change in the composition of business establishments

We examined data on establishments using the National Establishment Time Series to better understand how business composition within neighborhoods compared to the Twin Cities metro area overall and how this relationship has changed over time. To do this, location quotients, a tool traditionally used to compare regional industry compositions, were calculated for each neighborhood. This indicator compares a subregion's share of establishments in a particular industry or sector to that of the region as a whole. A value greater than one means that an area has a higher concentration of an industry than the greater region. We calculated location quotients at the neighborhood level for two points in time, 2009 and 2014, and examined how they changed over that five-year time period. Both the Dayton's Bluff and Whittier neighborhoods saw an increase in the location quotient for the finance and insurance sector. This change was supported by one survey respondent who noted an increase in financial services establishments in the neighborhood. The Near North/Jordan neighborhood was split in terms of the change in the financial services indicator—there was an increase in Jordan and a decrease in Near North. Many of the other industry results were mixed, which did not yield clear insight into overall gentrification trends. See Appendix E for a full list of location quotients for the eight largest industry sectors.

Prospective changes and pending development

Interviews with neighborhood key informants indicate that vacant sites, which offer possibilities for new development, have stimulated worry about the future.

In the Dayton's Bluff neighborhood, concern about commercial turnover was mixed. Key informants identified two potential “game changers” related to the look, feel, and dynamic of the neighborhood. One site is the Payne Avenue corridor, which includes proposed redevelopment of Seeger Square at Arcade Street and Phalen Boulevard, and the other site is a block of commercial real estate located on East 7th Street that has been purchased by a single developer for redevelopment. In addition, project advisory committee members located in census tracts adjacent to the study area expressed anecdotal concerns about rising commercial rents and difficulty with lease renegotiation.

I think Payne Avenue improvements will have an effect on the neighborhood. We are at the beginning stages of planning a huge redevelopment in Seeger Square on Phalen Boulevard and Arcade. Seeger Square is ripe for a number of reasons: a rough line, Beacon Bluff filling out, streetscape improvements, owners are ready to start planning. The old guard is aging out. We have all these populations and folks moving in who want to do something different—they want density.

—Dayton's Bluff Key Informant

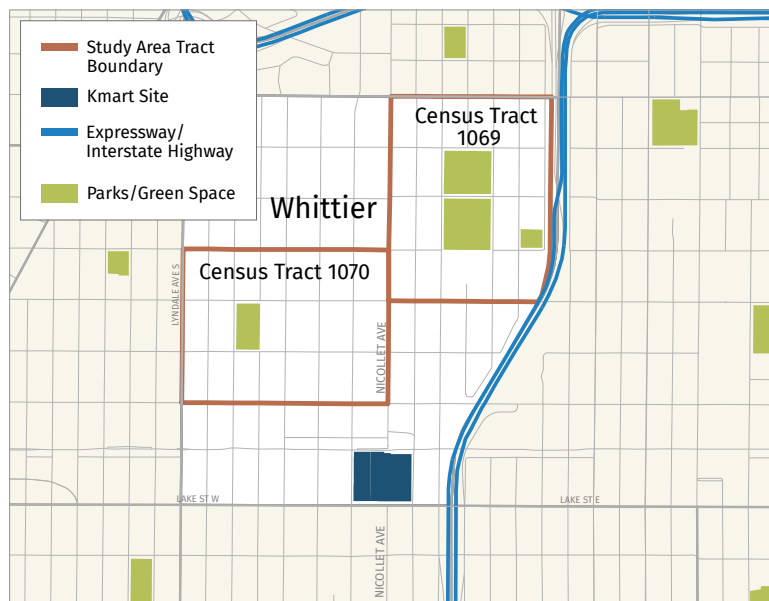
In the Near North/Jordan neighborhood, key informants expressed concern about potential development along the Bottineau Transitway. The plans for the new light rail line show that it will run along West Broadway Avenue and bisect the Near North and Jordan census tracts in the study area. This planned transitway would connect Near North/Jordan to nearby high-income neighborhoods, such as the North Loop, which increases connectivity for residents, but also poses an increased risk for gentrification.

In the Whittier neighborhood, key informants mentioned a Kmart (Figure 32) that blocks through-access on Nicollet Avenue at Lake Street, which is a major commercial corridor in the neighborhood. Community leaders view the redevelopment of this location as a critical turning point that will impact the future trajectory of the neighborhood.

The huge game changer will be the Kmart site if and when that hits. That will be the biggest fight the neighborhood will ever have because we have been doing some groundwork for that. We have been trying to establish some parameters and guidelines and addressing what the neighborhood needs. I guess another word for gentrification may be homogenization. That is where all neighborhoods have to be aware. Whittier has a distinct character in its mix of ethnic, cultural, economic businesses. A good example of how people live and work together. It has its own distinct personality. Something like a Kmart would just homogenize a neighborhood. This is an optimum site for something like that happening. That is an area we should all have an opinion on.

—Whittier Key Informant

Figure 32
Map of Kmart lot in Whittier neighborhood



Considerations for Future Research and Data Monitoring

- This study used the Bates method for assessing vulnerability to gentrification. Our study results generally support the use of this method in the Twin Cities going forward and in other cities where gentrification happens over a longer timeframe.
- The proportion of residents with a bachelor's degree in a given neighborhood appears to be a more reliable indicator of gentrification risk than other indicators, such as increases in median household income.
- The level of community concern about gentrification is correlated with visible changes, which do not always match, and sometimes lag, existing quantitative data. To that end, trends in quantitative data might offer the best reliable early indicators of change.
- There exists a need for more and readily accessible data to monitor neighborhood gentrification and displacement, especially for commercial businesses.

Recommendations

The gentrification pressures that Minneapolis and Saint Paul neighborhoods face are not unique to the Twin Cities metro area. Cities across the U.S. are grappling with rising home prices, rents, and land costs coupled with an increased demand for urban living by both young professionals and older adults. These economic and demographic trends have implications not only for neighborhoods that surround the urban core, but also for adjacent suburban communities. In order to promote shared regional economic prosperity, local governments and other key stakeholders must consider a range of strategies that promote both “growth and mobility” and “preservation and stability.” **In order to achieve a balance, five key areas of action are recommended. References to policies, programs, and initiatives in other U.S. cities provide insight into how other metro areas are addressing challenges related to gentrification.**

1. Increased availability of data to monitor neighborhood change

The case example neighborhoods in this study indicate that gentrification in the Twin Cities has been a slow process, particularly in comparison to coastal cities, occurring over a period of nearly two decades. This slow pace of change suggests that having increased access to indicator data could benefit key stakeholders that are interested in tracking and responding to neighborhood gentrification. There exists an opportunity for local government agencies to play a lead role in developing datasets that are consistent across jurisdictions, are regularly updated, and are published in a format that can be easily analyzed and mapped. Data indicators that are needed, but are not publicly available, include:

- Permit data for new construction and rehabilitation of housing units.
- Demographic data to capture resident inflows and outflows on an annual basis.
- Business licensing and commercial property occupancy data to measure business churn.
- Emergency and non-emergency call data to examine shifts in nuisance complaints.
- Data on the movement of people in and out of neighborhoods, which could be made possible through partnerships with online companies such as Uber and Airbnb.

The University of Minnesota's Center for Urban and Regional Affairs (CURA) and Wilder Research's Minnesota Compass offer existing data platforms for tracking indicators of neighborhood change in the Twin Cities. **CURA is also collecting data on evictions.** National models of data collection and coordinated response include NEOCANDO (neocando.case.edu), National Equity Atlas (nationalequityatlas.org), and Data Driven Detroit (datadrivendetroit.org). These platforms have demonstrated the power to stimulate action by connecting community organizations to data.

II. Additional community ownership and wealth preservation models

In a generative economy, financial gain is extracted from a community and reinvested back into the community. Local governments and other key stakeholders can support generative economies through strategies such as community land trusts, incentives for worker-owned businesses, and localized investment pools. Efforts that support minority-owned businesses can also help to maintain neighborhood character and mitigate cultural displacement.

New strategies that work to stabilize commercial rents and increase financing for small businesses are needed, in particular. One model that Minneapolis, Saint Paul, and other metro area cities might consider in order to retain historic small businesses is the Legacy Business Program, which was created in San Francisco in 2015. The program consists of a Legacy Business Registry and a Legacy Historical Preservation Fund that was created, in-part, by a citywide ballot measure passed by voters. The program serves to protect small businesses by providing annual assistance grants to business owners (at the rate of \$500 per employee) and rent stabilization grants (at the rate of \$4.50 per square foot) to the landlords who lease to them, indexed for inflation every two years. In order to be eligible for participation in the program, a business must have operated in the city for 20 years or more, contribute to the neighborhood's history and identity, and commit to maintaining the features and traditions that define its noteworthiness. Eligible businesses must be nominated by the Planning Department Board of Supervisors or the Mayor and approved by the Small Business Commission. To date, the program has provided support to more than 100 small businesses across the city, including restaurant, retail, and nonprofit service organizations.

III. Implementation of policies that support housing affordability and stability

To promote and maintain mixed-income neighborhoods, local governments in the Twin Cities might consider the wide range of strategies available to generate new, affordable housing opportunities and prevent the displacement of renters in the community. Our project advisory committee met to discuss emerging housing policies that have gained momentum in recent years, both locally and nationally. While the evidence base for some of these policies is still growing or remains mixed, there are some cases that have demonstrated promise. Advisory committee members recommended the following policies for consideration.

Advanced notice of sale: Municipal ordinance that requires owners of multifamily properties with affordable housing units to provide the city with a 60-day notice prior to sale. Such ordinances can provide nonprofit, mission-based developers and community land trusts with the additional time that is often needed to assemble the financing required for purchase.

Inclusionary housing: Municipal ordinance that requires developers to designate a share of units in newly constructed or rehabbed residential projects as affordable for households at or below 60 percent Area Median Income. This strategy is often combined with Tax Increment Financing, and has proven to be effective in particularly active housing markets. Developers who do not want to develop affordable units can also choose to pay an in-lieu fee that goes into an Affordable Housing Trust Fund, or donate land to the city.

Low-income rental classification, or 4D: Municipal ordinance that provides tax breaks to property owners who have received federal, state, or local government financing and who agree to rent and income restrictions that serve households at or below 60 percent Area Median Income.

Opportunity to purchase, or OTP: Municipal ordinance that provides a preservation buyer the opportunity for a good-faith negotiation prior to marketing the site to private developers.

Preservation of naturally occurring affordable housing, or NOAH: Some advocates refer to unsubsidized affordable housing units as NOAH properties. Subject to applicable laws governing leases, landlords of NOAH properties can raise rents to reflect market demand. Landlords of properties that contain units subsidized through Low Income Housing Tax Credits or Section 515 are typically prevented from charging higher rents, but such restrictions are time-limited. When those limitations expire, landlords have no obligation to keep rents affordable to households with earnings below the Area Median Income. In Minnesota, several foundations, nonprofit developers, and investors have turned their attention to preserving the already existing supply of affordable housing. According to the Greater Minnesota Housing Fund (GMHF), three-quarters of the affordable housing units in the Twin Cities region are not subsidized. GMHF currently manages a NOAH Impact Fund devoted to preserving unsubsidized affordable housing properties along with the provision of technical assistance to preservation buyers.

Right of first refusal, or ROFR: Municipal ordinance that provide tenants the option to purchase the property if the owner desires to sell. One program model that has proven to be successful is the Tenant Opportunity to Purchase Act (TOPA) in Washington, D.C. Renters are granted a right to purchase their homes before landlords sell them to a third party. In multifamily buildings, tenants are given a ROFR, meaning they can match a third party's offer to buy their homes. Tenants can also assign their TOPA rights to a partner, allowing nonprofit or for-profit developers to purchase their buildings. The District of Columbia, philanthropic foundations, and CDFIs have contributed financial resources to support tenants who wish to exercise their TOPA rights but lack the resources to do so. Such supports have led to tenants keeping their rental status or have led to homeownership in a condominium or cooperative setup. One analyst reported that the District of Columbia's First Right Purchase Program has generated preservation of 1,400 affordable housing units at an average cost of just under \$165,000 per unit.

Right to representation in eviction court: A state or local ordinance that provides guaranteed representation for tenants in eviction court. San Francisco; Los Angeles; Philadelphia; Washington, D.C.; and New York City all have passed policies aimed at increasing resources for renters who face eviction. The New York City model, which passed in 2017, includes funding for a phase-in program that offers a universal guarantee of representation for tenants in eviction court who earn less than 200 percent of the income limit used for federal poverty guidelines. The program aims to rebalance the power in eviction courts, where landlords are much more likely to afford legal representation than tenants with low incomes. Prior to the program's implementation, 95 percent of landlords in eviction court hired legal services compared to less than 1 percent of tenants. Data suggest that New York City's program has been successful in its aims, with the eviction rate falling by 24 percent. On balance, the public costs incurred by the provision of legal services is often less than the costs associated with eviction, which can include emergency shelter, emergency medical care, and other social services.

Support for Federal Housing Choice Voucher holders: Federal Housing Choice Vouchers (HCVs) subsidize rents in private rental units for individuals and families with low incomes. When individuals or families gains access to vouchers, they often face a shortage of landlords willing to accept them. Municipal ordinances may 1) require landlords to rent to HCV households as a condition of their rental license; 2) prohibit landlords from actively discriminating against HCV households as a condition of their rental license; or 3) provide incentives to landlords who voluntarily choose to accept HCV households. In Oakland, the number of landlords accepting HCVs fell from about 6,000 to 5,000 from 2013 to 2016. In an attempt to reverse this trend, the City of Oakland established a set of incentives for landlords willing to participate in the program. New landlord participants receive a \$500 signing bonus from the city each time they agree to accept a household with a voucher. In addition, the city continues to provide rental subsidy payments to landlords when a unit is empty for up to two months between voucher-holding tenants. Properties rented to tenants with HCVs also are eligible for a streamlined inspection process. For landlords who are ongoing program participants, the incentives include access to \$2,500 interest-free loans for unit repairs and eligibility for honorary distinctions and awards from the city. As a result of these incentives, the

number of HCV landlords in Oakland increased by 75 percent in the first half of 2018, with twice as many families achieving signed leases with a voucher, compared to the year prior.

IV. Increased support for community-based organizations

In neighborhoods at risk for gentrification-related displacement, the economic development wishes of current residents are often ignored. Community-based organizations can play an important role in elevating the voices of residents, and act as first responders when development concerns emerge. These types of organizations are frequently under-resourced, but local governments and foundations can offer support. One model that has proven to be effective is the Dudley Street Neighborhood Initiative (DSNI) in Boston, which sprouted from a partnership between a foundation and community leaders. Support for this initiative began more than 30 years ago when the Riley Foundation worked with DSNI to gain eminent domain authority, purchase vacant land, and restore commuter rail service. In the years that followed, DSNI established a community land trust, a community center, a small business initiative, a playground, a farmer's market, and new affordable rental and ownership housing. In 2000, the Fannie Mae Foundation selected Dudley Triangle as one of 10 "Just Right" emerging neighborhoods nationwide for affordable homeownership with growing capital investment. Today, DSNI continues to thrive with program efforts focused on economic development, youth leadership, and residential empowerment.

V. Expansion of affordable public transit

Public transportation plays an important role in connecting residents to opportunities. The expansion of affordable public transportation, including buses and light rail, along both local and regional routes can help to ensure that all Twin Cities residents have access to affordable housing, jobs, and needed services. Transportation planners can increase the equity of the Twin Cities' regional transit system by prioritizing transit services for households that need it most, hiring lower-income residents for construction jobs, financing expansion through property taxes, and establishing a progressive fare structure. While Twin Cities Metro Transit service already has a transportation assistance program that serves individuals who earn up to 185 percent of the federal poverty level, steps to expand the program to address the needs of middle-income households, and also very low-income households who still cannot afford to ride, are encouraged.



List of Appendices

- A.** Key Informant Interview Questions
- B.** Neighborhood Survey Questionnaire
- C.** Equifax Risk Score Distribution by Neighborhood;
Change from 2008 to 2018
- D.** Dictionary of Data Sources
- E.** Change in Establishment Location Quotients from 2009 to 2014

Appendix A

Key Informant Interview Questions, Part 1

Regional and Local Stakeholder KII – Round 1 DRAFT Protocol

Interview questions/instrument

Introduction/consent

Wilder Research, Twin Cities LISC (Local Initiative Support Corporation), the Federal Reserve Bank of Minneapolis, and CURA (Center for Urban and Regional Affairs) are partnering on a study intended to gather new information about stakeholder perceptions and early warning signs of gentrification in Minneapolis-Saint Paul neighborhoods.

We are currently in the process of selecting neighborhoods for inclusion in this study. We are reviewing data for several quantitative indicators, but we also want to get the perspectives of local experts about which neighborhoods would be the best to include. You were identified as someone who could offer valuable insight on this issue.

Neighborhoods under consideration include: Longfellow, Whittier, and Near North in Minneapolis and Eastside/Dayton's Bluff and Midway West/Merriam Park in Saint Paul.

It is okay if you do not have specific knowledge about all of these neighborhoods--we would like to hear your perspective anyway. Your responses will be shared with members of the project team who are carrying out this study. If there is something you would like to share confidentially, just let me know and we'll remove your name from the comment.

Would you be willing to do the interview?

1. YES >>> Continue interview
2. NO >>> End interview

Neighborhood grounding and screening

First, we would like to get a sense of how familiar you are with the five neighborhoods that we have selected as possible candidates for our study. [NOTE that they should have

received some information about each, but we can cover any additional questions or information that would be helpful]

1. How would you rate your familiarity with the demographic, housing, and commercial characteristics of each of the following neighborhoods? Would you say you are...

	Not at all familiar,	A little familiar,	Moderately familiar, or	Very familiar?
East side / Dayton's Bluff (517)				
Union Park (532+533)				
Near North / Jordan (429+425)				
Whittier (456+455)				
Longfellow (457+458)				

2. We are interested in the types of connections you may have with each of the candidate neighborhoods.

[Ask them to describe their connections]

Have you...	Live[d] in/near the neighborhood?	Work[ed] in/near the neighborhood?	Knowledge of current/past policies or projects that may influence gentrification?	Associated with the neighborhood in some other way?
East side / Dayton's Bluff (517)				
Union Park (532+533)				
Near North / Jordan (429+425)				
Whittier (456+455)				
Longfellow (457+458)				

Gentrification considerations for the candidate neighborhoods

Now that we have a sense of which neighborhoods you are familiar with, we would like to focus on your perspectives on gentrification in these neighborhoods. . [Read the neighborhoods that respondents listed as A LITTLE, MODERATELY, or VERY familiar]

- For the research study, we are using our own specific definition of gentrification, but we realize the term can be nuanced and mean different things to different people. We would like to know how you define gentrification. When you hear the term gentrification, what do you think it means, and what does it make you think of?

[IF they ask for our definition: Gentrification is the influx of higher-income residents or establishments that cater to higher-income residents into predominantly low-income, urban neighborhoods, which can lead to the pressure of economic or cultural displacement for existing residents and businesses.]

- We would like to go through each of the neighborhoods that are familiar with and note any changes to these neighborhoods that you have observed. We are interested in what is happening currently in the neighborhoods, so please think about those changes that are currently happening or have recently occurred.

[Take what they give first, and then probe on built environment, demographics, commercial, and social/cultural. Probe for which is the most prominent change.]

	General/first offered...	Changes in the built environment?	Changes in demographics?	Changes in commercial space or businesses?	Changes in social or cultural dimensions?
East side / Dayton's Bluff (517)					
Union Park (532+533)					
Near North / Jordan (429+425)					

	General/first offered...	Changes in the built environment?	Changes in demographics?	Changes in commercial space or businesses?	Changes in social or cultural dimensions?
Whittier (456+455)					
Longfellow (457+458)					

5. Now we would like to know how you would you rate each neighborhood on its likelihood of experiencing gentrification. For each neighborhood, I would like to know if you think it not susceptible at this time; susceptible, but not gentrifying yet; already in early stages of gentrification; or already in late stages of gentrification. [Probe on why they give that rating]

	Not susceptible at this time,	Susceptible, but not gentrifying yet	Already in early stages of gentrification	Already in late stages of gentrification	DK
East side / Dayton's Bluff (517)					
Union Park (532+533)					
Near North / Jordan (429+425)					
Whittier (456+455)					
Longfellow (457+458)					

6a. Of the neighborhoods we discussed, which do you think should be included in our research on early indicators and resident perceptions of gentrification? [Re-read list of neighborhoods: Longfellow, Whittier, and Near North in Minneapolis and Eastside/Dayton's Bluff and Midway West/Merriam Park in Saint Paul.] [list up to three – ask follow-up questions]

Neighborhood	What do you see as the biggest sign of gentrification in this neighborhood?	What do you think would be important to ask residents in this neighborhood to get their perspectives on gentrification?	What issues related to change or potential change you think are most important to consider for this neighborhood?	Who else would you recommend we interview about this neighborhood? Colleague? Residents? Business owners?
1.				
2.				
3.				

6b. [IF THEY ARE UNABLE TO PROVIDE AT LEAST TWO NEIGHBORHOODS:
 What other neighborhoods or areas should we think about including in our research?]

Overall sense of gentrification in the region

Now, we would like to get your thoughts about the overall level gentrification in Minneapolis and Saint Paul.

7a. As an overall city, do you feel that Saint Paul is experiencing pressures related to gentrification? Would you say there has been...

- 1. No pressure,
- 2. Very little,
- 3. Moderate, or
- 4. A lot of pressure related to gentrification?

7b. Why do you say that?

7c. Are there any areas in Saint Paul that you feel are particularly susceptible to gentrification pressures? [Other than the specific neighborhoods we discussed] [IF YES: Please explain]

8a. As an overall city, do you feel that Minneapolis is are experiencing pressures related to gentrification? Would you say there has been...

- 1. No pressure,
- 2. Very little,
- 3. Moderate or
- 4. A lot of pressure related to gentrification?

8b. Why do you say that?

8c. Are there any areas in Minneapolis that you feel are particularly susceptible to gentrification pressures? [Other than the specific neighborhoods we discussed] [IF YES: Please explain.]

Possible policy solutions

Finally, considering the conversation we have just had regarding gentrification in the five neighborhoods specifically, and the region as a whole, we would also like to begin investigating potential policy solutions that would help to mitigate the negative effects of gentrification.

9. What do you think are the most important **local and neighborhood-level** policy solutions to consider in order to mitigate negative effects related to gentrification?

10. What about at the **regional, state, or national level**? What do you see as the most important policy solutions to consider in order to mitigate negative effects related to gentrification?

Thank you very much for your time!

Appendix A

Key Informant Interview Questions, Part 2

Neighborhood Stakeholder KII – Interview Protocol

Goal: To get perspectives on what changes the selected neighborhood may have experienced in the recent past (5-10 years) or is currently experiencing.

Who: Stakeholders with “neighborhood” perspectives (i.e., know the dynamics, history, and changes in the multi-block area defined).

What: one-hour telephone or in-person interviews to get information about neighborhood changes.

Interview questions/instrument

Introduction/consent

Wilder Research, Twin Cities LISC (Local Initiative Support Corporation), the Federal Reserve Bank of Minneapolis, and CURA (Center for Urban and Regional Affairs) are partnering on a study intended to gather information about stakeholder perceptions and early warning signs of gentrification in Minneapolis-Saint Paul neighborhoods.

We have selected three neighborhood geographies to include in our research as case examples. These neighborhoods include Whittier and Near North in Minneapolis and Eastside/Dayton’s Bluff in Saint Paul.

We would like to hear your perspectives on gentrification and its impact in the [NEIGHBORHOOD] neighborhood. Your responses will be shared with members of the project team who are carrying out this study. If there is something you would like to share confidentially, just let me know and we’ll remove your name from the comment.

Would you be willing to do the interview?

1. YES >>> Continue interview
2. NO >>> End interview

General background

First, I would like to get a little information about you.

1. What is your position in the [NEIGHBORHOOD] neighborhood? What neighborhood organizations or institutions are you affiliated with?

2. How long have you been working/living/operating a business in the neighborhood? (take longest engagement in neighborhood)

Years Months

General thoughts about gentrification and neighborhood change

Now, I would like to talk about the definition of gentrification.

3. What does gentrification mean to you? What do you think of when you hear the word gentrification?

[Provide our definition of gentrification]

Gentrification is the influx of higher-income residents or establishments that cater to higher-income residents into predominantly low-income, urban neighborhoods, which can lead to the pressure of economic or cultural displacement for existing residents and businesses.

4. Do you have any issues or concerns with the definition we are using? Anything else we should consider with [NEIGHBORHOOD] in mind?

As I mentioned, our data shows that the [NEIGHBORHOOD] neighborhood is at risk or currently in the early stages of gentrification, but we would like to get your perspective related to gentrification the neighborhood.

5a. How much are you worried about gentrification in the [NEIGHBORHOOD] neighborhood? Would you say you are worried...

- A lot,
- A little, or
- Not at all?

5b. Why do you say that? [PROBES: (IF WORRIED: What worries you the most?) (IF NOT WORRIED: Are there other changes in the neighborhood that you are seeing?)]

Residential spaces and residents

Next, I would like to ask some questions about residents and housing in the neighborhood.

6a. To what extent have you seen changes related to housing in the neighborhood? Would you say...

- A lot
- Some, or
- None?

6b. [IF some or a lot] How would you describe those changes?

7. What are you seeing or hearing about housing in the neighborhood? [PROBES: Anything about access? Any conversions of rental housing to owner-occupied?]

8. What about home ownership in the neighborhood? Have you observed any changes in home ownership? [PROBES: The amount of? In who is owning house?]

9. Have you noticed any cultural changes in the neighborhood? [PROBES: How about the sense of community? Sense of safety?]

10. Have you observed or heard about any tension among residents? [PROBES: Specifically between new residents and long-time residents? In real life or online?]

Commercial spaces and business owners

I'm also interested in the commercial spaces and businesses in the neighborhood.

11. To what extent have you seen changes in the businesses or commercial spaces that are located in the neighborhood? Would you say...

- A lot
- Some, or
- None?

11b. [IF some or a lot] How would you describe those changes?

12. What about employment patterns in the neighborhood? Have you seen changes in employment or employers?

- Yes
- No

If Yes: What has that looked like?

Surrounding area and neighborhoods

Since we are specifically focusing on a small geographic area, we are also interested in how the surrounding areas might be changing, and how that might be related to the focus area.

13a. Have you noticed any changes that might be related to the things we are talking about in the blocks surrounding the specific geographic area we have defined?

- Yes
- No

13b. [IF YES] What changes have you noticed? [PROBES: Where is the change coming from? Where is it going])

Policy and problem solving

Finally, I am also interested in your thoughts about solutions to issues related to gentrification. [IF R DOESN'T THINK GENTRIFICATION IS HAPPENING USE ALT]

14. What, if anything, is currently being done to mitigate any potential negative impacts of gentrification in this neighborhood? [PROBES: What's working/not working? Anything for small business..affordable housing..public investments?] [ALT: In general, what do you think would be good a good strategy to mitigate the negative impacts if gentrification were to occur?]

15. From your perspective, what is the most important problem related to gentrification that needs to be addressed, but is not currently being addressed? [ALT: If gentrification were to start, where do you think it would happen, and what do you think it would look like?)

16. From your perspective, what is one policy solution that you would like to see local and state officials consider to address any negative impacts of gentrification?

17. What about at the regional, state, or national level? What do you see as the most important policy solutions to consider in order to mitigate negative effects related to gentrification?

Other stakeholders

We are interested in talking with other neighborhood stakeholders who might be able to share their perspectives on gentrification in the [NEIGHBORHOOD] neighborhood.

18. Whom else from the neighborhood should we talk with?

Any long-time local business owners?

Any people from community organizations?

Any residents that have been particularly involved in the neighborhood?

Any political or public officials?

[Ask about recruitment for focus groups.]

Anything else we should know about issues related to gentrification or neighborhood change that we didn't cover, or things we should be asking?

Thanks for your time!

Appendix B

Neighborhood Survey Questionnaire

Number of completed responses = 215

Hello,

A group of organizations are working together to better understand how neighborhoods are changing in the Twin Cities. Wilder Research, Twin Cities LISC, The University of Minnesota Center for Urban and Regional Affairs, and The Minneapolis Federal Reserve Bank would like to get input from people living in specific neighborhoods as a part of a broader study. This information will be used to help understand neighborhood change, and to provide informed policy recommendations to decision-makers.

Your address has been randomly selected to participate in a short (10-minute) survey about your neighborhood. This survey is voluntary, and any information you provide will not be connected to you or your address. To say thank you for your time, we are giving a \$5 Target e-gift card to the first 100 residents who complete this survey from your neighborhood. If you have any questions about this survey, please contact Thalia Hall at Wilder Research (thalia.hall@wilder.org). To start the survey click continue...

Continue 1
Opt out.....2

1a. How long have you lived in the [NEIGHBORHOOD] neighborhood?

Less than 1 year 1
1 to 5 years2
6 to 10 years3
More than 10 years.....4

1b. Why did you choose to move to this neighborhood? (Please provide the most important reason you can remember.)

1c. Where did you live before the [NEIGHBORHOOD] neighborhood?

- Another neighborhood in Minneapolis or Saint Paul 1
- Twin Cities metro, but not Minneapolis or Saint Paul2
- Somewhere else in Minnesota (not in the metro)3
- Somewhere other than Minnesota4
- Always lived in [NEIGHBORHOOD] neighborhood5

2. Do you rent or own your home?

- Rent..... 1
- Own.....2
- Some other arrangement.....3
- (Please describe: _____)

3. What is the best thing about the [NEIGHBORHOOD] neighborhood?

4. What is the one thing you would most like to change about the [NEIGHBORHOOD] neighborhood?

5a. Which of the following statements best describes your current feelings about your plans to stay in the [NEIGHBORHOOD] neighborhood?

- I am looking to move out of the neighborhood now 1
- I'm not looking now, but will move out of the neighborhood within 5 years2
- I might move out of the neighborhood someday, but not within 5 years [SKIP TO Q6]3
- I never plan on moving from the neighborhood [SKIP TO Q6].....4

5b [IF PLANNING ON MOVING WITHIN 5 YEARS] Why are you planning to move out of the neighborhood?

6. We are interested in your thoughts about how the neighborhood has changed in the recent past. Please indicate how much you agree or disagree with each of the statements below.

[> 5yrs] Compared to five years ago, [≤ 5 yrs] Compared to when I moved here,	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know or NA
A. The neighborhood is pretty much the same.	1	2	3	4	5	-8
B. The condition of the housing (siding, roofing, yard upkeep, etc.) in the neighborhood is better now.	1	2	3	4	5	-8
C. I feel less a part of the neighborhood now.	1	2	3	4	5	-8
D. The neighborhood is now more of a destination for people from other neighborhoods to eat or have fun.	1	2	3	4	5	-8
E. The number of longer-term residents in the neighborhood has decreased.	1	2	3	4	5	-8
F. I am happier with the neighborhood now.	1	2	3	4	5	-8
G. I see more tension (in person or online) between newer residents and longer-term residents in the neighborhood now.	1	2	3	4	5	-8
H. The neighborhood is more culturally diverse now.	1	2	3	4	5	-8
I. The services (hair, restaurants, stores, etc.) in the neighborhood are less aligned with me or my tastes now.	1	2	3	4	5	-8
J. Police patrols or responses in the neighborhood have increased.	1	2	3	4	5	-8

The main purpose of our research is trying to understand if any changes in the [NEIGHBORHOOD] neighborhood might be signs of gentrification. We define gentrification as higher-income residents or businesses moving into neighborhoods and possibly pushing existing residents and businesses out of the neighborhood.

7a. How much are you worried about gentrification in your neighborhood?

- A lot 1
- Somewhat 2
- Not very much [SKIP TO 8] 3
- Not at all [SKIP TO 8] 4
- Don't know -8

7b. Please briefly describe what you have seen or heard that worries you the most about gentrification in the [NEIGHBORHOOD] neighborhood?

To help us know who we reached through this survey, we would like some information about you. Anything you give us is confidential and will only be used for this project.

8. With what gender do you identify?

- Female 1
- Male.....2
- I prefer to self-describe3
- (Describe: _____)
- I prefer not to answer -7

9a. Are you of Hispanic or Latinx origin?

- Yes..... 1
- No.....2
- I prefer not to answer -7

9b. Which of the following best describes how you identify your race or ethnic background?

- African American or Black 1
- American Indian or Native American..... 2
- Asian or Asian American3
- White or Caucasian 4
- Mixed race or another group5
- (Describe: _____)
- I prefer not to answer -7

10. What is your total annual household income from all sources before taxes or other expenses are taken out?

_____ dollars

11. How many people live in your household? (Please include only relatives living in your home)

_____ # adults (older than 18)

_____ # children (18 or younger)

12. Is there anything else you would like to tell us about the [NEIGHBORHOOD] neighborhood?

Appendix C

Equifax Risk Score Distribution by Neighborhood; Change from 2008 to 2018

Source: FRBNY Consumer Credit Panel/Equifax

We used Minneapolis and Saint Paul neighborhood boundaries from Zillow to assign census blocks to neighborhoods by centroid. Using the Consumer Credit Panel, we convert Equifax Risk Scores into percent ranks for the entire 16-county Minneapolis–Saint Paul–Bloomington metro area sample. This is done once for Q1 2008 and again for Q1 2018. As a result, each consumer is assigned a value between 0 and 100 based on his or her order in the Equifax Risk Score distribution.

Grouping by Minneapolis and Saint Paul neighborhoods, we calculate both the median and 90th percentile value, within neighborhood, for the percent rank transformation of Equifax Risk Score.

Name	Number of Records	Median 2018	Change in Median	90th Percentile 2018	Change in 90th Percentile
Bryant	67	43.4	23.6	69.3	2.3
East Calhoun	114	58.1	12.6	92.2	2.7
Elliot Park	190	38.4	12.5	70.3	-11.3
Armatage	201	64.4	12.4	88.9	3.3
Logan Park	81	38.9	11.4	80.9	1.7
Corcoran	149	38.6	11.3	74.1	-11.1
Columbia Park	62	46.6	10.3	85.4	2.4
Bancroft	140	48.8	9.5	82.3	-2.5
Minnehaha	151	61.4	9.4	88.9	1.3
Bryn Mawr	99	70.3	9.4	96.9	2.5
Fuller Tangletown	154	62.9	8.5	94.2	1.9
Seward	254	45.5	8.4	85.7	-0.6
Morris Park	108	48.1	8.2	78.3	-5.3
Field	107	50.9	7.7	88.9	3.5
Lyndale	176	36.8	7.6	77.8	7.0
Whittier	406	33.0	7.5	63.4	-3.1
Audubon Park	189	49.0	7.3	82.3	-6.9
Downtown East	80	65.8	7.3	94.4	-4.2
St Anthony East	60	40.8	7.0	81.4	-2.5
Midtown Phillips	107	31.9	6.7	64.4	-2.4
Longfellow	165	49.8	6.6	81.8	-1.9
Lowry Hill East	307	38.9	6.6	74.1	8.2
Sheridan	114	39.8	6.6	68.9	-1.0
Central	214	28.6	6.5	69.5	5.8
West Calhoun	83	48.6	6.3	83.3	6.6

Name	Number of Records	Median 2018	Change in Median	90th Percentile 2018	Change in 90th Percentile
Standish	250	52.5	6.1	84.5	0.2
East Phillips	111	25.2	6.1	62.9	8.7
Cedar-Riverside	166	35.2	5.7	62.1	-8.2
Holland	147	28.3	5.5	74.2	3.0
North Loop	251	50.5	5.1	85.7	0.6
Powderhorn Park	251	33.1	5.0	78.8	9.7
Linden Hills	300	63.2	4.9	94.4	1.2
Keewaydin	135	58.7	4.0	88.5	-2.2
Ventura Village	121	20.6	3.9	52.3	0.4
Hale	113	59.6	3.8	92.4	-1.4
Bottineau	46	26.8	3.7	70.0	-8.0
East Harriet	136	57.4	3.6	92.8	4.6
Northeast Park	29	30.2	3.6	84.7	8.7
Cleveland	123	28.3	3.5	69.7	-3.6
West 7th	426	41.8	3.4	82.3	-3.0
Harrison	94	21.5	3.2	66.4	-13.0
St Anthony West	82	45.0	3.2	76.1	-6.9
Summit Hill	225	56.6	3.0	90.7	-2.7
Summit-University	547	35.8	3.0	80.9	1.4
Diamond Lake	196	61.4	2.9	90.7	1.2
Willard Hay	272	18.9	2.9	66.1	5.1
Ericsson	145	53.4	2.7	86.9	-3.1
Loring Park	353	42.4	2.5	84.4	-3.4
Wenonah	137	48.6	2.4	89.6	2.8
Thomas Dale	410	26.1	2.3	67.9	-5.4
Fulton	250	65.0	1.8	95.7	0.1
Howe	253	52.7	1.7	90.7	2.6
East Bank-Nicollet Island	68	58.9	1.7	88.9	-2.7
Highland	928	58.7	1.1	90.7	-2.5
Midway	360	43.1	1.1	80.3	-4.5
Northrup	162	57.2	0.9	87.7	-0.5
Lynnhurst	230	74.1	0.8	97.0	1.5
Stevens Square	155	28.1	0.7	66.2	6.0
Payne Phalen	936	26.7	0.6	71.2	-6.9
Cooper	133	60.9	0.5	90.7	-1.6
Dayton's Bluff	524	27.0	0.4	68.9	-7.7
Jordan	243	14.1	0.3	52.5	-0.4
Merriam Park	541	50.9	0.3	88.9	-1.7
St. Anthony	313	52.3	0.3	88.9	-0.5
Downtown	367	40.8	0.0	80.9	-5.2
Nicollet Island	10	44.3	-0.2	75.5	0.2

Name	Number of Records	Median 2018	Change in Median	90th Percentile 2018	Change in 90th Percentile
Windom	183	38.9	-0.2	85.5	-0.8
Prospect Park	226	43.6	-0.3	82.3	-2.0
Kingfield	293	51.6	-0.4	88.9	-0.5
Como	435	52.0	-0.6	87.7	-1.7
Regina	94	33.7	-0.7	81.7	5.9
Folwell	175	16.5	-0.9	55.4	-10.9
Sumner-Glenwood	45	22.1	-1.5	61.0	-3.2
Phillips West	131	26.2	-1.8	73.4	-2.6
Southeast Como	182	38.7	-2.0	76.8	-9.5
Hawthorne	100	14.4	-2.1	48.9	-13.0
Kenny	180	59.8	-2.1	90.9	-1.4
Cedar-Isles-Dean	146	60.2	-2.1	92.8	-2.2
Downtown West	297	43.7	-2.3	84.4	-1.6
Victory	181	46.1	-2.3	84.4	-3.9
Near North	181	15.7	-2.4	56.2	-6.0
North End	824	30.2	-2.4	73.9	-6.4
Hiawatha	238	54.0	-2.5	87.7	-2.9
Battle Creek	713	33.7	-2.6	80.2	-6.0
East Isles	142	50.7	-2.7	85.7	-6.6
Greater Eastside	913	28.8	-3.1	78.0	-4.3
Macalester-Groveland	707	61.4	-3.2	92.8	-1.6
Mckinley	102	13.4	-3.3	46.6	-7.1
Marcy Holmes	335	34.6	-3.6	70.9	-2.4
Beltrami	50	35.0	-3.9	89.1	7.7
Calhoun	236	40.1	-4.6	85.7	1.4
Lowry Hill	175	55.8	-4.7	90.7	-2.5
West Side	464	28.2	-4.7	75.5	-6.7
Windom Park	233	41.8	-4.8	82.0	-4.2
Page	72	65.5	-5.1	92.8	2.2
Waite Park	227	50.9	-5.9	84.4	-3.3
Kenwood	59	70.9	-6.2	97.1	1.4
Shingle Creek	109	28.6	-6.7	79.2	3.5
University District	32	31.8	-7.8	65.0	-11.1
Webber-Camden	174	16.1	-9.4	68.7	-6.6
Marshall Terrace	45	44.9	-9.8	78.8	-6.4
Lind-Bohanon	172	21.4	-14.1	69.0	-17.2

Appendix D

Dictionary of Data Sources

A list of data sources used in quantitative analysis and demographic profiles of study area neighborhoods.

1. Bates Gentrification Typology

- U.S. Census, 2000 (baseline data)
- American Community Survey 2014 (5-Year Estimates)

2. Descriptive Characteristics of Study Neighborhoods

Demographics (Race, Income)

- American Community Survey 2014 (5-Year Estimates)

Housing Prices

- City of Minneapolis Assessor's Office, 2017 (data via MetroGIS)
- Ramsey County Assessor's Office, 2017 (data via MetroGIS)

Consumer Credit

- FRBNY Consumer Credit Panel/Equifax

3. Demographic and Cultural Change

Housing Tenure, Income, Educational Attainment, and Race

- American Community Survey 2014 (5-Year Estimates)

4. Housing Changes

Gross Rent

- American Community Survey 2016 (5-Year Estimates)

Rents Asked

- Housing Link Rental Revue, 2012-2017

Median Sale Price, New Construction, Property Ownership

- City of Minneapolis Assessor's Office, 2017 (data via MetroGIS)
- Ramsey County Assessor's Office, 2017 (data via MetroGIS)

5. Commercial Change

Location Quotients

- National Establishment Time Series, 2009–2014

Commercial Property Sales

- City of Minneapolis Assessor's Office, 2017 (data via MetroGIS)
- Ramsey County Assessor's Office, 2017 (data via MetroGIS)

Appendix E

Change in Establishment Location Quotients from 2009 to 2014

Source: National Establishment Time Series

The table below lists the change in the neighborhood-level location quotient from 2009 to 2014. Data for 2014 are the most recent available from the National Establishment Time Series (NETS). Location quotients compare the establishment composition of Minneapolis-Saint Paul neighborhoods to the establishment composition of the 16-county metropolitan area. This exercise uses the number of establishments rather than the number of individuals employed in a particular sector. This metric was chosen in part because NETS data do a better job of counting establishments than employees.

For more detail on the calculation and usage of location quotients see:

www.incontext.indiana.edu/2006/march/1.asp

The quotients for the eight largest 2012 NAICS sectors are presented in the table. These eight were chosen because they make up 5 percent or more of the Minneapolis-Saint Paul MSA establishment composition in both 2009 and 2014. For a full list of 2012 NAICS sectors, see: www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2012.

The table is sorting from largest positive to largest negative change in the composition of finance and insurance establishments. This sort order was chosen due to responses provided by interviewees indicating increases in these types of establishments in the Whittier neighborhood in recent years.

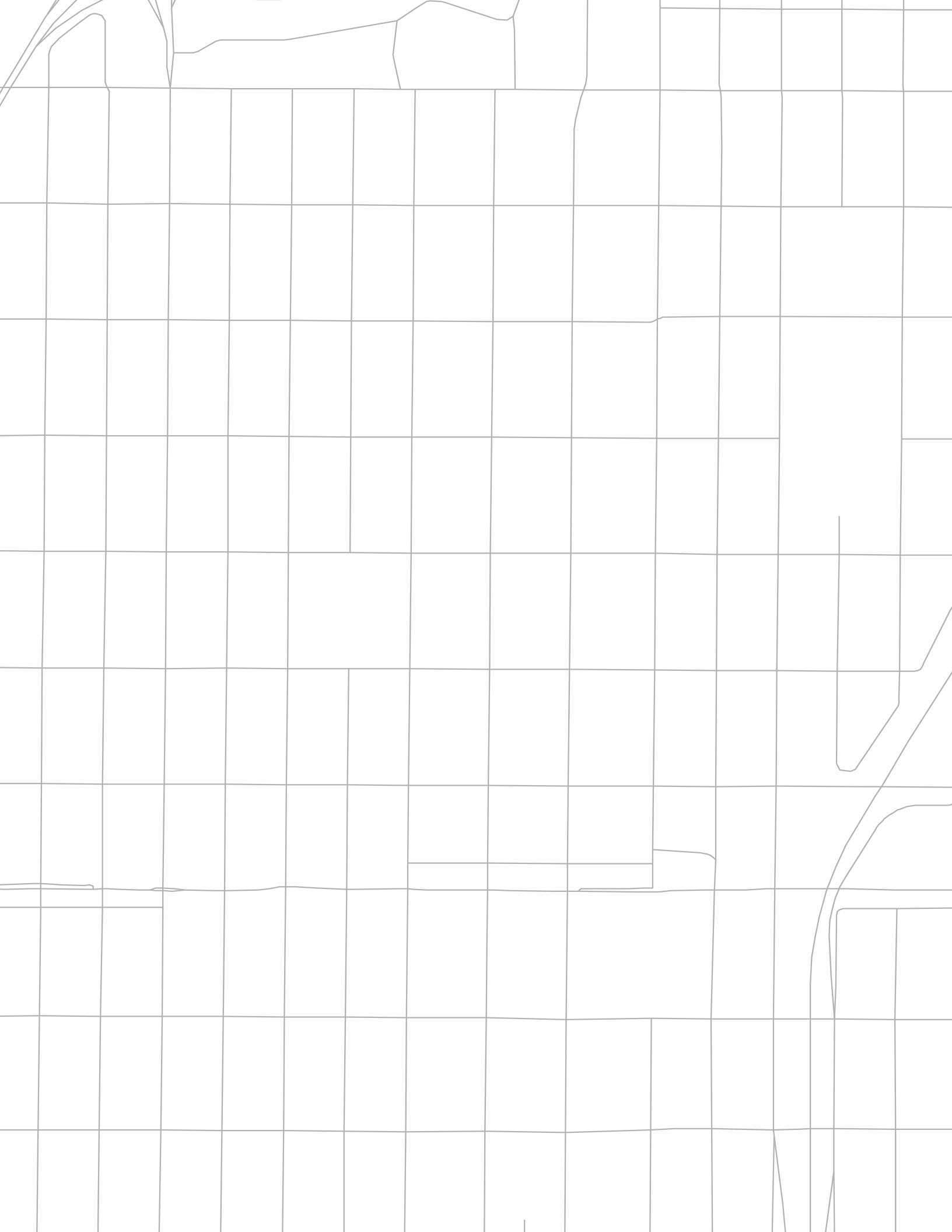
Neighborhood	Construction	Retail Trade	Finance and Insurance	Real Estate and Rental Leasing	Professional, Scientific, & Technical	Health Care	Other
West Calhoun	-0.0932661	-0.2590299	1.3630065	-0.8905512	0.0828210	0.3929044	0.4500350
Shingle Creek	0.0798824	-0.1733844	0.9729898	-1.1352142	0.2351724	0.0800003	-0.1847816
Seward	-0.0953425	-0.1753709	0.7154530	-0.1144693	0.0137196	0.2220553	-0.0285413
St Anthony East	-0.0011404	0.2234425	0.6289095	-0.4817011	0.2485931	0.0123656	0.1020796
Lyndale	0.0865051	-0.3292802	0.6225685	0.2145037	0.0901007	-0.0516957	-0.3231946
Stevens Square	-0.0435301	0.3090480	0.5887052	0.0913956	-0.2582483	0.1655880	-0.2169742
East Harriet	0.1101322	-0.0384897	0.5349757	0.1352727	-0.3390146	-0.2472117	-0.0162960
Hale	-0.1710306	0.1310474	0.5082112	-0.4294739	-0.3690501	0.4852599	0.1470020
Mckinley	0.2296906	-0.1603490	0.4590317	0.4730352	-0.0628339	-0.9982911	-0.0056710
East Bank-Nicollet Island	0.0171476	-0.0068623	0.4304849	-0.2459390	-0.1851971	0.3104248	-0.0783770
Corcoran	0.1175475	-0.1811688	0.3660564	-0.2015503	0.3073207	0.2038281	-0.3077905
Sheridan	0.0420971	-0.2414831	0.3617305	0.0897693	-0.1286364	0.2247264	0.1877892

Neighborhood	Construction	Retail Trade	Finance and Insurance	Real Estate and Rental Leasing	Professional, Scientific, & Technical	Health Care	Other
Downtown West	-0.0769547	-0.0763760	0.3399744	-0.0666899	-0.2222047	-0.0009654	0.1082930
Bottineau	-0.4027252	0.2493639	0.3217431	-0.1698263	0.1387892	-0.0548971	-0.6000821
Lynnhurst	0.0651356	-0.1868483	0.3113822	0.0221945	-0.2459783	-0.2619243	0.0008972
West 7th	0.0615654	0.1596820	0.2993102	0.1843159	-0.1387840	-0.5957705	-0.1248758
Phillips West	-0.0374934	-0.2166267	0.2936792	0.0999522	-0.1542919	0.4300765	-0.0134084
Highland	-0.0280637	-0.0681156	0.2832175	-0.1217990	0.0807222	0.0500455	-0.1180520
Windom	-0.0975879	0.0905942	0.2781740	0.0571172	-0.0390857	-0.0934786	0.0531452
Minnehaha	0.1975609	-0.1624192	0.2589326	-0.3406591	0.1756836	0.1163878	-0.0862953
Lowry Hill East	-0.0859752	-0.3600415	0.2515025	-0.2035022	0.0016108	0.1227312	-0.2054569
Como	0.0466676	-0.2213803	0.2465371	0.1000152	0.0437074	-0.2830037	-0.0225825
Cedar-Riverside	0.0776002	0.0424014	0.2185278	0.1043513	-0.1007966	-0.2387442	-0.2151953
Downtown East	-0.1658193	-0.0228281	0.2044502	0.6110583	-0.2711067	-0.0513517	0.3824566
East Calhoun	0.0600386	-0.1258951	0.1773982	-0.0279502	0.3484166	-0.1601188	-0.4474600
Merriam Park	0.0631000	-0.1043191	0.1733122	0.1359044	-0.0323400	-0.1295313	-0.0192820
Lowry Hill	-0.1178237	-0.0756186	0.1368506	-0.0308941	-0.0908580	-0.2284007	0.0839262
Northeast Park	-0.3545413	0.4592561	0.1225266	-0.0184894	-0.0599163	-0.5895295	-0.1569971
West Side	0.2393806	-0.0063124	0.1200485	-0.1511958	-0.0582160	-0.0697696	-0.0604248
North Loop	0.0072052	0.0970037	0.1130060	0.1520433	-0.2496774	-0.0112802	0.0127417
Dayton's Bluff	0.2462021	-0.0531171	0.1100759	-0.1235120	0.0906718	-0.0340438	-0.1453592
Kenwood	-0.0474968	0.0172589	0.1036743	0.1553828	-0.3979242	-0.4935902	0.9416473
St. Anthony	-0.0293346	-0.0790152	0.0967963	0.0583471	-0.0794557	0.0409681	0.0059771
Elliot Park	-0.0180923	-0.0097324	0.0953237	0.8407059	-0.1363187	-1.4970600	0.0656631
Linden Hills	-0.1041395	0.0626648	0.0873163	0.0868711	-0.0358534	-0.0397235	0.0864215
Midway	0.0914847	0.0624215	0.0857698	-0.0153030	0.0298078	-0.3541025	-0.0389700
Willard Hay	-0.0034407	0.2435232	0.0850864	-0.1443211	-0.0664327	-0.0696787	-0.2163044
Sumner-Glenwood	-0.1252863	-0.0593808	0.0809033	0.2837087	0.0341719	-0.0484692	0.2202282
Northrup	-0.1808300	-0.0808339	0.0754087	-0.3221249	0.0015055	0.4036696	-0.1484874
St Anthony West	-0.3578825	-0.4970478	0.0735206	-0.4062151	0.4168245	0.5749962	-0.1932771
Waite Park	-0.7291597	0.1663571	0.0700537	-0.6416078	0.4048116	0.1504582	0.0688756
Midtown Phillips	0.4428924	-0.1276560	0.0683552	-0.0208480	-0.0011296	0.0750959	-0.0710861
Whittier	-0.0013183	-0.0941175	0.0615823	0.0035536	-0.0821575	-0.0160665	0.0967882
Ventura Village	0.0486939	-0.0380940	0.0607966	0.1961286	0.0455523	-0.1152661	-0.1836989
Kingfield	-0.1138036	0.0058203	0.0560100	0.1724207	0.2169639	-0.0433527	-0.2786603
Jordan	0.5039840	-0.3851152	0.0507808	-0.0576136	-0.1327818	0.0188859	-0.2028543
Fulton	-0.1391574	-0.1877692	0.0483106	-0.2151108	-0.0288723	0.1924404	-0.0354306
Battle Creek	0.1105895	-0.1165061	0.0481897	-0.0867419	0.1597171	-0.0284406	0.0773379
Bryn Mawr	0.2267412	0.1420980	0.0431331	-0.1792238	-0.3681073	-0.3951240	0.2758908

Neighborhood	Construction	Retail Trade	Finance and Insurance	Real Estate and Rental Leasing	Professional, Scientific, & Technical	Health Care	Other
Loring Park	-0.0562517	-0.2669120	0.0429749	0.2023892	-0.1070515	-0.0055920	0.0564017
Standish	0.2169008	0.0487634	0.0400416	0.0194002	-0.0240003	0.1757871	-0.5787676
Columbia Park	-0.0448677	0.1970611	0.0308106	-0.1779036	-0.2185532	-0.3088726	0.2303218
Regina	0.2891186	0.1476569	0.0178501	-0.0949699	0.1276334	-0.5421185	-0.4055271
Audubon Park	-0.0579789	-0.1147770	0.0152710	0.1575509	0.2096326	0.1604880	-0.2659474
Powderhorn Park	0.3877579	-0.0319440	0.0096250	-0.0381494	-0.0326792	-0.0505301	-0.2642814
Harrison	-0.0486026	0.0917008	0.0059515	0.2914576	-0.2493760	-0.2590789	-0.0548304
Prospect Park	-0.1449469	-0.2525190	0.0042861	0.3614393	-0.1146569	0.1007710	-0.1230911
East Isles	-0.0480885	0.2567593	0.0034121	0.0716864	0.1665302	-0.3536289	-0.0547544
Summit Hill	-0.0646747	-0.0520216	0.0008781	0.0708938	-0.1601402	0.0500717	0.1329740
University District	0.0270793	0.0613575	0.0005281	-0.1363494	-0.0963569	0.0607882	-0.1197978
Nicollet Island	0.0000000	-1.6418728	0.0000000	-3.0077145	0.0718643	0.0000000	0.3704455
Greater Eastside	0.6186757	-0.2383163	-0.0088480	0.0572760	-0.0623770	-0.0021206	-0.2010808
Folwell	0.6858699	-0.4678910	-0.0201548	0.4440878	0.0351355	-0.7806166	0.7868511
Wenonah	0.2825063	-0.1964042	-0.0260450	0.0934379	-0.1298039	-0.0713005	0.1282241
Cedar-Isles-Dean	-0.0451573	-0.0934675	-0.0287001	-0.0380131	0.2531660	-0.2188808	0.1032844
Ericsson	0.3346058	-0.1576799	-0.0371363	0.3369485	-0.3937257	0.3839312	0.1092664
Marcy Holmes	-0.1065393	0.1256992	-0.0698019	0.0989197	-0.1334548	-0.0884450	0.1042216
Hawthorne	-0.0194935	-0.2066494	-0.0713740	-0.0890030	-0.0803948	-0.0555277	-0.2278017
Keewaydin	0.1350793	-0.2918587	-0.0827501	0.1923941	0.1274558	0.1490209	-0.2264882
Howe	0.2329091	0.2412183	-0.0840552	-0.2134430	0.0802219	-0.0770741	-0.1874003
Payne Phalen	0.4178845	-0.0175472	-0.0857741	-0.2224959	-0.0706603	0.0053214	-0.1186227
Kenny	0.1248490	-0.1640190	-0.0892422	0.0325449	-0.1800082	-0.2237945	-0.1257046
Holland	0.5464921	0.1455785	-0.0951935	-0.3230987	-0.2091693	0.3757034	0.0142938
Southeast Como	-0.0121106	0.0962720	-0.0960287	0.0468359	-0.1735984	0.0776089	-0.0357906
Macalester-Groveland	-0.0660138	-0.0203587	-0.0972590	0.1925712	-0.0529320	0.0901685	-0.1588741
Summit-University	0.2101711	-0.0261267	-0.1003692	0.1869961	0.0069527	-0.3155881	-0.1968047
Calhoun	0.0144433	-0.2140885	-0.1035288	0.2598769	0.0245347	0.1667595	0.0797832
Page	0.1466351	0.4678803	-0.1055630	-0.1889117	-0.0398820	0.0363827	0.1295830
East Phillips	0.0279109	0.1238023	-0.1137707	-0.0602710	-0.0329782	1.1972813	0.0550859
Near North	0.1727595	-0.1776921	-0.1211681	-0.1590074	-0.2119616	-0.0472208	-0.0015221
Marshall Terrace	0.1067984	0.3716623	-0.1302589	0.0665106	-0.1063165	0.3413337	0.0414457
Longfellow	-0.0800236	-0.0731339	-0.1320770	-0.0323727	0.0630330	0.0510006	-0.1537159
Cleveland	-0.0276931	-0.3387302	-0.1453048	-0.9781295	0.1751912	-0.2609097	0.5196372

Neighborhood	Construction	Retail Trade	Finance and Insurance	Real Estate and Rental Leasing	Professional, Scientific, & Technical	Health Care	Other
Armatage	0.0329336	0.0796649	-0.1597917	-0.1787069	0.2527581	0.1769406	-0.2369894
Bancroft	0.3652937	0.0713750	-0.1599373	0.1800367	-0.0721396	0.0593481	-0.3277267
North End	0.1851866	0.2153811	-0.1690499	-0.2742620	0.0855509	-0.0504442	-0.0399126
Beltrami	-0.3881811	0.2509585	-0.2023242	0.0456985	0.1193883	0.0252110	0.6200857
Logan Park	0.0245552	0.0824335	-0.2128115	-0.1049671	-0.2379575	0.1981335	0.0395980
Central	0.4428897	-0.2067899	-0.2237374	-0.1767270	-0.0886403	-0.3858044	0.2932717
Diamond Lake	0.2655809	0.1040011	-0.2276846	-0.1633623	0.0842693	-0.2672672	0.1091128
Downtown	-0.0272418	-0.0290271	-0.2474215	-0.1320248	-0.2007486	0.0304922	0.1561510
Webber-Camden	-0.0053451	0.1061130	-0.2769135	0.0628822	-0.0430824	-0.0313372	-0.2253877
Field	0.0722614	0.1374338	-0.3031868	-0.4077404	-0.0444683	0.0127294	-0.0334861
Thomas Dale	0.1004986	-0.0709782	-0.3087268	-0.1408840	0.0966481	0.0154714	0.2365798
Hiawatha	0.1469421	-0.0053926	-0.3147381	0.2339249	-0.1533332	0.2833846	-0.5148151
Windom Park	-0.0626513	0.2401903	-0.3163747	-0.3397598	0.0593412	0.0529881	0.2528703
Victory	0.0215140	0.0265055	-0.3375520	-0.4259773	0.2269005	0.3349032	-0.1466630
Fuller Tangle town	-0.2344097	-0.3523790	-0.3378325	0.0354659	0.3356074	0.0044040	0.1703841
Lind-Bohanon	-0.5957863	-0.0647443	-0.4655903	0.1763145	0.3388510	-0.0820583	0.1882525
Cooper	0.1157471	-0.1844648	-0.4677807	0.1172706	-0.0696444	0.2811315	-0.0263523
Morris Park	0.2063713	0.2478829	-0.5372913	-0.2238690	-0.2297413	0.4727559	-0.7332389
Humboldt Industrial Area	-0.0923831	0.0004058	-0.7362461	0.0000000	0.2197427	0.0000000	-0.1175883
Bryant	0.5908232	-0.2931382	-0.7370051	0.5691652	0.0788267	-0.2519515	-0.4147177







Turning the Corner in The Twin Cities

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