How low income neighborhoods change: Entry, exit, and enhancement

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Abstract

This paper examines whether the economic gains experienced by low-income neighborhoods in the 1990s followed patterns of classic gentrification (as frequently assumed) — that is, through the migration of higher income white, households, and out migration (or displacement) of the original lower income, usually minority residents, spurring racial transition in the process. Using the internal Census version of the American Housing Survey, we find no evidence of heightened displacement, even among the most vulnerable, original residents. While the entrance of higher income homeowners was an important source of income gains, so too was the selective exit of lower income homeowners. Original residents also experienced differential gains in income and reported greater increases in their satisfaction with their neighborhood than found in other low-income neighborhoods. Finally, gaining neighborhoods were able to avoid the losses of white households that non-gaining low income tracts experienced, and were thereby more racially stable rather than less.

Keywords

Neighborhood change; Gentrification; Displacement
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