Gentrification Analysis of Minneapolis & St. Paul

2000 – 2015 | PRELIMINARY RESULTS

Updated 4.4.17
Working Definition of Gentrification

1. Populated by low-income households
2. Neighborhood has previously experienced disinvestment
3. Influx of relatively affluent gentry
4. Increase in investment
5. Evidence of displacement

Gentrifiability

Gentrification
Identification Model of Gentrifying Neighborhoods

Freeman (2005)
Many Forms of Displacement

Marcuse (1985)

Last-Resident Displacement
- A low-income household is “involuntarily” displaced from a housing unit that they would otherwise have been able to afford.

Chain Displacement
- Multiple low-income households can be displaced from the same housing units over time at different stages of neighborhood change.

Exclusionary Displacement
- Rising housing costs prevent new low-income residents from moving in.

Cultural Displacement/Displacement Pressure
- When family, friends, local businesses are forced to leave and rents rise. This puts pressure on the family to leave as well.
Measuring Displacement

• Very difficult to measure

• Some studies have used individual longitudinal data to try to measure displacement, but there are issues:
  • Can only measure last-resident displacement
  • Very difficult to distinguish between “voluntary” and “involuntary” moves

• Difficult to track transient low-income populations

• Likely to be differences between responders and non-responders

• Our analysis will use qualitative methods to understand small scale patterns of neighborhood change, but will not allow us to make larger scale quantitative claims about physical displacement.
Loss of Affordability is Exclusionary Displacement

Source: Author calculations, 2000 Census, 2010-2014 ACS, 2000 IPUMS, 2010-2014 IPUMS
All bolded values adjusted to 2014 dollars
Incomes for households

2000
Median Rent: $809
($575 in 2000 dollars)

Median Renter Income:
Affordable threshold:

2014
Median Rent: $854

Median Renter Income:
Affordable threshold:
Quantitative Analysis

• For robustness, using three well-known gentrification indices
  • Freeman (2005) – NYC, NY
  • Ding et. al (2015) – Philadelphia, PA
  • Bates (2013) – Portland, OR

• Scale
  • Regional vs. City reference geography

<table>
<thead>
<tr>
<th>City</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhoods that are defined as gentrifiable tend to match intuition about low-income neighborhoods</td>
<td>Captures effects of upgrading in middle-class neighborhoods as well</td>
</tr>
<tr>
<td>Generally more conservative</td>
<td>Captures role that urban restructuring plays in process of gentrification.</td>
</tr>
<tr>
<td>Gentrifiability</td>
<td>Gentrification</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Metric</strong></td>
<td><strong>Operationalization</strong></td>
</tr>
<tr>
<td>Urban</td>
<td>Central city neighborhood</td>
</tr>
<tr>
<td>Low-Income</td>
<td>Tract median HH Inc &lt; MSA median</td>
</tr>
<tr>
<td>Experiencing Disinvestment</td>
<td>Tract share of housing built in last 20 years &lt; MSA Median</td>
</tr>
</tbody>
</table>
### Ding | Philadelphia 2000 – 2013

**Gentrifiable**

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</table>

**Gentrification**

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<tr>
<th>Metric</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Influx of gentry</td>
<td>Tract percentage point change in the share of adults with college degree &gt; City change</td>
</tr>
<tr>
<td>Increase in Housing Values</td>
<td>Tract Med Rent OR Tract Med Val % Increase &gt; Citywide Median</td>
</tr>
</tbody>
</table>
## Vulnerable Population

3/4 Conditions True in 2000

<table>
<thead>
<tr>
<th>Metric</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>High % Renter</td>
<td>Tract % renter &gt; City</td>
</tr>
<tr>
<td>High % People of Color</td>
<td>Tract % POC &gt; City</td>
</tr>
<tr>
<td>Low % w/ College Degree</td>
<td>Tract % w/ Bachelors &lt; City</td>
</tr>
<tr>
<td>Low Income</td>
<td>Tract % Poverty &gt; City</td>
</tr>
</tbody>
</table>

## Housing Market Changes

<table>
<thead>
<tr>
<th>Type</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjacent</td>
<td>Bottom 60% med value in 2010, low appreciation, touches high value tracts</td>
</tr>
<tr>
<td>Accelerating</td>
<td>Bottom 60% med value in 2010, High appreciation between 2000 and 2010.</td>
</tr>
<tr>
<td>Appreciated</td>
<td>Bottom 60% of med val in 1990. Top 40% in 2010</td>
</tr>
</tbody>
</table>

## Demographic Changes

Any 3/4 Conditions True OR BOTH White/College

<table>
<thead>
<tr>
<th>Metric</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Homeowners</td>
<td>Tract PP Δ share homeowners &gt; City Change</td>
</tr>
<tr>
<td>Increase in White Pop</td>
<td>Tract PP Δ share white &gt; City Change</td>
</tr>
<tr>
<td>Increase in College Degrees</td>
<td>Tract PP Δ share coll. deg. &gt; City Change</td>
</tr>
<tr>
<td>Increase in Med HH Inc.</td>
<td>Tract %Δ &gt; City Change</td>
</tr>
</tbody>
</table>
## Bates Typology

<table>
<thead>
<tr>
<th>Neighborhood Type</th>
<th>Vulnerable Population?</th>
<th>Demographic Change?</th>
<th>Housing Market Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Susceptible</td>
<td>Yes</td>
<td>No</td>
<td>Adjacent</td>
</tr>
<tr>
<td>Early: Type 1</td>
<td>Yes</td>
<td>No</td>
<td>Accelerating</td>
</tr>
<tr>
<td>Early: Type 2</td>
<td>Yes</td>
<td>Yes</td>
<td>Adjacent</td>
</tr>
<tr>
<td>Dynamic</td>
<td>Yes</td>
<td>Yes</td>
<td>Accelerating</td>
</tr>
<tr>
<td>Late</td>
<td>Yes</td>
<td>Yes</td>
<td>Appreciated</td>
</tr>
<tr>
<td>Continued Loss</td>
<td>No</td>
<td>Has % white and % with BA increasing</td>
<td>Appreciated</td>
</tr>
</tbody>
</table>
## Demographic Changes MPLS & 7C Metro 2000 - 2015

<table>
<thead>
<tr>
<th></th>
<th>Minneapolis</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Pop</strong></td>
<td>382,618/399,950/17,332 4.5%</td>
<td>2,642,056/2,952,114/310,058 11.7%</td>
</tr>
<tr>
<td><strong>% White</strong></td>
<td>62.5/60.3/-2.2/-3.5%</td>
<td>83.2/74.8/-8.4/-10.1%</td>
</tr>
<tr>
<td><strong>% Bach</strong></td>
<td>37.4/47.4/10.0/26.7%</td>
<td>34.8/41.8/7.0/20.0%</td>
</tr>
<tr>
<td><strong>% Own</strong></td>
<td>51.4/48.1/-3.3/-6.5%</td>
<td>71.4/68.3/-3.1/-4.3%</td>
</tr>
<tr>
<td><strong>% Pov</strong></td>
<td>16.9/21.9/5.0/29.6%</td>
<td>6.9/10.8/3.9/55.9%</td>
</tr>
<tr>
<td>*<em>Med Inc</em></td>
<td>$55,523/$51,480/$-4,043/-7.3%</td>
<td>$79,441/$68,464/$-10,977/-13.8%</td>
</tr>
<tr>
<td>*<em>Med Value</em></td>
<td>$166,243/$205,300/$39,057/23.5%</td>
<td>$201,994/$216,026/$14,032/6.9%</td>
</tr>
<tr>
<td>*<em>Med Rent</em></td>
<td>$841/$869/$28/3.4%</td>
<td>$946/$940/$-6/-0.6%</td>
</tr>
</tbody>
</table>

Source: Author calculations, 2000 Census, 2011 – 2015 American Community Survey

*2015 constant $ using MSP Regional CPI
Comparison of Gentrifiability Measurements in 2000

Source: Author calculations, 2000 Census (Normalized to 2010 boundaries using Geolytics Neighborhood Change Database)
Consensus Gentrifiable Areas in 2000
(2 or 3 Indices Agree)

City | Total Tracts | GF Tracts | %
--- | --- | --- | ---
Minneapolis | 116 | 54 | 46.6
St. Paul | 82 | 30 | 36.6
Total | 198 | 84 | 42.4

Source: Author Calculations, 2000 Census (normalized to 2010 boundaries using Geolytics Nhood Change Database

Map by CURA Staff
Jan 2017
Comparison of Gentrification Measurements 2000 - 2015

Source: Author calculations, 2000 Census (Normalized to 2010 boundaries using Geolytics Neighborhood Change Database), 2011 – 2015 American Community Survey
Consensus Gentrified Areas 2000 - 2015
(2 or 3 Indices Agree)

<table>
<thead>
<tr>
<th>City</th>
<th>GF Tracts</th>
<th>Gentrified</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minneapolis</td>
<td>54</td>
<td>19</td>
<td>35.2</td>
</tr>
<tr>
<td>St. Paul</td>
<td>30</td>
<td>6</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>25</td>
<td>29.8</td>
</tr>
</tbody>
</table>

Source: Author Calculations, 2000 Census (normalized to 2010 boundaries using GeoLytics N’hood Change Database, 2011 - 2015 ACS

Map by CURA Staff
Jan 2017
Why Current Trends May Continue

• Secular decreases in crime and improvements in environmental quality in central cities

• Changing preferences of young, highly-educated workers

• More high-wage jobs moving to central cities

• Increasing commute times from suburbs to central cities

• The “shrinking city” problem puts price pressure on lower-income neighborhoods as more middle and higher income households get priced out of previously affordable neighborhoods.
Thank You

Email – damia025@umn.edu
Website – tonydamiano.com
Rental Housing Affordability in Minneapolis Neighborhoods

Change in Rental Affordability by Race/Ethnicity 2000 and 2014

Source: Author calculations, 2000 Census, 2010-2014 ACS, 2000 IPUMS, 2010-2014 IPUMS
All bolded values adjusted to 2014 dollars

Incomes for households

2000

Median Rent: $809
($575 in 2000 dollars)

Median Renter Income:
Affordable Threshold:

Very affordable
The typical renting household can afford to rent 80% or more of the units in the neighborhood

White Not Hispanic or Latino

$39,390 ($28,000 in 2000 dollars)
$985 ($700 in 2000 dollars)

Neighborhood with no housing
Rental Housing Affordability in Minneapolis Neighborhoods

Change in Rental Affordability by Race/Ethnicity 2000 and 2014

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Incomes for households
Rental Housing Affordability in Minneapolis Neighborhoods

Change in Rental Affordability by Race/Ethnicity 2000 and 2014

2000
Median Rent: $809
($575 in 2000 dollars)

Median Renter Income:
Affordable threshold:
Black or African American: $26,729 ($19,000 in 2000 dollars)
$688 ($475 in 2000 dollars)
Hispanic or Latino: $40,234 ($29,600 in 2000 dollars)
$1,006 ($715 in 2000 dollars)
White Not Hispanic or Latino: $39,390 ($28,000 in 2000 dollars)
$985 ($700 in 2000 dollars)

2014
Median Rent: $854

Median Renter Income:
Affordable threshold:
Black or African American: $14,951
$374
Hispanic or Latino: $30,491
$762
White Not Hispanic or Latino: $39,625
$988

Source: Author calculations, 2000 Census, 2010-2014 ACS, 2000 IPUMS, 2010-2014 IPUMS
All bolded values adjusted to 2014 dollars
Incomes for households
Ownership Housing Affordability in Minneapolis Neighborhoods

Change in Ownership Affordability by Race/Ethnicity 2000 and 2014

Source: Author calculations, 2000 Census, 2010-2014 ACS, 2000 IPUMS, 2010-2014 IPUMS

All bolded values adjusted to 2014 dollars

Incomes for households

2000
- Median Home Price: $159,952 ($113,700 in 2000 dollars)
- Median Homeowner Income: Affordable threshold:
  - Black or African American: $60,773 ($43,200 in 2000 dollars)
  - Hispanic or Latino: $68,511 ($48,700 in 2000 dollars)
  - White Not Hispanic or Latino: $79,906 ($56,800 in 2000 dollars)

2014
- Median home price: $205,200
- Median Homeowner Income: Affordable threshold:
  - Black or African American: $66,151
  - Hispanic or Latino: $71,146
  - White Not Hispanic or Latino: $82,000

The typical owning household can afford to rent 50% or more of the units in the neighborhood.

Neighborhood with no housing.
Ownership Housing Affordability in Minneapolis Neighborhoods

Change in Ownership Affordability by Race/Ethnicity 2000 and 2014

Source: Author calculations, 2000 Census, 2010-2014 ACS, 2000 IPUMS, 2010-2014 IPUMS

All bolded values adjusted to 2014 dollars

Incomes for households
A Typology of Change in Suburban Neighborhoods

Baris Gumus-Dawes, Senior Researcher
Metropolitan Council
Background

- Change in suburban communities
- Study of suburban neighborhoods
- Gentrification vs neighborhood decline
- Change in suburban neighborhoods in the seven-county metropolitan area between 2000 and 2015
Purpose

1. Technical assistance at a granular level
2. Facilitate sharing of information and best practices between cities
<table>
<thead>
<tr>
<th>Measure</th>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of housing units</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
<td>Median household income</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
<td>Percent change in population below poverty level (185%)</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
<td>Inflation-adjusted median house value</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
<td>Percent change in population</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
<td>Change in percent of tract Residential, Commercial/Office, Industrial</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
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<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
<td>Change in average assessed land value per acre</td>
<td>Static Measure</td>
<td>Measure of Change</td>
</tr>
<tr>
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</tbody>
</table>
Traits that capture change

Demographics
- Share of People of Color
- Share of People who are 65 or Older
- Median HH Income

Housing Market
- Housing

Built Environment
- Share of Housing Stock Built Recently

*Measured by a standardized, weighted average of Median Home Values and Median Gross Rent.
Clustering neighborhoods

- Maximize similarities within clusters
- Maximize differences across clusters

<table>
<thead>
<tr>
<th>Income</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher</td>
<td>Younger</td>
</tr>
<tr>
<td>Income</td>
<td>Older</td>
</tr>
<tr>
<td>Lower</td>
<td>Younger</td>
</tr>
<tr>
<td>Income</td>
<td>Older</td>
</tr>
</tbody>
</table>
# Methodology

<table>
<thead>
<tr>
<th>K Means</th>
<th>Partition Around Medoids (PAM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intuitive and popular</td>
<td>Computationally sophisticated</td>
</tr>
<tr>
<td>Need to input the number of clusters</td>
<td>Data tells the number of clusters</td>
</tr>
<tr>
<td>Not robust in the presence of outliers</td>
<td>Stable clusters even with outliers</td>
</tr>
</tbody>
</table>
Clustering and Change Types
Type B: Characteristics

Demographics
- Mostly white
- Highest share of seniors
- Middle-income

Housing Market
- Upward pressure on housing markets
- Increase in home values and rents higher than the study area

Built Environment
- Along transportation corridors
- Large infill developments
- Closer to the urban core
Types B and C
## Characteristics of Types B & C

<table>
<thead>
<tr>
<th>Demography</th>
<th>Housing Market</th>
<th>Built Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type B</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Mostly white</td>
<td>• Upward pressure on housing</td>
<td>• Along transportation corridor</td>
</tr>
<tr>
<td>• Highest</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Type C</strong></td>
<td>• Weak housing market</td>
<td>• Mostly suburban areas with</td>
</tr>
<tr>
<td>• Racially diverse</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Age</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Next Steps

- Toolbox of strategies
- Focus groups to identify local best practices
- Literature review of national best practices
More Information

Baris Gumus-Dawes
Senior Researcher
Baris.Dawes@metc.state.mn.us
651-602-1331
Regional Climate Resilience

LisaBeth Barajas, Local Planning Assistance Manager
Metropolitan Council

Minnesota Policy Conference
October 18, 2017
Climate and Regional Planning

- Guide the orderly and economical development of the region.
- Built environment as the primary contributor to climate change
  - Energy use in our buildings
  - Travel behaviors as a result of our development patterns
- Already experiencing climate change impacts in our region to which we need to adapt
Integrating Resilience Land Use Policy

• Promote sensitive land use and development patterns to contribute toward achieving Minnesota’s adopted greenhouse gas emission goals at the regional scale, and to develop local resilience to the impacts of climate change.

Sustainability Outcome

• Integrating climate mitigation, adaptation, and resilience into the Council’s management of regional systems and supporting local governments in their planning and implementation.

Building in Resilience Land Use Policy

• Promote sensitive land use and development patterns to contribute toward achieving Minnesota’s adopted greenhouse gas emission goals at the regional scale, and to develop local resilience to the impacts of climate change.
Technical Assistance to Local Gov’ts
Assessing the Vulnerability of the Built Environment

Climate impacts related to:
• Water Floodways and localized flooding
• Temperature Urban heat island

Two pronged approach:
1. Assess our regional systems and assets
   • Strategies to address vulnerabilities
2. Develop suggested strategies applicable for local governments
Localized Flooding

Flood Hazards Defined
NEIGHBORHOOD PRESERVATION AND ENHANCEMENT INITIATIVE
Oakdale
Why the interest in neighborhood change?

1. Decline of Columbia Heights

2. Lack of research on suburban neighborhood change.

3. Planning profession’s current indifference to neighborhood planning.

4. Significant changes in Oakdale’s neighborhoods.
What is the origin of Oakdale’s specific effort?

Oakdale experienced significant changes since 1990.
Changes affect neighborhoods differently.
Changes can make neighborhoods more or less desirable.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Age</td>
<td>44</td>
<td>29</td>
</tr>
<tr>
<td>Diversity (% people of color)</td>
<td>21%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Households with Children</td>
<td>33%</td>
<td>43%</td>
</tr>
<tr>
<td>%Poverty or near poverty</td>
<td>15%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>+1%</td>
<td>+12%</td>
</tr>
</tbody>
</table>
POPULATION BY AGE

Median Age

<table>
<thead>
<tr>
<th>#</th>
<th>2013</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>57.1</td>
<td>33.3</td>
</tr>
<tr>
<td>2</td>
<td>48.5</td>
<td>29.2</td>
</tr>
<tr>
<td>13</td>
<td>48.4</td>
<td>29.6</td>
</tr>
<tr>
<td>4</td>
<td>37.6</td>
<td>25.1</td>
</tr>
<tr>
<td>15</td>
<td>37.3</td>
<td>28.6</td>
</tr>
<tr>
<td>14</td>
<td>36.9</td>
<td>27.5</td>
</tr>
</tbody>
</table>
### RACE & ETHNICITY

<table>
<thead>
<tr>
<th>#</th>
<th>2013</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>51.90%</td>
<td>7.00%</td>
</tr>
<tr>
<td>11</td>
<td>41.70%</td>
<td>4.60%</td>
</tr>
<tr>
<td>15</td>
<td>34.70%</td>
<td>6.40%</td>
</tr>
<tr>
<td>5</td>
<td>6.30%</td>
<td>3.60%</td>
</tr>
<tr>
<td>10</td>
<td>4.80%</td>
<td>4.70%</td>
</tr>
<tr>
<td>2</td>
<td>0.20%</td>
<td>2.40%</td>
</tr>
</tbody>
</table>
### HOUSEHOLD INCOME

#### Median Household Income

<table>
<thead>
<tr>
<th>#</th>
<th>2013</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>$134,881</td>
<td>$50,373</td>
</tr>
<tr>
<td>12</td>
<td>$98,229</td>
<td>$50,373</td>
</tr>
<tr>
<td>7</td>
<td>$91,125</td>
<td>$46,977</td>
</tr>
<tr>
<td>9</td>
<td>$45,526</td>
<td>$45,165</td>
</tr>
<tr>
<td>15</td>
<td>$36,583</td>
<td>$37,687</td>
</tr>
<tr>
<td>4</td>
<td>$20,750</td>
<td>$21,094</td>
</tr>
</tbody>
</table>
<=150% OF FEDERAL POVERTY LEVEL

<table>
<thead>
<tr>
<th>#</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>51.80%</td>
</tr>
<tr>
<td>9</td>
<td>32.80%</td>
</tr>
<tr>
<td>15</td>
<td>29.90%</td>
</tr>
<tr>
<td>3</td>
<td>4.50%</td>
</tr>
<tr>
<td>14</td>
<td>3.70%</td>
</tr>
<tr>
<td>8</td>
<td>2.00%</td>
</tr>
</tbody>
</table>
Issue

Neighborhood Decline:
- Accelerating income decline
- Increasing family poverty
- Falling housing prices
- Growing income polarization
- Escalating crime
- Increasing racial and ethnic concentration

26 Inner suburbs:
- 650,464 population & 254,169 households
- 1.5x Minneapolis, 2x St. Paul, .85%x Minneapolis/St. Paul
So what?

Future success of suburban neighborhoods (esp. Inner Suburbs) depends on maintaining and improving neighborhood quality.

- Important in determining life outcomes for children and adults;
- Determines the level of and types of services provided by the city, school district, and county.
- Determines economic development effectiveness (consumers and labor).
What is Oakdale’s plan to address neighborhood change?
Plan’s purpose

It is an action oriented strategic framework that;

focuses the City’s attention on the areas within in the City’s control;

that are most influential in preserving and enhancing neighborhood quality.
City’s role

To work together with residents and local institutions;

to take certain actions to influence the direction of neighborhood change;

in the direction of the preservation and enhancement of neighborhood quality.
Strategic framework

Neighborhood Quality
  “Demand”

Housing Stock
  “Investment”

Neighborhood Attributes
  “Amenities & Disamenities”

Social Capital
  “Bonding & Bridging”
Analysis

Neighborhoods

Geography: 18 Census Block Groups

Time period: 2010-2013
Analysis
Neighborhood Quality

• **Definition:** The real or perceived neighborhood quality, including future expectations about neighborhood quality.

• **Variable:** Individual neighborhood median home values compared to the city-wide median home value. (County assessed market value)

• **Assumption:** The rate at which the neighborhood median home value changes relative to the city-wide change in median home value, over time, reflects an increase or decrease in demand for that neighborhood relative to other city neighborhoods.
Analysis
neighborhood quality

[Diagram showing OAKDALE NEIGHBORHOOD STATUS
ALL NEIGHBORHOODS 2010-2013
with grid and number labels]
Analysis

Housing Investment

- **Definition:** Financial Investment in housing repair, upgrades or new construction.

- **Variables:** Individual neighborhood values compared to the city-wide value.
  - Purchase and rehab loan applications & originations (HMDA)
  - Building permits (City)
  - Single-family rental conversions (City)
  - Property maintenance complaints (City)

- **Assumption:** Housing stock that is in good repair (maintenance) and meets the needs of the current and future residents (functionality) is more desirable that housing stock that does not. Neighborhood housing condition also influences investment decisions to repair and purchase a home.
Neighborhood housing investment
Analysis
Amenities & Disamenities

• **Definition:** Physical or social elements that attract or repel current or potential residents from remaining in or locating to the neighborhood.

• **Variables:** Individual neighborhood values compared to the city-wide value.
  - Public safety (City)
  - School Quality (State)
  - Nuisance complaints (City)
  - Property maintenance complaints (City)

• **Assumption:** People purchase a neighborhood in addition to a house.
Neighborhood amenities & disamenities
Analysis
Social Capital

• **Definition:** Neighbors cooperating to preserve and enhance their neighborhood.

• **Variables:** Neighborhood values, compared to the city-wide values.
  o Length of residency (City)
  o Voter Engagement (State)
  o Neighborhood Watch groups (City)
  o Education level (Census)

• **Assumption:** People with a greater commitment to each other and to their neighborhood are more likely to work to reach out to acquire the resources to preserve and enhance their neighborhood quality.
Neighborhood social capital
Goals & Objectives

- **GOAL**: Improve the quality of all neighborhoods, specifically those neighborhoods the fall within the “Focus” and “Enhance” categories.
  
  - **Objective**: The median home value for each neighborhood will increase at a rate equal to or greater than the median home value for the city by 2021.
## Housing investment

**REGULATORY (PRISONER’S DILEMMA)**

1. International Property Maintenance Code
2. Rental Licensing Program
3. Minnesota Building Code

**Program (credit access & affordability)**

1. Community Fix Up Fund-Interest Rate Reduction*
2. Emergency Home Repair Loan*
3. Housing Improvement Area

* $2,000,000 investment
strategies
Amenities &
disamenities

1. Railroad Quiet Zones
strategies
Amenities & disamenities

1. Par Three Golf Course
strategies
Social capital

1. Pop-Up Parks
   - Bring recreation to the neighborhood
   - 5 locations
   - 8 weeks

2. Neighborhood Livability Forums (under development)
NEIGHBORHOOD PRESERVATION AND ENHANCEMENT INITIATIVE
Oakdale