



REDEVELOPMENT WITHOUT DISPLACEMENT (2021) Modeling equitable and inclusive neighborhood change

BACKGROUND

Investment in neighborhoods can have a positive impact on the area and those who live there. Yet, too often, the associated improvements—such as an influx in new businesses and rise in property values—can take a toll on the existing community. These investments can usher in gentrification, which is—at its core—“the replacement of lower income residents with higher income ones.”¹ Gentrification changes the character of a community, as existing and longtime residents may be displaced, meaning they may no longer be able to afford to live in their own neighborhoods or feel like they are welcome there.

Both displacement and gentrification are symptoms of inequitable and exclusionary economic growth, typically associated with redevelopment in economically undervalued urban areas. These locations are usually characterized by poverty, vacancy, poor infrastructure, and a lack of employment and other opportunities for residents’ personal and professional growth. Redevelopment efforts in these areas typically bring needed infrastructure repairs, population growth, and the types of services, amenities, and opportunities that accompany economic growth. But the entities behind the investment often do not adequately engage those living in the area to learn about their unique needs, abilities, values, culture, and priorities. As a result, the very people who leaders typically intend to help through redevelopment projects become partially—or even entirely—excluded from reaping the rewards.

DEFINING DISPLACEMENT

PHYSICAL DISPLACEMENT

Displacement has two dimensions: physical and cultural. Physical displacement can happen when redevelopment investments drive up a neighborhood’s housing costs, such

KEY TAKEAWAYS

- Displacement can refer to the physical and/or cultural replacement of existing and longtime residents in a redeveloping area.
- Compared to physical displacement, cultural displacement may be a more pervasive and distinctive marker of inequitable and exclusionary economic growth.
- An equitable and inclusive redevelopment model actively and intentionally engages existing and longtime residents in authentic ways throughout the course of the redevelopment.
- The primary measure of success for an equitable and inclusive redevelopment model is whether existing residents benefit from investments in meaningful and intended ways, specifically through an enhanced quality of life and by avoiding displacement.

as rental rates and home prices—which increase property taxes—and other related costs. When these costs rise to the point that existing residents can no longer afford them, those people are forced to move out of the area. While not every redeveloping neighborhood nor resident will be impacted by physical displacement, low- and moderate-income residents are the most likely to be forced to move due to rising housing costs.²

CULTURAL DISPLACEMENT

Cultural displacement is likely a more pervasive and distinctive marker of gentrification than physical displacement.³ However, it is also more difficult to track, measure, and mitigate.

Cultural displacement happens when a redeveloping area's social and political power shift from existing residents to the newer, wealthier—and typically white—residents who were drawn into the area by the investments and improvements. As a result of these shifts, “the tastes, norms, and desires of newcomers [can] supplant and replace those of the incumbent residents and can also entail the loss of historically and culturally significant institutions for a community.”⁴

As an area changes, initial investments from governmental, philanthropic, and nonprofit entities typically give way to market-based transactions. Private-sector entities usually make investments that appeal to the desires, abilities, and values of residents with more disposable income. In doing so, these for-profit entities often ignore the low- to moderate-income residents who make up the majority of economically undervalued urban areas targeted for redevelopment.^{5,6} This dynamic is why gentrification is often signaled by the opening of businesses such as art galleries, coffee shops, microbreweries, boutiques, and high-end restaurants, which middle- to high-income residents can more easily sustain.

These shifts in social and political power create significant cultural changes that may cause existing and longtime residents to lose their sense of community and belonging. They also may feel as if they have been excluded from their area's growth and no longer have the power to shape its development.³

MEASURING DISPLACEMENT

Physical displacement can be relatively easy to identify and measure in a gentrifying area. For example, data may show the number of Black residents decreased while the total population increased. Another measurable marker of displacement would be when an area's demographics—such as household incomes and educational attainment levels—change significantly in a short period of time.

Cultural displacement, however, is more difficult to track and measure because it relates to whether existing residents' perceptions of belonging, stewardship, and agency decrease as changes occur. While some longtime residents may not be physically displaced, a cultural shift

may make them feel as if they have been culturally displaced. They may think existing residents' community priorities are overlooked as power shifts to the newer residents, whose higher levels of social and economic capital can empower them to take over shaping community priorities based on their own desires, abilities, and values. Longtime residents may feel ignored and begin to believe the redevelopment processes that brought changes to their neighborhood, attracted new residents, and promised positive outcomes were disingenuous and never truly intended to help the existing community.

A NEW REDEVELOPMENT MODEL

To enhance the quality of life in an economically undervalued urban area and avoid physical or cultural displacement, redevelopment must include active and intentional engagement with existing and longtime residents. The professionals working on redevelopment projects can ensure local priorities are not overlooked—and that existing residents directly benefit from area improvements—by incorporating their perspectives in sustained and authentic ways that are grounded in listening, understanding, and relationship-building.

Creating an equitable and inclusive model of neighborhood enhancement and economic growth means redefining measures of success for redevelopment. Measures should be based on indicators of both physical and cultural displacement. A redevelopment model focused on anti-displacement must track and mitigate the intended and unintended consequences of investments in undervalued areas. Higher incomes and density, better infrastructure, and new and enhanced services and amenities can be welcome changes. Yet the potential impacts of rising home values, rents, and property taxes—as well as the social and political shifts neighborhood newcomers can bring—must be addressed and reduced. Doing so will help prevent displacement and ensure equitable and inclusive growth for all.

Rather than looking only at high-level, generic indicators of overall economic growth, redevelopment planners should use contextualized quantitative and qualitative measures to ensure benefits reach the intended people, produce the intended outcomes, and mitigate known but unintended consequences.

REDEVELOPMENT WITHOUT DISPLACEMENT

On Indianapolis' northeast side, there is a coalition of for-profit and nonprofit partners working to create a new model of redevelopment by focusing on creating benefits for existing and longtime residents. Cook Medical is building a medical device manufacturing facility in partnership with Goodwill of Central and Southern Indiana, Inc., the Central Indiana Community Foundation (CICF) and its affiliate The Indianapolis Foundation, IMPACT Central Indiana, the United Northeast Community Development Corporation (UNEC), and the neighborhoods in which the facility will be located.

Known as the 38th and Sheridan project, this development aims to create equitable and inclusive economic growth that builds stronger bonds between the company, its workforce, and the communities surrounding the site. It is based on a new model that goes beyond traditional corporate social responsibility by focusing on hiring practices, community-engaged development, and direct neighborhood investment. This unique approach is derived from both the level of collaboration and coordination between Cook and its development partners, as well as the ways in which this partnership is investing equitably in economic opportunities and responding to quality-of-life issues in the neighborhoods around the new manufacturing facility.

The development partners are committed to an overarching goal of economically lifting the community while not forcing out current residents. A first step toward this objective is to mandate that this development, its manufacturing operations, and the other neighborhood amenities in which it has invested—such as a full-size grocery store—will be built by and employ current residents to the greatest extent possible. Employees of the manufacturing facility will receive health care benefits and skill-building training, including education tuition support and social services, if needed. In addition, Cook and its development partners will use minority-owned and operated firms for all construction services. These construction employees also will have access to skill-building services regardless of the jobs for which they are hired.

In addition to engaging neighborhood businesses, hiring local residents, and helping develop the full-size grocery store—which will be owned and operated by two current resident-entrepreneurs—Cook and its partners are seeking input from residents and advocates in direct and sustained ways throughout each phase of the project. To do this, they have established a close working relationship with UNEC—a development corporation deeply embedded in Northeast Indianapolis communities—and are participating in neighborhood meetings and community events. This approach seeks to build trust and rapport with existing and longtime community members, as it relies on those residents to provide the company with the information necessary to be both profitable and responsive to the community's unique contexts and priorities.

Additionally, Cook hired the IU Public Policy Institute (PPI) to provide further insight on how this new model might better serve existing residents. PPI will help Cook develop comprehensive impact measures and report back on those measures to the project partners. Researchers will conduct interviews and focus groups and will regularly attend neighborhood meetings and community events. This will allow them to gain a deeper understanding of concerns, desires, strengths, and challenges among community members. Input from these meetings and events will help inform survey instruments to better understand how the 38th and Sheridan project is affecting the community. This information also will help project partners make decisions that align with community members' needs, abilities, values, culture, and priorities, thereby reducing the risk of displacement.

PPI is tracking immediate and future economic impacts of the 38th and Sheridan project and is planning a long-term evaluation of this new redevelopment model. The primary measure of success will be whether existing and longtime residents benefit from the investments in meaningful and intended ways—especially avoiding displacement—while enhancing the quality of life of existing residents.

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