DATA YOU CAN USE

FROM PEOPLE YOU CAN TRUST

TURNING THE CORNER

A Closer Look at Neighborhood Change Walker's Point Highlights



Prepared by Data You Can Use, Inc. Milwaukee WI

In conjunction with the Urban Institute's National Neighborhood Indicators Partnership Cross-site Study

With support from the Community Development Alliance



Prepared by: Data You Can Use. May 2019

Background

This Data you Can Use study is part of a larger national effort titled, *Turning the Corner: Monitoring Neighborhood Change for Action*, a project guided by the Urban Institute's National Neighborhood Indicators Partnership (NNIP) and the Funder' Network Federal Reserve-Philanthropy Initiative. Launched in January 2016, the project pilots a research model that monitors neighborhood change, drives informed government action, and supports displacement prevention and inclusive revitalization. The work was aimed at elevating the conversation about neighborhood change and gentrification and includes background research on the topic and learnings from other partner cities.

To further insights into understanding neighborhood change, Data You Can Use focuses on two Milwaukee neighborhoods associated with the fear of gentrification and displacement: the Brewers Hill neighborhood on the North side of downtown and the Walker's Point neighborhood on the South side of downtown. Data You Can Use gathered information using focus groups and key informant interviews with residents and business owners in Brewers Hill and Walker's Point. Additionally, <u>Turning the Corner report</u> looks at related local efforts in Milwaukee including MKE United, LISC- Milwaukee, the Department of City Development's Transit Oriented Development Study, and A Place in the Neighborhood, Milwaukee's Anti-Displacement Plan. Data You Can Use explored two key indicators of gentrification at the micro (census block) level (change in race and education levels) and two key indicators of displacement (changes in housing-burden for renters and homeowners) at the census block level in these neighborhoods. Consistent with the Data You Can Use mantra-- "no data without stories, no stories without data," -- this approach provides opportunities to judge the weight of the evidence in exploring neighborhood change. This document is a summary of the findings for Walker's Point.

Walker's Point

The neighborhood now called Walker's Point was the home of one of the three founders of the city, and the location of the George H. Walker Fur Trading Company. South of downtown, it was incorporated into the village of Milwaukee in 1845. It was primarily industrial but also served as the residential location of workers in the adjacent Third Ward until urban renewal split the neighborhood with a freeway in the 1960's. Initially a neighborhood of Polish and Slovenian workers, by the 1960's Walker's Point was the home of Mexican and Puerto Rican families, and



still has a higher share of Latinx residents than the rest of the city. Today, the neighborhood is home to entertainment corridors, such as 2nd and 5th Street, with upscale retail, bars and restaurants. The area has seen some condominium development, as well as the conversion of formerly industrial space to office and retail use and has experienced spill-over development from the Third Ward across the Milwaukee River. Assets of Walker's Point include its proximity to downtown, a strong neighborhood organization, and an alderman described by focus group and interview participants as "responsive" and "involved."

The voices of residents and Business Owners

An important goal of the Turning the Corner project was to look for indicators of neighborhood change that can add context to existing quantitative indicators to alert planners to areas that may be in

"Artists are being pushed out. As costs increase, they move."

"Tenants are not considered. The Walker's Point Association only benefits [business]operators and owners."

"Families' concerns about safety and night life are not being heard." danger of displacement. Interviews and focus groups where held to collect input from people who know their neighborhood best. For more details, visit the <u>full report</u>.

Long-term residents of Walker's Point described an influx of young working professionals and stressed that these are individuals and not families. Others pointed out that they are seeing an increase in the number of dogs and children more recently. The new construction, primarily

apartments and condos, is perceived to be unaffordable for current residents and participants associated it with a scarcity of affordable housing and high rental prices. Moreover, residents talked about seeing change in increased rental rates, reduced cultural diversity, increased traffic congestion, lack of parking, and an increase in nonviolent crimes. They expressed concern that new residents are overwhelmingly young, White professionals, seeking and eroding diversity at the same time. They report an increase in the number of restaurants and walkable areas which also created more litter and parking congestion. Participants expressed uncertainty while remaining hopeful that the new developments

would allow the area to maintain its diversity and the relationships that make the neighborhood.

From the perspective of business owners, *early indicators of neighborhood revitalization in Walker's Point* include the following signs:

- proximity to other developed areas (Downtown and the Third Ward);
- proximity to successful recent developments (Iron Horse Hotel, Harley Davidson Museum, etc.;
- government infusion of dollars (infrastructure and the Global Water Center);
- private investment (Iron Horse, Tannery), and corporate investment (the Harley Museum);
- vacant buildings being repurposed, fewer vacant storefronts
- good attendance at Neighborhood Association meetings
- NEWaukee (a hip meet-up group of young professionals) hosting events there
- gathering spaces like art space and coffee shops, and presence of food trucks
- more businesses opening, and the gathering of entrepreneurs and likeminded people
- more young people in the neighborhood, with more money

"I hope we can hold on to the diversity. I don't know if we will be successful... that doesn't happen everywhere...but we have a unique opportunity...there are forces outside of us, we have to start making alliances, so things can change."

"You have a lot of people coming [after the festivals] to drink or eat, you get a lot of red cups in the gutter...disturbing litter like broken liquor bottles and crack pipes..."

"The neighborhood is more walkable."



Business owners highlighted that new businesses saw opportunities of investment in Walker's point for its affordability. They also succeeded in attracting people from outside of the neighborhood. While Walker's Point has been an asset for new businesses, the older businesses fear being forced out. There is no disagreement among the business owners that newer residents—mostly white young people—are

the target and the beneficiaries of the changes. Their presence made the area safer according to some accounts. Others worried that because there are more white people moving in, there is less diversity and the erosion of the Latinx base. Others identified tenants and families as being pushed out or not being heard in the process of neighborhood changes.

While what happens in the city as a whole is important and of interest, neighborhood change is hyperlocal and larger geographies often mask this change. Looking at neighborhoods, census tracts or even blocks helps uncover early signs of change.

For more information, see the Walker's Point data portrait.

Overall Indicators of Gentrification and Displacement

Based on the analysis of the other studies and the incorporation of the qualitative data, the following indicators were chosen by Data You Can Use to explore change at an even more micro level. The block groups included are identified in the methodology section.

- Gentrification indicators are increases in:
 - o Percent of the population that is White; and
 - Percent of the population with a bachelor's degree or higher.
- Risk of Displacement indicators are an increase in:
 - Rental housing burden—renters paying more than 30% of their income for housing; and
 - Homeowner housing burden—households that pay 30% or more of income for housing.

	Evidence o	f Gentrification	Risk of Displacement			
	RACE % white	EDUCATION % w/ college degree	RENTER HOUSING BURDEN % renter housing burdened	HOMEOWNER HOUSING BURDEN % homeowner housing burdened		
City	-3.7%	+5%	+16.3%	+14%		
Walker's Point	-12.8%	13.0%	+33.6%	25.3%		

Evidence of Gentrification at the Micro level

RACE Percent of Population that is White (block group level)

		2000			2015		Percent change
	Total Pop	White	Percent	Total Pop	White	Percent	over time
City	614,529	310,734	50.6%	599,498	280,922	46.9%	-3.7%
Walker's Point	3,119	1,872	60.0%	2,413	1,140	47.2%	-12.8%

Looking at the micro (block group) level, the percentage of the population that is White has changed more drastically than the City overall. In Walker's Point, the percent of the population that is White decreased by 12.8 percentage points, from 60.0% in 2000 to 47.2% in 2015.



Figure 1. Change in % of Population that is White

EDUCATION Percent of Population over 25 with a College Degree (block group level)

	Total Pop over 25	2000			2015		Percent change
		College	Percent	Total Pop	College	Percent	over time
		Degree		over 25	Degree		
City	353,505	64,742	18.3%	364,339	84,836	23.3%	+5.0%
Walker's Point	1,781	182	10.2%	1,524	354	23.2%	+13.0%

At the micro (block group) level, the percent of residents of Walker's Point who had a bachelor's degree was much less than the city in 2000, but after rapid increase it more than doubled and was nearly equal to the city rate in 2015.



Figure 2: Change in % of the population with a bachelor's degree

Evidence of Risk of Displacement at the Micro Level

HOUSING BURDEN

A household is considered "housing burdened" if the residents pay 30% or more of household income on rent or a mortgage. Housing burden differs in renter and owner-occupant households (for more details see <u>tables 9-14 in the data portraits</u>).

	Total renter households	2000		Total ventor	2015		Demonstration of the
		Housing burdened	Percent	Total renter households	Housing burdened	Percent	Percent change over time
City	120,830	49,376	40.9%	127,436	72,844	57.2%	+16.3%
Walker's Point	735	251	34.1%	708	479	67.7%	+33.6%

Renters who are Housing Burdened (block group level)

At the micro (block group) level, the percent of renters who are housing- burdened in in Walker's Point grew from 34.1% in 2000 to 67.7% by 2015, an increase of 33.6 percentage points.



Figure 3 Change in Housing Burden for Renters

HOUSING BURDEN AMONG HOMEOWNERS

Overall, a greater percentage of Milwaukee, renters are housing burdened (57.2%) than homeowners (38.9%). The percent of housing-burdened homeowners in Milwaukee was 24.9% in 2000 and 38.9% by 2015, an increase of 14.0 percentage points.

	Total	2000		Total	2015		Deveent shows
	homeowner households	Housing burdened	Percent	homeowners	Housing burdened	Percent	Percent change over time
City	56,351	14,051	24.9%	68,141	26,534	38.9%	+14.0%
Walker's Point	83	38	45.8%	156	32	20.5%	-25.3%

Homeowners who are Housing Burdened (block group level)

At the block level, Walker's Point did not follow the same trend as the city, but instead saw a substantial downward trend in housing burden for homeowners from 2000 (45.8%) through 2015 (20.5%), a decrease of 25.3 percentage points.



Looking ahead

"If diversity means a neighborhood with a range of races, it's diverse. If it's only nonwhites, it's not diverse." As Milwaukee continues the conversation about neighborhood change and designs strategies to promote equitable development, there are some additional concepts and indicators that could help elevate the conversation and sharpen the strategies. One avenue to continue to pursue would be a conception of class regardless of color. Gentrification may be tied to income, but it is also tied to education. The percent of

the population with a bachelor's degree is a commonly used indicator, while indicators of wealth are generally not included. It's also possible that changes in indicators of occupation are under-utilized in the analysis of gentrification and displacement. Further complicating the conversation around gentrification is the cacophony around the word "diversity" with little agreement about what it means. For more details on the concepts and indicators, check the <u>full report</u>, and the <u>neighborhood data</u> <u>portrait of Walker's Point</u>.

Finally, to reduce both the fear and the reality of displacement, there are several "protective factors" that can be put in place. Some of the important protective factors that were identified include:

- Informed conversations—making sure the "right" people are included
- Active neighborhood organizations—providing a forum for residents and businesses
- Responsive political representatives—local elected leaders who pay attention to constituents
- Neighborhood schools that are actively engaged in the community and a
- Diversity of housing options

For More Information:

For full report: <u>https://www.datayoucanuse.org/wp-</u> content/uploads/dlm_uploads/2019/04/Turning-the-Corner-Full-Report.pdf

For the Walker's Point neighborhood data portrait: <u>http://www.datayoucanuse.org/wp-content/uploads/2019/02/Walkers-Point-Neighborhood-Portrait.pdf</u>

For questions or additional information, please contact, Kathleen Pritchard, PhD Katie@datayoucanuse.org 414-331-7616