Dimensions of Gentrification in a Tourist City

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Abstract

An ongoing debate among urban researchers is whether renewal processes such as historic preservation and gentrification strengthen or disrupt communities. We examine the relationship between gentrification, tourism and community change in Charleston, SC, from 1970 to 2000. We use data from the U.S. Census to document multiple dimensions of gentrification. Our findings suggest that an accessible, census-based measure for identifying the changing character of a neighborhood may be the proportion of "native" residents (in this case, those born in South Carolina). We use the case of Charleston to illustrate the challenges inherent in maintaining community in tourism communities. Understanding patterns of growth and change in Charleston can help urban scholars better anticipate the consequences of tourism and gentrification for the social environment.

Introduction

Understanding the consequences of urban redevelopment processes such as gentrification and historic preservation is a central concern of urban scholars. In the United States, gentrification is usually associated with the incursion of the middle-class into an urban "frontier," often resulting in the displacement of lower income residents (Smith, 1996). In the European context, some cities have taken a different approach and place greater emphasis on maintaining social diversity in redeveloped areas (Fitch, 1990). The recent gentrification literature is increasingly context-dependent as researchers seek to prevent inaccurate assumptions and generalizations regarding patterns of neighborhood change. The traditional stage model of gentrification has been challenged and expanded via case studies that present quite alternative manifestations of the archetypal gentrification (i.e. white middle-class upscales blighted inner-city area and displaces low-income ethnic/racial minority residents) (see for example, Smith and Graves 2005; Lees 2003; Gotham 2005; Van Criekingen and Decroly 2003).

We examine the impact of gentrification by presenting a case study of the city of Charleston, South Carolina. In Charleston, gentrification emerged as a consequence of the historic preservation movement. The preservation movement had emerged as a strategy to control development in downtown Charleston. A major consequence of the success of the historic preservation movement has been the growth of tourism as a major industry in the city. As gentrification and preservation have occurred, changes in the physical environment have affected the social environment as well. By examining impact of gentrification for the period 1970-2000, we present a case of ongoing urban redevelopment that which illustrates multiple dimensions of neighborhood change.

Gentrification

The literature on gentrification has been thoroughly reviewed by a number of scholars (see Gale, 1986; Smith, 1996, Wittberg, 1992; Zukin, 1987). The current, or third "wave" of gentrification began in the 1990s and is distinguished from prior gentrification by the increasing role of states, as well as global capital markets, large corporations, and big investors (Bridge

1995; Gotham 2005; Smith and Graves 2005). Drawing from Lees (2000), Smith and Graves state: "'Gentrification is not the same everywhere' and a deeper more nuanced understanding of its heterogeneity, and complexity, must be achieved through geographically sensitive research that pays close attention to both temporal and spatial context" (2005:416).

Through a typology of various renewal processes, Van Criekingen and Decroly (2003) argue that gentrification is not actually a chaotic concept. Using indicators including: initial neighborhood situation (is the neighborhood decayed and impoverished?); transformations (are there improvements to the built environment, social status growth, i.e. age, income, education, etc…, and population change?); and outcome (does the neighborhood become a wealthy one?), four renewal processes are suggested. These include gentrification (in its traditional or archetypal form), marginal gentrification, upgrading, and incumbent upgrading. Marginal gentrification follows the traditional characteristics, except that the new residents may have more cultural capital than economic capital and thus the neighborhood does not become wealthy as a result. In this case, the new residents are often young single people without familial or professional long-term stability; once they move, they tend to be replaced by others in similar situations, as opposed to wealthier, more stable residents. Upgrading takes place in areas that are typically middle- to upper-class already, involving minor renovations to bourgeois neighborhoods. Thus, even though it does not occur in a typical decaying area, this process involves improvements in the built environment, and population change, including even wealthier (in terms of income, not necessarily property) and more highly educated people moving into the neighborhood. Lastly, incumbent upgrading refers to a situation in which current, often long-time, residents undertake improvements and reinvestment in their own decaying lower-income community, resulting in very little (if any) population change (2003).

Van Criekingen and Decroly (2003) suggest that their typology should be extended, as this list is not exhaustive, and in fact both "super-gentrification" (Lees 2003) and "tourism gentrification" (Gotham 2005) may be necessary additions. Super-gentrification involves "the transformation of already gentrified, prosperous and solidly upper-middle-class neighborhoods into much more exclusive and expensive enclaves" (Lees 2003:2487). Arguably, this is not the same as Van Criekingen and Decroly's (2003) concept of "upgrading" because in the latter case, the middle-class does not necessarily appear to be displaced even though "population change" does occur. Lees suggests that super-gentrification is taking place in select areas of cities such as New York and London, which have "become the focus of intense investment and conspicuous consumption by a new generation of super-rich 'financifiers' fed by fortunes from the global finance and corporate service industries" (2003:2487). These new gentrifiers are distinguished by the "volume and source of the assets they mobilise" and also by their "lifestyles and values" (2489).

Similar to Lees' concept of "super-gentrification," Gotham writes of "a new round of intensified gentrification," (2005:1108) in which median household values and rent are greatly increasing and middle-class newcomers are no longer the gentry. Rather, even wealthier residents are moving into an already gentrified area. Gotham defines tourism gentrification as "the transformation of a middle-class neighborhood into a relatively affluent and exclusive enclave marked by a proliferation of corporate entertainment and tourism venues" (1099). He draws from research on the French Quarter of New Orleans (prior to Hurricane Katrina in August 2005) to move beyond explanations of gentrification that only consider "consumer demand" or "cultural preferences for upscale neighborhoods" (1100). He argues that in some cases, explanations must take into account both the flow of capital in the real estate market and

the shift to tourism. Indeed, consumer desire for gentrified spaces is both "created and marketed" and not just the result of individual taste or a creative class (1114). As a result of increasing securitization and new financial sources, the real estate industry is largely invested in commercial and "entertainment zones" that are now all packaged together along with residential space in the French Quarter, leading to "an altered relationship between culture and economics in the production and consumption of urban space" (1115).

Similarly, historic preservation can play a significant role in urban change and is connected to the new postmodern or symbolic economy, which is heavily dependent on revenue from entertainment and tourism. According to Reichl (1997), cities have seen a significant shift from urban renewal to preservation over the last few decades. Urban renewal programs were criticized in the 1960s by urban residents and scholars, which necessitated a new approach for redevelopment and revitalization in inner-city areas. Backed by federal and local policies, such as the National Historic Preservation Act of 1966 and bolstered tax benefits for preservation beginning in the late 1970s, preservation-based development can serve and has served to bring progrowth coalitions together in some cities (1997).

Reichl (1997) argues that historic preservation thus became a successful strategy for commercial and economic development in some, though not all, cities. She concludes: "when it is politically advantageous to do so, progrowth forces are drawing on the past to build the city's future." Perhaps contrary to popular belief, however, Coulson and Leichenko (2004) do not find historical designation to be associated with demographic change in neighborhoods. These two are often thought of as correlated because of the fact that in many distressed urban areas, designation and historical preservation are used as methods to help preserve neighborhoods and promote economic growth. Using Fort Worth, Texas, as a case study, they examined the impact of historical preservation on demographic and housing characteristics between 1990 and 2000. Their central result was that there was neither correlation nor pattern in the data to conclude a connection between the two. Although they did detect a positive correlation between historical designation and property values, and hence the desirability of the neighborhood, they found no support for the notion that historical designation is a precursor to gentrification or "any other kind of [racial or socioeconomic] neighborhood turnover" (p. 1598).

This recent work on new forms of urban renewal suggests that, contrary to the stage model, gentrification may not have a "stable outcome or specific end-point" (Gotham 2005:1108). In addition, neighborhoods are changing in new ways; in the French Quarter, for example, real estate interests are converting single-family homes and other buildings into condominiums geared toward non-residents and tourists in the French Quarter. This has changed the neighborhood feel of the area, according to some residents (2005). This supports the notion that the number of non-residents living in an area increases with gentrification. Furthermore, in areas that are experiencing super-gentrification, the data does show the displacement of some moderate and upper-middle-class families, and it seems that they are being replaced by an influx of even wealthier young families with children (Lees 2003).

Historical Context

Charleston represents a compelling case study of the consequences of historic preservation for several reasons. These include a long history of preservation, geographic constraints, and a legacy of relative racial integration for a Southern city. Beginning in the1950s segregation began to increase significantly within the city. Some of this increase was

attributable to decreases in black employment as domestic servants, as well as to an expansion of segregated neighborhoods in the form of public housing (Taeuber and Taeuber, 1965). The establishment and ongoing expansion of the Old and Historic District, and the resultant gentrification, also contributed in this increase. As suburbanization of the areas surrounding the city occurred in the 1950's and 1960's preservation efforts began to reach the smaller streets and alleys. Black residents moved up the peninsula, north of the affluent neighborhoods that occupy the southern tip of the peninsula. During this period many white residents moved out of the city and the black population became increasingly concentrated on the East Side of the city.

While changes in the racial composition of a neighborhood are associated with gentrification there is also an economic side to gentrification. As homes are renovated and preserved, their value increases and lower income residents may no longer be able to afford to live in the city (Nelson, 1988). One significant consequence of preservation and gentrification in Charleston has been that both racial and economic segregation have increased. This increase reflects the changing costs of housing: Between 1970 and 1990, the average median value of homes south of Calhoun Street increased by 295% while the average median value of homes north of Calhoun increased by only 144% (based on 1982-84 dollars).

In Charleston, we identify three stages of gentrification. An initial stage occurred as Blacks relocated from the smaller streets and alleys south of Broad, and ultimately south of Calhoun. This stage overlaps with the significant outmigration of middle and lower class whites from downtown Charleston to the suburbs. A second stage of gentrification emerged in the 1960's and 1970's as the Old and Historic District grew significantly. During this period, economic incentives in the form of federal funding and tax breaks fueled the gentrification process. During this period, middle-class whites began to move back to the city often displacing black residents. The third stage of gentrification followed in the 1980's and 1990's with the redevelopment of the commercial district in downtown Charleston. This stage differs from the stages preceding it in that it capitalizes on the growing tourism market. It is this most recent stage of gentrification that we focus on in our analyses.

Data and Method

We use tract-level data drawn from the Summary Tape files of the 1970- 2000 Decennial Censuses. Because we are focusing on dimensions of gentrification in the peninsular city, we limit our analyses to the 18 census tracts that comprise that area.   Since 1970, the changes in tracts between census years have been relatively minor. It should be noted that Charleston is home to several colleges: the Medical University of South Carolina, the College of Charleston and the Citadel. These schools are located in tracts 4, 5, 6 and 18.   Our preliminary findings are presented as summary figures. In our final paper, we plan to include the full descriptive tables and maps to summarize the change over time.

Preliminary Findings & Conclusion

Figures 1-4 summarize four dimensions of gentrification in Charleston. Figures 1-3 address traditional dimensions of gentrification: poverty, education and home ownership. Figure 1 compares the percent of residents below poverty in 1970 and 2000. The tracts surrounding the College of Charleston show increased levels of residents in poverty. At the same time, adjacent tracts that were undergoing gentrification (8-11) show sharp declines in poverty levels. In

Figure 2, we examine the change in educational attainment during the same period. All tracts except 18 (the Citadel) show marked increases in the percentages of residents with a college education. This is consistent with increasing levels of education in the general population as well as gentrification in the city.   Figure 3 compares home ownership percentages. As would be expected, we find increased proportions of owned homes throughout the city and particularly in the most exclusive areas of the city (tracts 1 & 2) which are located at the tip of the peninsula. Figure 4 summarizes the percentages of residents born in South Carolina. We use this measure as a proxy for regionalism and change in the character of the neighborhood. These findings are particularly striking: In 1970, Charleston was populated predominantly by persons born in South Carolina. In 2000, the proportion born in South Carolina and residing in the Historic District had dropped below 50%. These findings suggest that the historic neighborhoods of Charleston have increasingly attracted residents from beyond the local market.

Historic preservation and gentrification are processes that can help communities to maintain coherent identities and architectural integrity. They can be important elements of neighborhood revitalization. But they can also change existing communities. An indirect consequence of the continued success of Charleston's historic preservation movement is the growth of tourism. Yet, historic preservation, urban change, and tourism are often studied independently and by different scholars (Chang et al.1996). Examining the interrelationship between tourism and gentrification allows us to make connections between global and local markets and interests, as well as between production-side and demand-side explanations of urban change. As wealthy visitors opt to buy their own piece of Southern gentility, native families are displaced to other sections of the city or the surrounding suburbs. The physical representation of the city is preserved, but the community is changing.

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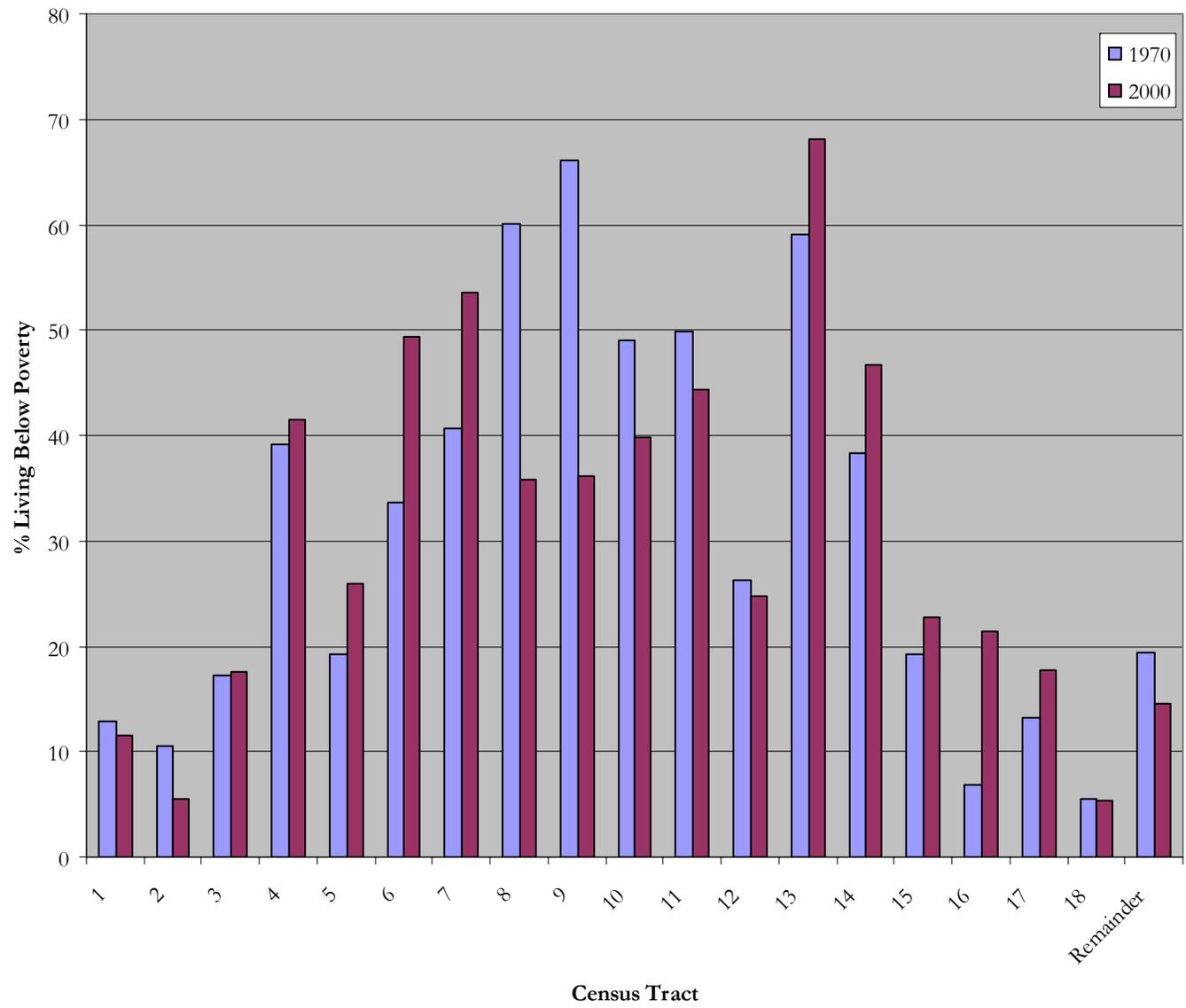# Figure 1. Percentage of Residents Living Below Poverty, 1970 & 2000

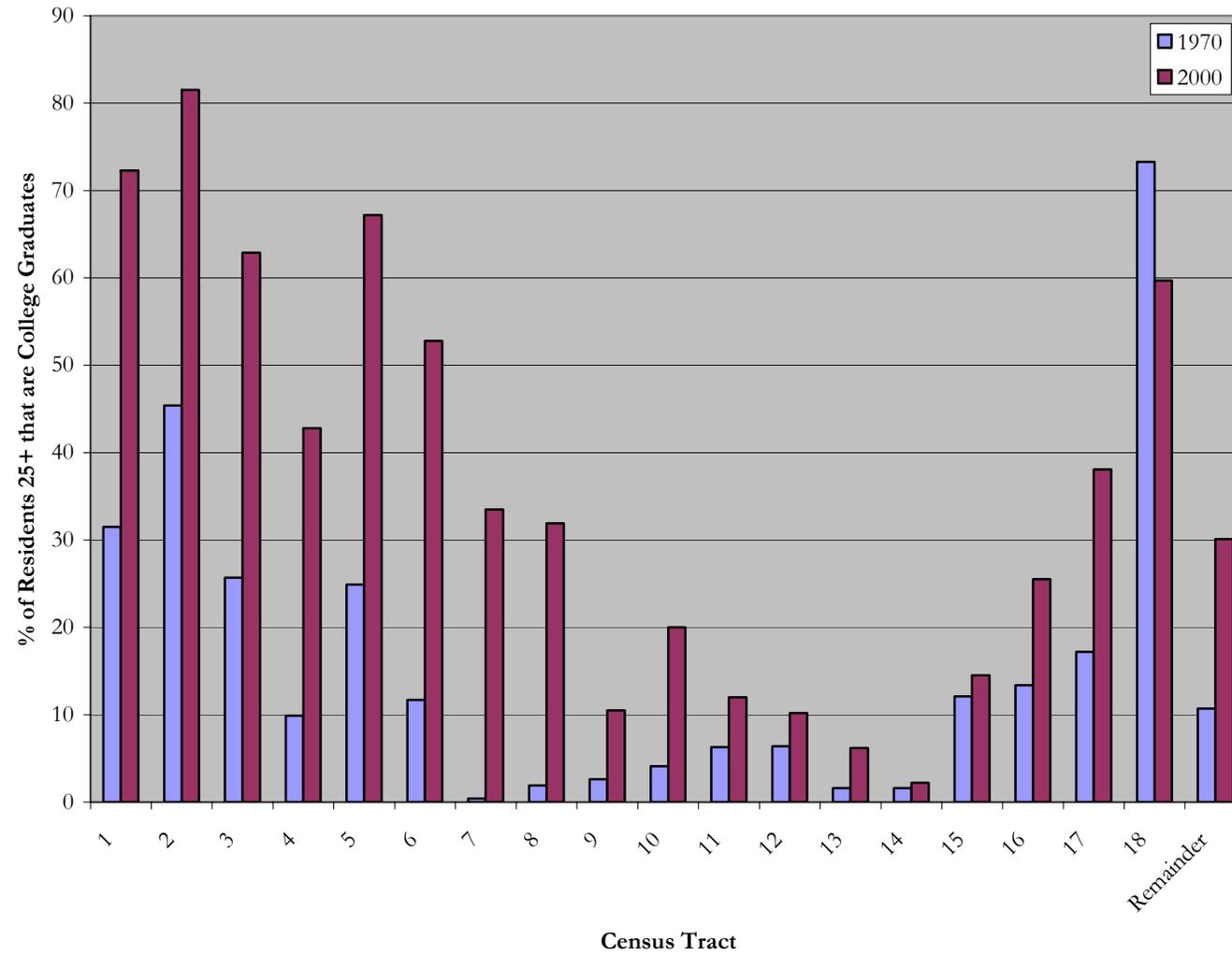**Figure 2. Percentage of Residents with a College Education, 1970 & 2000**

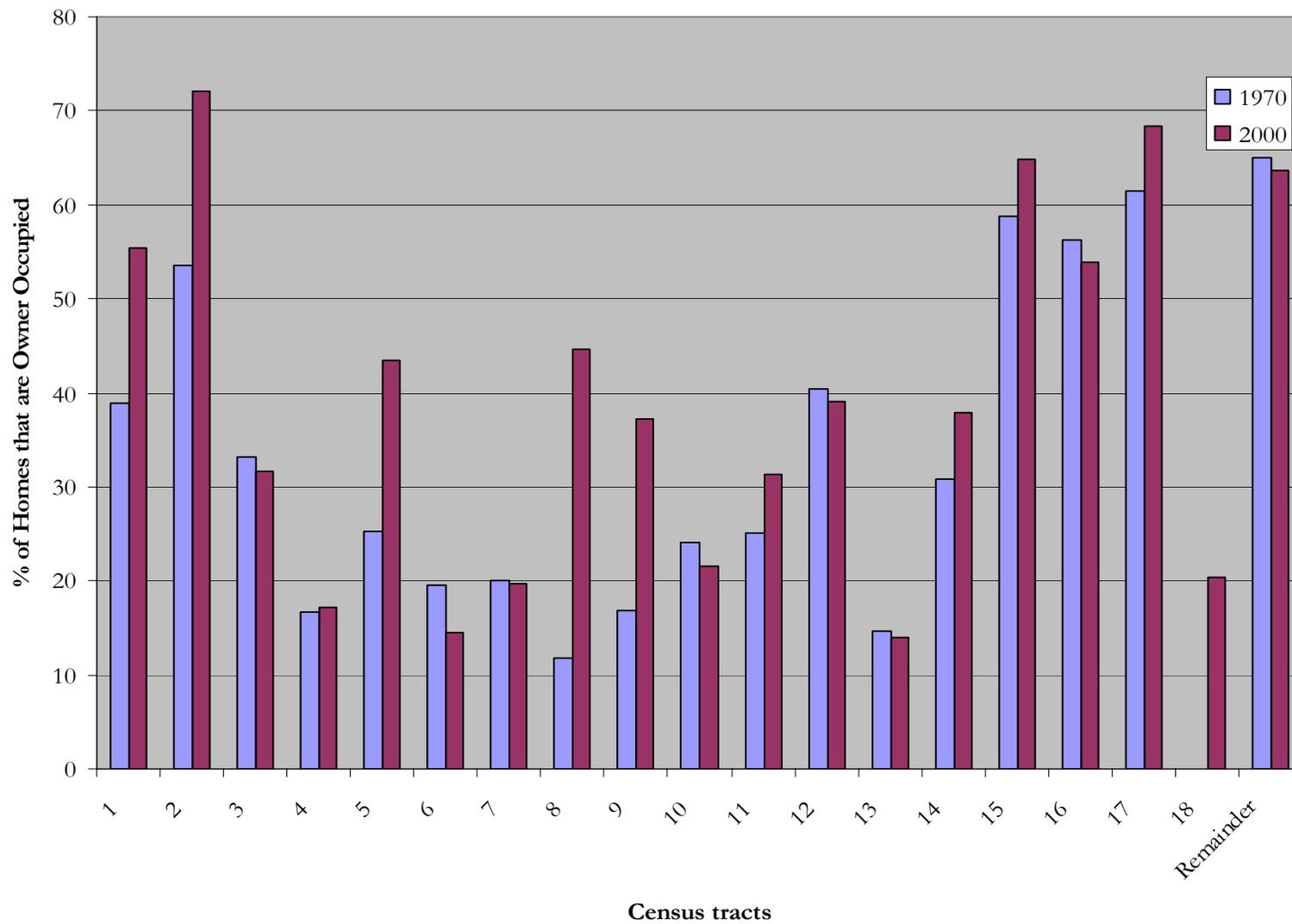**Figure 3. Percentage of Homes that are Owner Occupied, 1970 & 2000**

Figure 4. Percentage of Residents Born in South Carolina, 1970 & 2000

Census Tract