

“Neighborhood Decline and Revitalization”
ULM 6680 (registration #25065), UP 6680 (registration #25035)
Winter, 2004

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In the study of the growth of the city, it is found that the life of any neighborhood is determined, in the long run, not altogether by the forces within itself, but even more by the total course of urban life. To think of the neighborhood in isolation from the rest of the city is to disregard the biggest fact about the neighborhood.

---Ernest W. Burgess, 1921

Course Description

This course analyzes the urban neighborhood as a dynamic physical, social, economic, and political space. It considers: what the neighborhood is, what functions it plays, why it can change in terms of its residents' income levels or race, physical conditions, commerce, public services, and social interrelationships, and what consequences for livability transpire. Based on this analysis, a variety of policy options for dealing with neighborhood income segregation, racial segregation, and physical deterioration will be critically evaluated. The focus will be on developing analytical frameworks that will permit the student to understand the origins and consequences of neighborhood change and offer powerful prescriptions for revitalizing neighborhoods and forestalling their decline.

The course will promulgate six core principles:

- *Principle of Externally Generated Change:* most forces causing neighborhoods to change originate outside the boundaries of that neighborhood, often elsewhere in the metropolitan area
- *Principle of Coded Signals:* modest, often subtle changes in a neighborhood environment can lead to major alterations in behavior of residents, owners, and investors because the signals are encoded with future predictions about the neighborhood
- *Principle of Threshold Effects:* changes in neighborhoods typically progress in non-linear, even discontinuous fashion once they exceed a critical point
- *Principle of Inefficiency:* decision-makers in neighborhoods usually undertake an inefficient amount of activities of various sorts due to externalities, strategic gaming, and self-fulfilling prophecies. *Externalities:* most decisions in neighborhoods

regarding mobility, upkeep, etc. have impacts on neighbors which typically are not considered by the decision-makers; *Gaming*: expected payoffs perceived by some decision-makers will be influenced by uncertain actions of other decision-makers in the neighborhood; *Self-fulfilling Prophecies*: if many individual decision-makers share the same expectations about the neighborhood they will behave collectively in a manner that brings about their expectation

- *Principle of Inequity*: lower socioeconomic status households and property owners typically bear a disproportionate share of the financial and social costs of neighborhood changes
- *Principle of Policy-Induced Zero-Sum Game*: many neighborhood policies improve one neighborhood but thereby set in motion forces that cause the decline of other neighborhood(s), resulting in zero net gain for the city

These principles will guide the analysis of why and how neighborhoods change and how plans and policies for stemming decline and promoting revitalization can be most efficaciously specified.

The course will explore neighborhood dynamics in an interdisciplinary fashion. Both theoretical models and case studies will be employed in these explorations to combine the abstract and real, general and particular. Lectures, discussions, individual and group projects, and field trips led by local experts will be used to advance and enrich the themes of the course.

The course is intended to be of interest to graduate students in: Urban Planning, Political Science, Public Administration & Policy, Sociology, and Economics. It is a required core course for the MUP concentration in Housing & Community Development.

Course Purposes

The first purpose is to gain a fuller understanding of that which crucially affects the well-being of all urban citizens: the neighborhoods in which they live. This will be accomplished by the comprehensive topical coverage provided in the course. The second purpose is to develop students' skills in thinking like "an urban social scientist," through the critical and conceptual modes of interdisciplinary analysis employed in class and assignments. The third purpose is to develop students' skills in team-building, rigorous analysis, policy development, and developing cogent conclusions and presenting them effectively.

These goals will be accomplished through a variety of pedagogic strategies, including: lectures by academics and practicing neighborhood professionals, intensive case studies of neighborhood policies in Detroit and elsewhere, group and individualized group analysis projects, and site visits.

Texts

- D. Keating, N. Krumholz, and P. Star, eds. *Revitalizing Urban Neighborhoods*. University Press of Kansas, 1996. (available at WSU bookstore)
- M. Pollock and E. Rutkowski, *The Urban Transition Zone*, 1998 (This book is out of print and is only available from the professor, free of charge.)
- W. Grigsby, M. Baratz, G. Galster, and D. Maclennan. *Dynamics of Neighborhood Change and Decline*. Pergamon Press, 1987. (This book is out of print and is only available from the professor, free of charge.)

Other reading assignments will be available on electronic reserve (see attached document for instructions for accessing E-reserves) or on easily accessible, full-text downloadable websites.

Assignments and Evaluation Procedures

1. *Analysis Briefs*. Students will be periodically assigned short essays on topics that are the subject of readings, lectures, class discussions, and/or field trips. These essays are designed to synthesize these disparate materials. They take the form of short "analysis briefs" appropriate for the Mayor or comparable policy maker: direct, non-technical, succinct, pragmatic, tightly focused and reasoned.
2. *Problems*. Several homework problems will be assigned that often require students to work through numerical or graphic expositions of analytical models that have been presented in readings and class, thereby developing mastery of the material.
3. *Team Policy Project*. Multi-person teams will be constituted from the class, and will investigate, analyze and develop a comprehensive plan for preserving, enhancing, or restoring some aspect(s) of livability in a Detroit-area neighborhood. As a capstone exercise, the team will make an oral and written presentation of their analysis and suggested policy response. More detailed specifications follow.
4. *Examination*: A mid-term exam will ask students to synthesize and reflect on overarching theoretical and conceptual elements of the course.

Final grades will be determined as follows:

Analysis Briefs	20%
Problems	10%
Team Policy Project	30%
Exam	30%
Class Participation	10%

Each component will be assigned the numerical equivalent of a letter grade (A- = 3.67, e.g.); these are averaged using the weights above to arrive at final GPA.

COURSE and READING SCHEDULE
Neighborhood Decline and Revitalization
 Winter, 2004

Note: **all readings are required** and are *listed in preferred order* of reading; Keating et al. *Revitalizing*, Grigsby et al. *Dynamics*, and Pollock and Rutkowski, *Urban Transition*, refer to your required texts described above; otherwise readings are found on E-reserve (if noted), on the web, or in the photocopied course reading binder.

PART ONE: CONCEPTS AND THEORIES OF NEIGHBORHOOD CHANGE

Jan. 13

I. Fundamental Questions about Urban Neighborhoods

Overview: Galster, "On the Nature of Neighborhood," *Urban Studies* 38 (no. 12, 2001), pp. 2111-2117 (E-Reserve)

A. What Is the Urban Neighborhood?[social vs geographic defs.; perceptual vs administrative boundaries; Suttles' synthesis; attribute bundle approach]

Grigsby, et al. *Dynamics*, ch. 3

B. What Functions Does It Play? [econ, social, political, administrative]

Hunter, "The Urban Neighborhood," *Urban Affairs Quarterly*, 1979 (E-Reserve)

C. What Makes for a Livable Neighborhood? [physical, social and status dimensions; implications of class-race prejudices for "livability"]

D. Why Worry About Neighborhood Change? [Principles of Inefficiency and Inequity]

Jan. 20

II. How Do Metro-Wide Demographic and Economic Forces, Working Through the Array of Housing Submarkets, Cause Neighborhood Changes?

A. Traditional Theories of Neighborhood Change [Invasion-Succession; Life Cycle Stages; critique]

B. Submarket Theory of Change [quality segmentation, demand, stock supply, equilibrium, inter-submarket adjustment mechanisms]

Keating, et al; *Revitalizing*, ch. 2

Galster and Rothenberg, "Filtering in Urban Housing: A Graphical Analysis of a Quality-Segmented Market," *Jl. of Planning Education and Research*, 1992 (E-Reserve)

Grigsby et al., *Dynamics*, ch. 3

Taub et al., *Paths of Neighborhood Change*, 1984; ch. 9: pp. 182-189 only (E-Reserve)

Jan. 27

II. How Do Metro-Wide Demographic and Economic Forces, Working Through the Array of Housing Submarkets, Cause Neighborhood Changes? (cont.)

C. Application of Submarket Theory: Filtering [how metro-wide forces external to neighborhood impact on neighborhoods, filtering process & consequences, determinants of neighborhood vulnerability to same]

Galster, *op cit.* (2001) pp. 2117-2118 (E-Reserve)

Grigsby et al., *Dynamics*, chs. 4-6

Feb. 3

II. How Do Metro-Wide Demographic and Economic Forces, Working Through the Array of Housing Submarkets, Cause Neighborhood Changes? (cont.)

- D. Neighborhood Residential Change and Retail Changes
 - E. Neighborhood Housing, Retail & Local Public Sector Changes: Reinforcing Cycles
 - F. Critique of submarket theory
- Keating, et al., *Revitalizing*, ch. 13, pp. 211-216 (top) only
 Temkin and Rohe, "Neighborhood Change and Urban Policy," *Jl. Of Planning Education and Research*, 1996 (through p. 109 only) (E-Reserve)
 Rothenberg et al., *Maze of Urban Housing Markets*, 1991, ch. 9 (E-Reserve)

III. Indicators and Character of Neighborhood Change

- A. Conceptual Dimensions of Change [outcome and antecedent behavior indicators]
 - B. Expectations of Change
 - C. Principle of Coded Signals [race, crime as leading expectational predictors]
- Grigsby et al., *Dynamics*, chs. 4, 7
 Taub et al., *Paths of Neighborhood Change*, 1984, ch. 6: pp. 119-141 (E-Reserve)
 Keating et al. *Revitalizing*, ch. 13

Feb. 10

IV. Nature of Interactions Among Neighborhood Decision-makers: Threshold Effects, Externalities, Strategic Gaming, and Self-Fulfilling Prophecies

- A. Threshold Effects [def., examples, mechanism, implications of all]
 - B. Externalities
 - C. Strategic Gaming
 - D. Self-Fulfilling Prophecies
- Galster, *op cit.* (2001) pp. 2119-2122 (E-Reserve)
 Pollock and Rutkowski, pp. 6-10, & Appendix B
 Galster, Quercia and Cortes, "Identifying Neighborhood Thresholds," *Housing Policy Debate*, vol. 11 (No. 3, 2000): 701-732 (available at <http://www.fanniemaefoundation.org/programs/journals.shtml>)
 Galster, *Homeowners and Neighborhood Reinvestment*, 1987, ch. 2: pp. 11-25 (E-Reserve)

Feb. 17

V. Mortgage and Insurance Markets and Neighborhood Change

- Rationale for Concern [risk vs. race debate; too much or too little \$ flows]
- A. Evidence on Current Discrimination in Mortgage & Insurance Markets
 - B. Evaluating the Evidence
 - C. Implications for planners & policymakers
- Pollock and Rutkowski, pp. 13-16
 Keating et al. *Revitalizing*, ch. 14
 Turner and Skidmore, *What We Know About Mortgage Lending Discrimination in America*, HUD, 1999: <http://www.huduser.org/publications/fairhsg/lending.html> (cont.)
 [Library reserve has same article under "Mortgage Lending Discrimination: Review of..."]

Squires, "Racial Profiling, Insurance Style," *Journal of Urban Affairs* 25 (4, 2003): 391-410, plus response by Pittman & rejoinder by Squires (same issue) (all 3 on E-Reserve)

Week of Feb. 23

Note: A representative from each Neighborhood Policy Research team will schedule times to meet with me outside of class this week to assess progress on their case study neighborhood research/plan

Feb. 24

VI. Causes and Consequences of Neighborhood Racial Transition

- A. Current State of Racial-Ethnic Segregation and Transitions
- B. Transition in a Model of Unbalanced Racial Demands
- C. Market Causes of Unbalanced Racial Demands
- D. Non-Market Causes of Unbalanced Racial Demands
- E. Consequences [applications of Principles of coded signals, inefficiency, inequity, self-fulfilling prophecies, externalities]

Colwell, "Economic Views of Segregation and Integration," ORER Newsletter, summer, 1991 (E-Reserve)

Farley et al., "Residential Preferences of Blacks and Whites," *Housing Policy Debate* v8, #4, 1997 (<http://www.fanniemaefoundation.org/programs/journals.shtml>).

Sugrue, *Origins of the Urban Crisis*, 1997: chs. 7-9 (skim)

Pollock and Rutkowski, pp. 10-12

March 2

VII. Causes and Consequences of Neighborhood Income Class Transition

- A. Current State of Class Segregation and Transitions
- B. Causes of Class Transition [unbalanced replacement rates, succession, displacement-gentrification]
- C. The Impact of Class Prejudices
- D. Consequences

Grigsby et al., *Dynamics*, chs. 2, 7, 8

VIII. Other Forces Changing Neighborhoods

- A. Subsidized Housing
 - B. Vacant & Abandoned Houses
 - C. Rental Units
 - D. Drug Trade
 - E. Neighborhood Deterioration or Succession: Which Comes First?
- Pollock and Rutkowski, pp. 17-20, Appendix D, & pp.20-28

Mar. 9

Examination (no rescheduling will be permitted)

Mar. 16 NO CLASS: SPRING BREAK

PART TWO: NEIGHBORHOOD POLICY APPLICATIONS AND ANALYSIS

March 23

IX. Introduction to Festering Policy Controversies: People vs. Place, Triage, Zero-Sum Impacts

- A. Archetypical Policy Thrusts [people strategy vs. 4 types of place strategies: revitalization, market stabilization, poverty deconcentration, regional equity]
- B. Flows of Neighborhood Resources & Population and Points of Policy Intervention
- C. Triage Strategies and Principles of Thresholds/Inefficiency vs. Inequity
- D. Principle of Policy-Induced Zero-Sum Game
Keating et al., *Revitalizing*, ch. 4
Pollock and Rutkowski, Pp. 1-6

March 30

X. Challenges to Planning and Policy in Improving the Physical Conditions of Deteriorated Neighborhoods

- A. Revitalization Strategies (bring back middle class) [examples, efficiency & equity concerns, case study]
- B. Market Stabilization Strategies (retain current pop. via repair, rehab, homeownership) [examples, efficiency & equity concerns, case study]
Grigsby et al. *Dynamics*, ch. 9
Galster, *Homeowners and Neighborhood Reinvestment*, 1987, chs 10, 14 (pp. 298-314 only in ch. 14)
Thomas, *Race and Redevelopment*, 1996: ch. 4
Keating et al., *Revitalizing*, ch. 7
Galster, ed. "Compendium of News Articles on Gentrification and Displacement"

BRIEFING PAPER # 1 DUE

April 6

X. Challenges to Planning and Policy in Encouraging Racially and Economically Diverse Neighborhoods

BRIEFING PAPER # 2 DUE

- A. Overarching Policy Challenges [threshold effects, expectations and preferences, inter-jurisdictional strategic gaming]
- B. Racial Diversity:
Smith, "Creating Stable, Racially Integrated Communities" *Jl. Urban Affairs*, 1993
DeMarco and Galster, "Prointegrative Policy," *Jl. of Urban Affairs*, 1993
Galster, ed. "Compendium of News Articles on Integration Management Programs"
- C. Class Diversity (cont.next p.)

Brophy & Smith, "Mixed-Income Housing: Factors for Success,"

Schwartz & Tajbaksh, "Mixed-Income Housing: Unanswered Questions," Both in *Cityscape*, 1997; available at: <http://www.huduser.org/periodicals/cityscape>

April 13

XII. Challenges to Planning and Policy in Comprehensively Redeveloping Neighborhoods

- A. Basic Concepts [defs., dimensions of comprehensive community building CCB, institutional partners, planning processes]
 - B. Fundamental Assumptions Behind CCB [interdependencies, thresholds of sustainability]
 - C. Challenges [scale of \$ support, coordination, sequencing, balancing interest of current & prospective residents, capacity of CDCs]
- Brown, "Comprehensive Neighborhood-based Initiatives," *Cityscape*, 1996
Available at: <http://www.huduser.org/periodicals/cityscape>
Pollock and Rutkowski, pp. 29-59, & Appendix H
Keating et al., *Revitalizing*, ch. 5

BRIEFING PAPER # 3 DUE

April 20

CASE STUDY / FIELD TRIP TO BAGLEY HOUSING, SW DETROIT

MEET AT 5:45 ON SITE:

Vincent J. Murray, Ed.D., Executive Director
Bagley Housing Association
2715 Bagley Ave. (just west of Mexican Village Restaurant, E. of Ambassador Bridge)
Detroit MI 48216
(313) 965-5942

April 27

Neighborhood Revitalization Policy Teams' Reports

[SEE SEPARATE SHEET FOR DETAILED SPECIFICATIONS OF THIS ASSIGNMENT]

Note: each written and oral report should explicitly reflect an understanding of (and appropriate *citations* of) the overarching policy issues/principles discussed in readings previously assigned, PLUS these added ones:

Carmon, "Neighborhood Regeneration: The State of the Art," *Jl. Of Planning Education and Research*, 1997
Temkin and Rohe, *op. cit.*, pp. 109-end only
Taub et al., *op. cit.*, pp 190-194