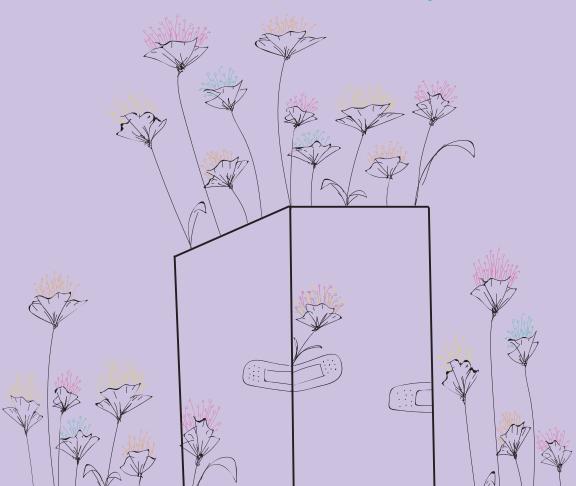
# **Gentrification Glossary**





## WHAT IS GENTRIFICATION AND HOW DOES IT OCCUR?

#### Gentrification

A catch-all term used to indicate the changes in a neighbourhood when investment returns to an urban area from which capital was previously withdrawn. From the root word "gentry," gentrification typically describes the movement of more affluent people and businesses into areas where they were not a majority group. Gentrification is not an inevitable or "natural" process in urban areas, nor is it synonymous with investment. Rather, it is a result of policies that prioritize success in real estate and commercial investment over residents and community members.

#### Gentrification often manifests in three ways:

- 1. Lower income residents are forced to leave the area because they cannot afford rising prices;
- 2. The physical character of the area changes (see beautification);
- The cultural character of the neighbourhood changes as long-term residents and community businesses are forced to leave or no longer feel welcome.

# The Cycle of Gentrification

During the disinvestment phase of the gentrification cycle, falling rents attract lower-income residents and businesses to the area. At some point capital returns, attracted by affordable real estate, and begins to bid up the price of properties, initiating the second phase of the cycle. In this reinvestment phase, long-term residential tenants begin to be priced out of their dwellings, and prospective homeowners find that rising land values have placed ownership out of their reach. Gentrification processes produce continuous displacement cycles within cities and across regions.

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#### Investment

In general, investment is a process of distributing money or time for some kind of return or benefit in the future. Investment in an area is not necessarily a bad thing in itself; however, the problem of investment as a "driver" of gentrification arises when the needs of residents and working-class people are not considered in the process.

# Working Class

People employed for wage labor, especially in manual, industrial, and service industries.

# Wealth Disparity

Also known as income inequality, wealth disparity refers to a widening gap between upper/middle-class and working-class/poor. This gap is exacerbated by a lack of access to a living wage, affordable housing, and food security. Simultaneously, speculative investment in gentrifying neighbourhoods triggers further precarity and insecurity for working-class residents (see *speculative development*).



# WHAT ARE SOME MECHANISMS AND STRATEGIES OF GENTRIFICATION?

# Vacancy Decontrol

A policy that allows landlords to hike up the price of a vacant rental property for new tenants to any amount, as long as they can find people willing to pay that price. Once the tenancy begins, the landlord can only increase the rent by incremental amounts per year. Vacancy decontrol can cause rents to inflate across an area, and gives landlords no incentive to retain current and long-term tenants because they can increase the price of units if they get new tenants.

#### **Incentivization**

Strategies taken up by the city to instigate development in specific areas. It can include the reduction of development charges in certain neighbourhoods (see *development charges*), and the provision of grants, low interest loans, and tax rebates. The city has a range of Community Investment Programs (CIP) to encourage private investment in property development. The rationale is that an up-front city investment in aid of new construction on vacant land or the renovation of existing buildings will be recovered by the resulting increases in assessment value. CIPs include the Hamilton Downtown, Barton/Kenilworth Multi-Residential Property Investment Program, the Hamilton Tax Increment Grant Program, the Business Improvement Area Commercial Property Improvement Grant Program, the Commercial Property Improvement Grant Program, and the Hamilton Heritage Conservation Grant Program.

#### **Business Incubator**

A business incubator is usually both a physical and online space where people can acquire advice and mentorship to launch an entrepreneurial project. This relates to gentrification in that these incubators encourage an economic development program that relies on the growth of small businesses and flexible labour.

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# Co-working Space

Rooms or desks for people to rent in shared spaces to house their businesses. In an economy heavily reliant on precarious labour with freelancers working remotely, co-working spaces have become more prevalent. Co-working spaces are part of the process of gentrification since they form within a real estate market that makes other kinds of spaces unaffordable. They are also an effect of the "creative economy" model of urban development that looks to foster a flexible workforce of creative workers.

# **Development Charges**

Fees collected from developers at the time of a building permit to help pay for the cost of infrastructure required to provide municipal services to new development or redevelopment, such as roads, transit, water and sewer infrastructure, community centres, and fire and police facilities. Development charges can impact where and how development occurs, and can be used as a form of incentivization.

# **Artwashing**

A strategic branding process used by the city, real estate agents, and developers to take advantage of the presence of artists, galleries, performance spaces, and cultural institutions to make particular areas appear desirable and ripe for investment. It can also take the form of commissioned public art projects and commercially-focused art/music festivals to change the physical character of the neighbourhood. Often, there is little benefit or protection for the majority of working artists and independent galleries in the neighbourhood, who are themselves eventually priced out.

#### Restoration

Renovating an older building with the goal of returning its appearance to something closer to its original architectural state. This process adds "heritage value" to older buildings, allowing them to be rented or sold at significantly higher rates.

# **Policing**

As neighbourhoods undergo economic and social changes, police presence and surveillance increase, criminalizing particular communities in an effort to intimidate or displace them. Lower income residents, racialized and disabled people are disproportionately ticketed and arrested. Statistics show that influxes of new, more affluent, and predominantly white residents coincide with a rise of calls to the police about their lower-income neighbours and neighbours of colour, particularly for non-emergency, "quality of life" complaints such as loitering, noise, or dirty sidewalks.

# **Transit-Oriented Development**

Land development which incorporates transit into the urban fabric as a mechanism for revitalization. Issues include the removal or displacement of residents to make way for new transit development, often without adequate compensation for housing or strategies that would allow them to return to their previous location once new transit has entered. New transit lines increase surrounding property values, incentivizing owners and landlords to make room for higher-paying tenants. For instance, the building of West Harbour GO Station effectively displaced many lower-income residents.

# **Speculative Development**

Developers have an interest in areas where gentrification is beginning to emerge, because they can invest at relatively low costs and expect a much greater return when they sell or redevelop. A speculative development project invests in property that is not yet at high market value. The developer does this with the hope that the property's value will increase through gentrification of the surrounding area. This is problematic for existing communities as developers can let land sit unused or underserviced until the conditions are primed for redevelopment.

















# HAMILTON LOOKS PRETTIER, WHY IS THIS A PROBLEM?

#### Beautification

The process of making an area "more attractive" for wealthier residents, tourists, and commerce. This can involve planting trees, flowers, or shrubs; painting murals or covering graffiti; cleaning up garbage and debris; and fixing sidewalks or other infrastructure. Implication: beautification is often led by cities not for the benefit of residents but in order to make the area more attractive to developers for investment.

# Co-option / Appropriation

The use of particular aesthetics, cultural processes, or attributes by an individual or group that is not the original creator, for the benefit of that user. Example: Development in Hamilton often refers to working-class aesthetics (i.e. the "grit" of Hamilton) in order to sell a desirable, "authentic," or "edgy" city brand to middle- and upper-class developers, consumers, and new residents.

# Placemaking

The process whereby planners attempt to create a specific "identity" for a city, town, village, or neighbourhood. Implication: Hamilton has branded itself as an arts and music city (see *creative economy / creative city*).

# Revitalization / Urban Renewal

Refers to urban development, particularly in areas considered "less economically viable" in order to increase property value. Implication: these measures often include making an area appealing to investment, contributing to the pricing out of residents. Revitalization is a problematic term similar to "urban renewal" is as it suggests that the previously existing community was not vital. Governments often use this language to discuss gentrification-based development in an attempt to cast it in a positive light.

# Vibrant Neighbourhood(s)

A term often used in city planning documents to describe the desired outcome of cultural planning projects to spur investment. What constitutes "vibrancy" is not easily defined, but generally refers to cultural activity of a very certain type that can attract people with capital. This is problematic as it reduces the function of arts and culture to mere scene-making, disregards the merit of cultural activities that don't fit this mould, and diminishes the value of the arts as important and necessary in their own right.

# Creative Economy / Creative City

A planning and economic development strategy that uses the arts and cultural industries as a way to brand a city as a "fun," "hip," and "vibrant" place to live. The goal of this approach is to attract a certain class of wealthy residents to an area as well as to spur economic growth through real estate development and commercial investment. Example: Hamilton has branded itself as an "art and music city" in order to attract new residents, investors, and developers even though the arts sector accounts for a relatively small part of Hamilton's economy.

# Monopoly Rent

When property owners can extract higher rents due to their proximity to unique cultural amenities, like galleries, shops, cafes, museums and parks. The excitement of "the scene" is often created by non-property-owning, precariously-situated artists, community members, and service-industry workers whose labour makes the monopoly rents possible for property owners. The increased property values that landlords benefit from are partially generated by the unpaid or underpaid labour of people who helped make the neighbourhood "desirable." Monopoly rents are one of the ways that contemporary gentrification turns community and relationships into privatized profit.

# HOW CAN NEW BUSINESSES AND DEVELOPMENT BE A BAD THING?

# **Displacement**

The process by which people are forced to move from their homes and out of their neighborhoods because they cannot afford rising prices or are issued evictions or lease non-renewals. "Exclusionary displacement" refers to being "priced out," i.e. when a lower-income resident leaves, another lower-income resident cannot afford to take their place, but are instead replaced by a higher-income resident. "Cultural displacement" refers to residents losing their community connections in a neighbourhood whose cultural character is changed by development and new residents.

#### Renoviction

Eviction of a building or a tenant's apartment on the grounds that a large-scale renovation is planned. Implication: used as a tactic by landlords and management companies to raise rents above the allowed yearly percentage, as the rents for vacant apartments can be set at a higher price (see *vacancy decontrol*).

#### **Demoviction**

Eviction from one's rental housing because the landlord plans to demolish the property. Implication: in areas of intense gentrification, such demolition is often to make space for new construction geared towards newer, more affluent residents.

# Mega-landlord

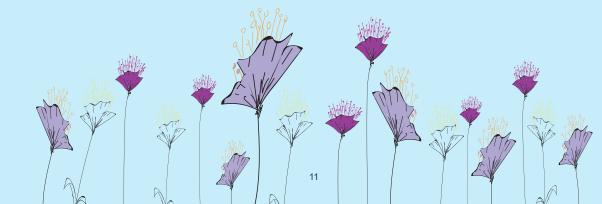
Landlords or property companies that have over 3000 rental properties. Implication: conglomerate rental market, pressure on tenants, difficult for prospective homeowners to purchase, etc.

#### **Food Desert**

An area that has limited options for easily accessible food. This is frequent in low-income communities. Residents may have to rely on expensive convenience stores or travel far to grocery stores. In gentrifying neighbourhoods, where new businesses have opened up, the term "food mirage" is increasingly used. There are new food options, but they are not always affordable for low-income residents.

# **Greenfield Development**

New development in an area where there was no previous commercial, residential, or industrial construction. This type of development poses fewer limitations on developers due to lack of existing infrastructure. However, it often involves development into rural farmland where land is much cheaper to acquire. The cost of establishing new infrastructure such as roads and sewers typically results in a need for significant long-term financial contribution from the municipality.



## WHAT CAN BE DONE?

# Affordable Housing

A spectrum of residential housing that is priced according to the market in terms of affordability for a median wage-earner at one end, and government-subsidized and socially supported housing for those who may be unwaged at the other end. Affordability is measured either by a market comparison among rents and purchase prices in a given area, or by a residual income approach. In the second, the general standard has been that housing is considered affordable if the residents are paying no more than 30% of gross household income. In Hamilton, the official definitions of housing affordability are as follows: Affordability for "moderate" income households is housing rented at levels between the average market rent (AMR) and 20% below AMR. Affordability for "low" income households is housing rented at less than 20% below AMR. In 2017, the AMR in Hamilton was \$943, so any unit renting between \$943 and \$754 is considered affordable for households with "moderate" income and any unit renting below \$754 would be considered affordable for "low" income households.

# Co-Operatives

Also known as co-ops, co-operatives are owned collectively by an autonomous group of members. The co-op model can be used for businesses, organizations managed by the workers, housing, etc. Co-op housing is run democratically by members and there is no landlord. As co-ops are non-profits, there is no incentive to raise housing charges excessively. Any increases are in line with the true cost of maintenance. In many co-ops, there are geared-to-income subsidies designated for some units, while other members pay higher rates. There were substantial investments in co-operative housing in Canada from the 1970s to the 1990s. In 2017, a 10-year, \$40 billion National Housing Strategy was announced with funds earmarked for grants and loans to finance new co-operative housing.

# **Public Housing**

Rental units that are owned by the government. Units are most often offered at subsidized rates.

# Right to Housing

The demand for truly decent housing for all regardless of economic or social status. A right to housing was enshrined in Article 25 of the Universal Declaration of Human Rights adopted by the United Nations in 1948. A "radical right to housing" addresses the root cause of housing inequality, and necessitates an ongoing effort to democratize and de-commodify housing.

#### **Rent Control**

A series of regulations that limit the amount of rent that can be charged and/or set caps on rent increases from year to year.

## **Community Land Trust**

A non-profit organization that acquires land and develops and stewards it for use by the community. CLTs maintain affordability, economic diversity, and access to essential services. They either have land donated or raise funds through donations, governmental and foundation grants, and community fundraising. Assets are usually leased out in affordable and long-term agreements. Projects can involve a variety of land uses, including affordable housing, green spaces like gardens and parks, and commercial spaces.

#### Geared to Income

When the cost of something is determined relative to income, rather than at market rate. This may come in the form of a business offering a sliding scale for goods or services. More commonly, this term is used for housing. Rent-Geared-to-Income is a subsidy most often calculated as being 30% of a household's gross monthly income.

# **Community Benefits Agreement**

A legally binding contractual agreement achieved through a series of negotiations between community advocates, developers, local governments, and other stakeholders. The goal is to ensure that public and private development projects provide substantial benefit to existing communities, which may come in the form of local jobs, affordable housing, social services, transit, etc. For example, Toronto's Parkdale neighbourhood preemptively generated a "Community Benefits Framework" which, despite not being a legally binding document, serves as a guide for policy makers, political representatives, and developers planning to invest in the area. As broad community consultation is a long process, this may be a proactive approach that communities could take on to prepare for the influx of development.

#### **Broad Public Consultation**

When all stakeholders have had an opportunity to express their interests, ideas, and concerns about potential projects. Some best practices include: involving communities early in the process, targeting the people most impacted, providing accessibility for all to ensure people can participate, making content informed and meaningful, initiating two-way conversations, ensuring that divergent opinions are welcomed and respected, reporting back, continuing consultation in an ongoing way.

# **Neighbourhood Associations**

A self-organized volunteer-led group of residents. Activities may include planning community events, communicating issues to the city, investigating new development plans, and communicating with other residents. NAs can be problematic if they only represent the interests of homeowners and those with the capacity to participate. They have been criticized for NIMBYism and there is concern that the city and developers rely on NAs to check the box for public consultations, rather than seeking input from the broader community (see *NIMBY*). In many cases, NAs have been effective at applying pressure to elected officials. As existing organizations that have established relationships with the city, NAs can be a vehicle for citizen activism.

#### **NIMBY**

Short for "Not In My Backyard." Describes the attitude of objecting to something unpleasant or potentially dangerous in one's own neighbourhood, while not opposing similar developments elsewhere. Example: protesting a pipeline passing through a wealthy suburb yet remaining silent when the same pipeline is to pass through an Indigenous reserve.

# **Dollar Voting**

Spending money on goods or services that are in line with one's values. In gentrifying neighbourhoods, individuals and organizations could prioritize supporting businesses that were longstanding, community-oriented, and/or offered alternative pricing for lower-income residents.

# Lobby

The process of attempting to influence policies and decisions of elected officials, legislators, or regulatory agencies. Individuals and non-profits organizations can lobby as volunteers or as a part of their employment, and may represent a voting block. In Hamilton, all lobbyists must be on the Lobbyist Registry.

#### Harm Reduction

A set of policies, programs, and practices aiming to minimize the negative health, social, and legal impacts of drug use. Harm reduction is rooted in a human rights and justice framework that prioritizes working with people without judgement, coercion, or discrimination, and not requiring that they stop using drugs to receive support. Examples: safe injection sites, clean needle distribution, used needle recovery, etc. Social services using a harm reduction strategy in lower-income communities can sometimes conflict with the aspirations of investors for that area.





# WHAT ROLE DOES THE MUNICIPAL GOVERNMENT PLAY?

# Land Use Planning / City Planning

Decisions made, usually by a city government, about how land is supposed to be divided up and used. Types of uses include things like commercial uses for businesses, residential uses for housing, or mixed uses for a combination of business and housing (like the First Place building). This planning usually involves creating specific areas for these types of uses through a process called zoning.

# Zoning

The specific way that land is divided up by its type of use. Land is divided into "zones" and given different numbers and classified by use. Examples of uses include residential use and business use. When the process is complete the land is considered to be "zoned as" something. Land zoned for a residential use would be "zoned as residential."

# **Inclusionary Zoning**

This is a specific subprocess of the overall zoning process that is focused on making sure that affordable housing is part of the overall residential zoning makeup. When new residential zoning is applied to a specific piece of land, inclusionary zoning programs could specify what portion of that housing must be affordable housing.



**ACORN Hamilton** is an independent national organization of low- and moderate-income families.

**COBRA** is a collective of artists of colour in Hamilton who advocate for racialized artists' access to tools, opportunities, and resources that are otherwise scarce.

**Environment Hamilton** is a community-focused non-profit working towards a carbon-neutral city with secure local food sources, sustainable transportation, and healthy clean air, water, and land.

**Groundstory** is a collective impact effort with a mandate to uproot the adverse effects of gentrification on the arts and other vulnerable, low-income groups in the Greater Toronto and Hamilton Area.

Hamilton Community Benefits Network envisions Hamilton as an inclusive, thriving city in which all residents have equitable opportunities to contribute to building healthy communities and a prospering economy. Community Benefit Agreements (CBAs) are a proven approach to achieve this vision.





Hamilton Community Legal Clinic is a not-for-profit agency whose diverse team of caring professionals and volunteers provides legal services to low-income individuals and communities to promote access to justice and to improve quality of life.

Hamilton Tenants Solidarity Network is a grassroots initiative that seeks to link tenants from across Steel City in order to amplify our struggles through solidarity and direct action.

The Neighbourhood Action Evaluation explores how the City of Hamilton's Neighbourhood Action Strategy is working, and how to make it better.

**NGEN Youth Centre** is an inclusive, positive space where young people are supported to develop leadership, work together, and build community.

**People's Plan for Hamilton** is an emerging collective of individuals and organizations aiming to build a city where every Hamiltonian's needs for secure and affordable housing, food, transit, education, recreation, and community are met and the local environment is protected.

**RE-create** is a free, drop-in art studio for youth artists in Hamilton's core, offering free arts programming to youth who might not otherwise have access to such opportunities.



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ISBN 978-1-894861-94-6



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This glossary was made in partnership between Hamilton Artists Inc. and GAGED Hamilton on the occasion of *Pressure Points: Gentrification and the Arts in Hamilton*, taking place April 12-13, 2019 at Hamilton Artists Inc.





Canada Council Conseil des arts







