Los Angeles County Gentrification and Its Impact on Household Income and Household Count

PPD 631 Final Project

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Introduction

Gentrification is a process of renovating urban neighborhoods by several methods, such as starting new development projects. Major cities like New York and Chicago are embracing the impact of gentrification. Purpose of this article is to demonstrate whether the gentrification process has influenced the living standard of the neighborhoods in Los Angeles County. In fact, Los Angeles neighborhood is the most gentrified in the US according to a CNBC report with downtown and some surrounding neighborhoods leading the way. The analysis will utilize annual total household count and household median income on census tract level as indicators to examine the gentrification process. By using the ArcGIS product, we can visualize the changes throughout the years and have an in-depth understanding of the subject.

Data Collection

The project has a collection of data from three perspectives: annual median household income, census tract, and neighborhood. For each census tract in Los Angeles County, the U.S. Census Bureau has provided annual median household income and total estimated household count within the census tract in comma separated value format from 2009 to 2016. We would like to use older data to generate a more comprehensive result. However, 2009 is the oldest data available from U.S. Census Bureau. Los Angeles County GIS Data Portal has open source census tract shapefile data, which is used to generate map view for this project. To understand which neighborhood the census tracts are referring to, the analysis has also adopted the neighborhood map shapefile from LA Times. As some of the census tracts do not contain any household inside, those entries are removed from the attribute tables. By performing “Join by Attribute”, the median household income and total estimated household count fields are assigned to the census tract shapefile. From here the analysis will conduct further comparison among different neighborhoods.

The main data source:
1. 2009 – 2016 Median Income in the Past 12 Months (inflation-adjusted dollars), American FactFinder, U.S. Census Bureau
2. 2010 Census Tract for LA County, Los Angeles County GIS Data Portal
3. L.A. County Neighborhoods (V5), L.A. Boundaries API, L.A. Times

Map Analysis

2009 Median Household Income for All Census Tracts in Los Angeles

The 2009 Census Tract Median Household Income Distribution Map has divided all census tracts into 10 equal quantile categories (in this case, each category will contain the same amount of census tracts). This map has demonstrated the income difference in Los Angeles County from a geographic standpoint. Most of the census tracts along the coastline were leading the income
level. The neighborhoods around downtown area were at a lower level compared to the other regions in the county. In addition, some census tracts in Van Nuys, Burbank, South Central Los Angeles, San Pedro, and Long Beach also had a significant income gap compared with other neighborhoods.

2016 Median Household Income for All Census Tracts in Los Angeles County

The 2016 Census Tract Median Household Income Distribution Map has divided all census tracts into 10 equal quantile categories as well. There is no drastic change compared to the 2009 distribution map. Most of the census tracts mentioned previously remained below the county average level. However, there are several census tracts had improved to near or over county average level. In addition, some census tract in the Pasadena area had also shown significant improvement.

2009 – 2016 Increasing Rate of Median Household Income for All Census Tract in LA County

As we can see there is no drastic change in the general income level distribution between 2009 and 2016. Most of the rich neighborhoods remain rich while the others are still at the same level. The 2009-2016 Census Tract Median Household Income Increasing Rate Distribution Map presents a more distinct view of the difference of each census tract throughout the years. The map has divided all census tract into 10 equal quantile categories based on their median household increasing rate (each category contains the same amount of census tracts). The comparison has eliminated the interference from other census tracts. From the map, we can see that the census tracts around the downtown area, such as Chinatown, Historic South-Central, Echo Park, and Monterey Park are leading the way in income increasing rate. Census tracts in Pasadena and West of Long Beach also show above average income increasing rate.

2009 – 2016 Increasing Rate of Total Household Count for All Census Tracts in LA County

The 2009-2016 Census Tract Total Household Increasing Rate Distribution Map has provided a different perspective of neighborhood change. The change of total household count can be considered as a reflection of population fluctuation in neighborhoods. From the map, we can see the census tracts that are in the top tier of income increasing rate also leads in total household count increasing rate. Most of the census tracts in the Downtown area had gained over 14% households in the span of 7 years. The increase also extends to the Mid-City area. Some other neighborhoods, such as Green Meadows, Lynwood, and Rancho Palos Verdes, had also experienced a significant increase during this period.

2009 – 2016 Increasing Rate of Median Housing Unit Value for All Census Tracts in LA County

Some other indicators, such as property values, can also evaluate the changes that are caused by gentrification. The increasing rate for housing unit value map was created to compare the price differences between 2009 to 2016. From the map, we can see that the increasing rates are higher in the regions that have higher household income. For example, neighborhoods like
Beverly hill, Santa Monica, Redondo Beach, and Rolling Hills are leading the way in terms of property value increasing rate. Some other neighborhoods, such as San Gabriel and Rowland Heights, have also experienced significant property value increase due to the newly developed projects funded by oversea investors. The property values in the areas that are designated to be gentrified are remained at a rather steady level.

Conclusion

After examining the findings, the impact of gentrification is quite clear. Although the income level of the gentrified regions, such as Downtown and its surroundings, is not leading the whole city yet. The census tracts in most of the targeted regions did experience a significant increase income during this period. In addition, the very same census tracts and neighborhoods also experienced total household count growth as well. More households would potentially lead to an increase in total population. The increase has verified the impact of gentrification, which is an influx of affluent residents.

On the other hand, the property value in the targeted regions has remained at a steady level. There are numerous occasions that gentrification has boosted the property values and driven residents away as housing become more unaffordable. Although the property value remains steady, city planning department and local community should prepare for further increases. To reserve space for affordable housing or adjust the zoning regulation, the neighborhoods can effectively preserve their identities and elevate the quality of life for residents.

Limitations

There are two major limitations. Firstly, 8 years of data is not quite enough to demonstrate a rather slow social change. The earliest data we can find is from 2009. If possible, we would like to conduct the same analysis using 20-25 years of data. Secondly, although the impact of gentrification is obvious based on the two indicators in the previous analysis. To understand the meaning behind gentrification to these neighborhoods still, need more research. Some other indicators such as education level, and ethnic groups identities should be taken into consideration in the further analysis.

References:

1. “This LA neighborhood is the most gentrified in the US—and these other zip codes made the top 10”. CNBC. https://www.cnbc.com/2018/03/06/la-and-the-other-top-10-most-gentrified-zip-codes-in-the-us.html
2009 Median Household Income for All Census Tracts in Los Angeles County

*Map Excludes part of Palmdale Region and Catalina Islands

Legend:
- $0 – $29,596
- $29,596 – $35,004
- $35,004 – $40,541
- $40,541 – $46,929
- $46,929 – $53,516
- $53,516 – $61,274
- $61,274 – $70,080
- $70,080 – $81,428
- $81,428 – $98,787
- > $98,787
2016 Median Household Income for All Census Tracts in Los Angeles County

*Map Excluded part of Palmdale Region and Catalina Islands

- 0 – $30,929
- $30,929 – $36,750
- $36,750 – $42,288
- $42,288 – $49,167
- $49,167 – $56,962
- $56,962 – $65,772
- $65,772 – $75,034
- $75,034 – $86,579
- $86,579 – $102,268
- > $102,268
2009-2016 Increasing Rate of Median Household Income for All Census Tracts in Los Angeles County

*Map Excluded part of Palmdale Region and Catalina Islands
2009-2016 Increasing Rate of Median Housing Unit Value for All Census Tracts in Los Angeles County

*Map Excluded part of Palmdale Region and Catalina Islands