Overview

I consider Boston’s vulnerability to gentrification and its impact on Low-Income Housing Tax Credit (LIHTC) properties in the city. I created a Gentrification Vulnerability Index to rank areas of Boston by its vulnerability to gentrification using five evaluation criteria to see how vulnerable the areas where LIHTC properties are located. In addition, I select block groups which scored high in the Vulnerability Index which share a border with high-income block groups with the expectation that these are especially vulnerable to gentrification due to their proximity to desirable neighborhoods.

Gentrification and LIHTC

Gentrification, a process in which neighborhoods change accompanying the influx of new residents (usually wealthier and White), often leads to displacement of current residents. This has become a prevalent issue in Boston. Neighborhoods that are relatively cheaper but have valued amenities such as access to the T or proximity to downtown are vulnerable to rapid redevelopment, threatening to price out low-income households.

The Low-Income Housing Tax Credit (LIHTC) allocates federal tax credits to developers for projects with affordability restrictions for low-income residents. It is the largest program for the production of affordable rental housing units for low-income households in the United States (McClure 2010). In Boston, there are 223 LIHTC properties with 20,629 total units, 82.3% (16,979 units) of which are affordable to low-income residents.

Research Question and Methodology

I seek to study the location of LIHTC properties in Boston, specifically looking at how vulnerable they are to gentrification.

I developed a Gentrification Vulnerability Index taking into account five criteria (expanded on below) which contribute to making communities vulnerable to gentrification. By creating a score between 1 and 5 for each of the five criteria, combining these allow us to score every LIHTC property. I then selected block groups that scored high on the Index and neighbor block groups with a significantly higher median household income. These are signified in the navy blue areas on the map to the right. There are 112 properties (50.2% of the total) which are in these especially vulnerable areas which share a border with high-income block groups.

Findings and Conclusion

The Gentrification Vulnerability Index shows that the central corridor of Boston from South End down to Mattapan is especially vulnerable to gentrification. It is also evident that many LIHTC properties are located in areas which scored high on the Vulnerability Index; there is heavy concentration of LIHTC properties in this central corridor.

Of all LIHTC properties in Boston, 65% are located in areas that scored between 21 and 25 on the Gentrification Vulnerability Index. This accounts for 12,584 total units, 88.4% of which are low-income units. Another 53 properties (23.8% of total properties) are located in areas which scored between 16 and 20. Only 2 properties with 96 total units are located in areas which scored between 5 and 10 on the Index. The results can be seen in the table below.

<table>
<thead>
<tr>
<th>High Vulnerability due to Proximity to Wealthy Areas</th>
<th>Number of Properties</th>
<th>Percent of Total Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>113</td>
<td>49.8%</td>
</tr>
<tr>
<td>Yes</td>
<td>410</td>
<td>50.2%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>523</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

LIHTC properties are often located in areas vulnerable to gentrification. This may become a problem in preserving affordable housing in the city when affordability restrictions on LIHTC property units expire because units can then be rented at market rents.

References


Hana Migliorato MA Candidate, UEP

Intro to GIS, Spring 2016

LIHTC Properties in Boston

The impact of gentrification on LIHTC properties in Boston is complex. These are 20,629 total units, 16,979 (82.3%) of which are affordable units.