### Systemic Conditions

Systemic conditions define the underlying context for development, gentrification, and neighborhood change. These are mutually reinforcing and function together:

- **Structural Racism**
- **Capitalism**
- **Neoliberalism**
- **Unequal Power Relations**

### Drivers of Neighborhood Change

The following drivers influence development and neighborhood change. The impact and outcomes of these drivers are ultimately a function of competing agendas, policy decisions, and power relationships.

- Long term urban disinvestment
- Market driven reinvestment
- Economic development
  - (deindustrialization/economic restructuring)
- Housing insecurity and vulnerable housing
- Rising inequality
- Segregation/resegregation
- Land use planning for development
- Transportation and infrastructure investments
- Shifting role of government
- Demographic change
- Criminalization and legal structures/processes
- Dominant narrative that reinforces drivers of change

### Agenda

**For more information, contact Nile Malloy, Senior Program Manager of the Democratizing Development Program, at nile@nfg.org.**

### Community Driven

- Housing as a right and public good
- Stable communities with affordable and accessible housing, tenant and homeless rights and protections
- Government resources, policies, and decision making that prioritizes community needs over market driven development
- Community driven development without displacement, and development of strong neighborhood and regional infrastructure
- Community power building based on community needs, knowledge, and leadership in policy change and implementation
- Community ownership and control of development

### Competing Agendas & Values

**Power Building for Systematic and Transformative Change**

- Community Stabilization Policies that protect and support renters and low-income homeowners, e.g. rent control, anti-eviction laws, no net loss policies, condo conversion regulations, tenants’ rights, homeless rights, small business protections/support.
- Affordable Housing Preservation Policies that preserve affordable housing and take housing and land out of the speculative market, e.g. surplus land policies, land trusts, Section 8, I-1 replacement, protection of affordable housing near TODs, housing finance programs, maintenance/code enforcement.
- Affordable Housing Production Policies that facilitate and expand affordable housing production e.g. inclusionary zoning, redefinition of affordability, CBAs, housing trust funds, affordability requirements in TOD, etc.
- Community Planning and Development Policies that frame and inform community planning processes and planning efforts defined and led by community needs, community knowledge, and community leadership, e.g. planning for transit or other infrastructure investments.
- Community Economic Development Policies that stabilize and support economic development that meets current needs and future development vision of residents, and provide pathways for quality and stable jobs. Policies that stabilize and support workers, small businesses, and community and nonprofit commercial uses.
- Tax and Fiscal Policies for Community Stability and Development that stabilizes communities and facilitates community driven development, e.g. landlord taxes, reducing/freeing property taxes for long-time residents; fees for the National Housing Trust Fund, higher relocation costs for landlords.
- Community Ownership Policies that support the control of housing and land through democratic structures and processes, e.g. land trusts, housing co-ops, worker-owned co-ops.

### Market Driven

- Housing as an unregulated for-profit commodity
- Development for profit and speculation
- Private sector driven and government supported investments and subsidies
- Limited government role in free market, role focused on capital investment
- Reduction of and absence of rent control laws/tenant rights/homelessness; and other public protections and regulations
- Power held by elites

### Policy Approaches

Influencing drivers of neighborhood change requires choices about public policy. Because these policy choices reflect competing values and agendas, power building strategies are necessary to win policies that shift the outcomes of drivers of neighborhood change to ensure community stabilization and longer term community driven development without displacement.

- **Disinvestment / Destabilization Policies** that facilitate land speculation, eviction, and market-driven housing.
- **Unregulated Market and Profit Driven Housing Preservation Policies** that incentivize market driven housing and land speculation; projects/initiatives that prioritize market rate housing.
- **Unregulated Market Driven Housing Production Policies** that facilitate investment in/profit from the production of market rate housing.
- **Top Down Planning Policies** that facilitate and support planning efforts without public and community engagement, knowledge, leadership.
- **For Profit Economic Development Policies** and approaches that prioritize for profit and market driven economic development.
- **Tax and Fiscal Policies for Market Driven Development** that promote land speculation and market driven development, privatize housing markets, fuel tenant evictions, privilege luxury and market driven housing, etc.
- **For Profit /Market Driven Ownership of land, housing, development.**

### Outcomes

- Housing insecurity, displacement and homelessness
- Economic inequality and instability
- Decline in social networks, neighborhood, and regional infrastructure
- Role of the state focuses on facilitating market conditions for capital investments rather than providing and distributing public goods
- Cities and neighborhoods for the elite
- Concentration of wealth

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**Source:** California Funders Working Group on Gentrification and Displacement; Martha Matsuoka, Urban & Environmental Policy Institute/Occidental College. Updated March 2017.

To download the full version of the report, please visit nfg.org. For more information, contact Nile Malloy, Senior Program Manager of the Democratizing Development Program, at nile@nfg.org.