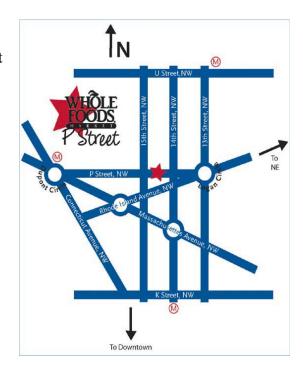
# Washington, DC: The Impact of Whole Foods on the 14<sup>th</sup> St. and Greater Logan Circle Area

Submitted by Kristen Degan and Jason Haber *May 9, 2005* 

In December 2000, a Whole Foods store opened on P St., NW between 14<sup>th</sup> and 16<sup>th</sup> St., between Dupont Circle and Logan Circle. It opened on a site that had housed Riggs' Market from the mid-19<sup>th</sup> century through the early 20<sup>th</sup> century. Riggs' Market, which started as an open-air market and later became a supermarket, was transformed into an auto parts store around 1930 when 14<sup>th</sup> St. became famous for automobiles. Soon thereafter a new grocery store, the Metro Mart, opened right across the street from the former Riggs' Market. For a block of P St., NW that had been a central source of food and groceries for 150 years, the opening of the Whole Foods had a



surprisingly dramatic effect on the surrounding neighborhood – including the closure of the Metro Mart.

The area around the new Whole Foods Market has a very rich history. To the north is the famous U Street, often considered to be the "Harlem of DC" because of the significant literary and music contributions of its African American residents in the early 20<sup>th</sup> century. To the west is Dupont Circle, a vibrant area full of shops and restaurants and well-known as one of the gay-friendly neighborhoods of DC. To the east is Logan Circle – a large circle surrounded by newly renovated old Victorian rowhouses and mansions, most of which were abandoned and run-down until very recently. Further east is the new DC Convention Center that is having its own impact on neighborhoods to the east of Logan Circle. And the Whole Foods is located just off of 14<sup>th</sup> St., a street that was long known as a commercial corridor in downtown DC and that suffered major damage, along with U St., during the riots that followed Martin Luther King, Jr.'s assassination.

In order to study the extremely rapid gentrification of the area around Whole Foods, we have examined the block of P St., NW between 14<sup>th</sup> and 16<sup>th</sup> Streets. We also looked north and south of P St. on 14<sup>th</sup> St. to analyze the shifting boundaries between the old and the new, as well as toward (and beyond) Logan Circle to see where the gentrification ends. Finally, we draw brief comparisons with the area to the west of the new Whole Foods (to Dupont Circle) in order to get a better idea of the larger processes of gentrification taking place.

# Observations on the Physical and Social Environments in the Study Area

The primary landmark with which we are concerned is the Whole Foods store itself. In order to broaden the perspective of this analysis, we are including information on Logan Circle and 14<sup>th</sup> Street, as these shed light on the magnitude of the changes in a larger area. Following are some observations from visits to these three sites.

Whole Foods: The new Whole Foods store is a large structure with an accordion-style three-story wall of glass windows on the front (pictured at right). It has bright lights that draw attention toward the edifice at night, and stationary tables and chairs both inside and outside, where customers and community members can sit (see photo below). With the exception of benches





placed in the inner part of Logan Circle, this is the only public seating in the immediate vicinity.

The building is new, so its architecture is modern and the inside is clean and bright. It has ample bike racks out front and 150 parking spaces in a garage that is split between the roof and the basement of the store.

Much of the traffic to the store is on foot, some is by

bicycle, but many people drive as well. In fact, the Whole Foods parking garage, which two or three years ago was generally no more than half-full even at busy times, is regularly filled to capacity. It is not uncommon to see lines of traffic trying to get into the garage or find parking on the street.

Across the street from the Whole Foods, a brand new condominium building takes up at least half of the block (pictured at right). The first floor houses shops and restaurants – from an eyeglass store to Starbucks – and the upper floors house brand new condos which can be seen through large glass windows. On the corner of P St. and 14<sup>th</sup> St., an old



building has been gutted and is being turned into condos. On the corner of P St. and 16<sup>th</sup> St. a Duron paint store (primarily used by contractors and as a place for day laborers to wait for work)



has closed and a sign announces that this, too, is a future site of condominiums.<sup>1</sup> In between the recently finished condos and the condos going up on the corner of 14<sup>th</sup> and P St., there is an old jazz club (pictured at left; also seen in picture above) that seems to be experiencing a revival with the new crowds of people in the area. It is now the only original building left on the north side of P St.

On the south side of P St., Whole Foods takes up approximately half of the block. To the east, toward 14<sup>th</sup> St., there is a mix of new and old businesses. A new CVS, hardware store and art gallery have opened, but an old barber shop and the old fish market are still there. To the west of Whole Foods there is a new liquor store with a yoga studio above and a McCormick paint store (across the street from the old Duron paint store). It is probably only a matter of time until the McCormick paint store closes and more condos appear on the SE corner of 16<sup>th</sup> and P St. Because the Duron and McCormick stores primarily serve contractors, the businesses are not tied to location (contractors can drive anywhere), so it is probably very attractive to the owners to sell the buildings for a high price while demand is high, and reopen somewhere that will be less expensive. It is unclear what effect this will have on the day laborers.

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<sup>&</sup>lt;sup>1</sup> During the course of this project, the Duron building was sold, closed and demolished and new construction began on the new condominiums.

**Logan Circle:** Until very recently (within the last 5-10 years), the mansions and rowhouses on Logan Circle were either abandoned or very run down (pictured below). The circle and the



surrounding area were dangerous to walk through and the presence of drug dealers and sex workers made many people fear the area. Around the time that Whole Foods opened, the row houses started to sell and the neighborhood started to get cleaned up. Property values soared and almost overnight the area went from being an often-avoided to an eagerly-sought place to be.

The circle itself is quite interesting. There are stationary benches in the center which are generally at least half full with homeless people (pictured below). Most of the homeless people

who sit in Logan Circle are African American men. It is not common to see the residents who live around the circle spending time in the center of the circle. Instead, residents and affluent visitors stick to the periphery of the circle. They walk their dogs and stop to chat with neighbors there, but generally do not enter the circle. We spoke with one homeless man who was sitting in the



circle, and his impression was that the rich people who were buying the properties around the circle were trying to drive the homeless away. There were temporary fences erected around the circle and his impression was that that was the beginning of a process to remove the benches and drive the homeless away. (It is possible that the fences were part of a sidewalk or landscape renovation project – we are not sure.) While it is likely that these same homeless people were not in this particular area 10 years ago when it was more dangerous (this particular man was not), they could still be seen as representative of a population that is getting pushed out as wealthy people move in. It is also possible that a tacit agreement has been reached that will allow the homeless to stay in the circle and that will keep residents to the periphery.

Realtors are using the presence of the Whole Foods as a major selling point to prospective buyers in the Logan Circle area. And new condominium properties are being built all around Logan Circle. We are most concerned with the new construction on 14<sup>th</sup> St. and P St. as they are closest to the Whole Foods store. The sidewalks radiating out from Logan Circle

have all been redone in a red brick, and the properties close to the circle have well-maintained yards and alleys.

**14<sup>th</sup> Street:** The 14<sup>th</sup> Street corridor is undergoing massive and rapid redevelopment. Buildings with attractive facades are being gutted and reconstructed, preserving the facades. Less attractive buildings are being destroyed and new buildings are taking their place. Below are pictures of a few of these changes:



West side of 14<sup>th</sup> St., between RI Ave. and N St. (south of P St. and Whole Foods). The older buildings and lack of new stores represent the way this area looked before gentrification.



West side of 14<sup>th</sup> St., between RI Ave. and N St. Detail of the street pictured at left – note the boarded up windows and door and the old, established businesses.



East side of 14<sup>th</sup> St., between RI Ave. and N St. Across the street from the photos at left. Note the brand new niche furniture store at left (which replaced a dollar store) and the established market at right (which survives because it has been selling dollar store items since the dollar store closed.)



East side of 14<sup>th</sup> St., between RI Ave. and N St. At left is the Barrel House liquor store (est. 1995) which has modified its selection to meet the changing neighborhood demands. Next are a Subway, an upscale hair salon, and a gay-friendly hamburger restaurant (Hamburger Mary's).



West side of 14<sup>th</sup> St., between RI Ave. and P St. One block north (closer to Whole Foods) of the pictures above, the balance of old and new businesses shifts toward the new. Here is an upscale rug shop (new), the Hit Item Wholesale Shop (like a dollar store – old), a newly redone dry cleaners (established business remade to look new), and a white tablecloth seafood restaurant (fairly new – within the last 10 years).



NE corner of 14<sup>th</sup> St. and P St. This is the Studio Theatre, which has benefited greatly from the increased safety and inflow of money in the neighborhood. A newly-completed renovation is visible to the left of the main building, which was a car dealership when 14<sup>th</sup> St. was known as "Great Automobile Way."



Looking NE on 14<sup>th</sup> St. from P St (north of Whole Foods). This picture attempts to show the rapid changes on 14<sup>th</sup> St. Starting at the right is the Studio Theatre addition. Next is an empty lot, followed by a small old building which houses an old Chinese restaurant on the 1<sup>st</sup> floor and apartments upstairs. After a small empty lot there is an old auto dealership that has been gutted for new condos. There is another empty lot and then a new (1 year old) niche store that sells only travel books.



East side of 14<sup>th</sup> St. between P St. and Q St. Detail of the picture at left. From left: The travel bookstore, the gutted building, and the old Chinese restaurant and apartments.



Looking south at NW corner of 14<sup>th</sup>
St. and P St. (same street as Whole Foods). This building has been gutted and the façade is being preserved for the condos that will be built on this corner.

These pictures provide insight into the types of new niche stores that are emerging on 14<sup>th</sup> Street, including upscale home furnishing stores (furniture and rugs), a travel bookstore, and new-and-improved service providers (such as dry cleaners). They also show some of the older businesses that are able to maintain their grip in the neighborhood, including a liquor store that has begun to sell higher-priced wines and liquors and an old market that sells mainly soda and dollar store items. Finally they show the degree to which old and new businesses coexist, and portend a shift away from the older, established businesses toward new, high-end shops.

The 14<sup>th</sup> St. corridor is not unique in its gentrification. It is bounded on three sides by "up-and-coming" areas, and on the fourth side by a residential area that has already finished gentrifying. To the north, U St. has emerging boutique businesses and new condos coexisting (and replacing) established businesses and residences, as well as formerly abandoned or empty properties. To the east on 13<sup>th</sup> St., condo development is well underway. Northeast of Logan Circle, revitalized buildings stretch for 3 or 4 blocks, giving way to more run-down areas that have "for sale" and "sold" signs on properties that are attracting new investment. To the south of this area of 14<sup>th</sup> St., new hotels have opened in the past ten years and condo values have skyrocketed. One resident who lives between 13<sup>th</sup> and 14<sup>th</sup> St. on Massachusetts Ave. reported that he bought his 2-bedroom condo for \$180,500 in 1998 and it is now worth \$450,000. West

of 14<sup>th</sup> St. there are primarily residential streets leading toward Dupont Circle, which gentrified in the 1980s and early 1990s.

General Comments: A wide variety of people use the spaces and institutions in the area we are studying. There are the long-time residents and business owners, newly-arrived residents, employees of Whole Foods (most of whom are local residents), the homeless, owners of new businesses, people who travel from outside the area to shop at Whole Foods, and the construction workers who are working on the numerous new residential properties. These people all pass each other on the sidewalk – sometimes walking in the streets in sections where the sidewalks have been closed due to construction – but they have little occasion to interact. As noted above, there is not much seating in the area, nor are there many common spaces. Logan Circle is the closest approximation of a public space, but as mentioned, its use is very segregated with the homeless staking out spaces in the center and the non-homeless walking around the edges.

In terms of safety, we felt safe everywhere we went. Our presence in the center of Logan Circle was disruptive and seemed to make people uncomfortable – particularly because we had a camera with us. We also looked suspicious as we walked with our maps, notebooks, and camera in areas where the tentacles of gentrification are just beginning to reach. Surely we looked like developers or prospective property buyers as we inspected the streets and buildings in older areas. But we did not meet any open hostility and we never felt we were in physical danger.

# Insights from Interviews with Area Stakeholders

## Interview Process and Demographic Information on Interviewees

Kristen and Jason conducted separate interviews, due to differing travel schedules and Jason getting his wisdom teeth out during the break (the best time for Kristen to conduct interviews). Kristen interviewed people in person and Jason interviewed contacts over the phone. Jason interviewed a 50-year old gay man who has been living in DC for 25 years and a 54-year old African American man who lives in New Jersey but is a political consultant to the DC government and therefore travels there on a regular basis. Kristen interviewed two long-time (more than 40 years) African American residents from the 14<sup>th</sup> St. area, one 7-year white resident from the greater 14<sup>th</sup> St. area, the owner of a successful 10-year old local liquor store on 14<sup>th</sup> St., a marketing representative from Whole Foods, five people from the DC Historical Society (all of whom live in DC, although not necessarily near 14<sup>th</sup> St.), one homeless person from Logan Circle, and a relatively new employee at an older grocery store on 14<sup>th</sup> St. (it is unclear how long the store has been there – at least 10 years – and the employee had worked there for five years).

Kristen attempted to interview people in some older local businesses, but it turned out that the owners had recently changed but that the business names and physical structures had remained the same. She also tried to interview the owner of a new niche store, but the store was very crowded each time she visited. Of course there are many other people in the area that she could have interviewed, but she was getting the same information from everyone that she talked to. Following the basic principle of focus groups that states that there is no reason to conduct new focus groups when there is no new information emerging from additional meetings, Kristen decided to stop her interviews.

Before we write about the information gained from these interviews, it is important to point out some of the challenges Kristen faced during her in-person interviews, and some things that might have affected the accuracy or completeness of the information she collected. First of all, she decided to target owners of well-established businesses because she thought they would be able to provide insight into the changes the neighborhood has seen. Unfortunately, many owners were new to the area, having bought their businesses within the past five years. Thus they were unable to comment on changes over time as she had hoped they would be able to do.

Another significant challenge is related to the way in which she was perceived by interviewees. When she interviewed long-time residents of the area, all of whom were African

American, she did not get very complete interviews. As a white woman, she believes she represents the changes that are happening in the neighborhood. The African American residents she interviewed talked about how older (African American) residents are being forced to move out of the neighborhood and how the new residents are largely white. It seemed obvious that the two residents were trying to be very polite and not offend her as they said this, but they were unwilling to say more. When asked if there was any animosity about this among the older community, both respondents dodged the question. One said that this is just the way it is for African Americans everywhere – white people with money move in and the black people have to move out. He said they were used to it.

Because of obvious shifts in the skin colors of people walking on 14<sup>th</sup> St., Kristen believes it was difficult for her as (a white woman) to get a true understanding of the impact this is having on the people who had been living in the area. This is likely due, at least in part, to her own discomfort with what she felt she represented and her inability to ask questions that would go beyond basic "racial differences." Thus we are not convinced that Kristen's interviews truly capture what is happening.

# Main Insights from Interviews

There were four major themes that came up repeatedly in the various interviews: gentrification and the movement of the old population out of the area as new groups of people move in, the lack of affordable housing in the area (which is tied to the out-migration), safety, and increased profit for local businesses. Each of these themes will be discussed individually, to be followed by our thoughts based on our other research.

Gentrification and Migration: New and old residents both talked about the rapid changes in the area's "faces." The 14<sup>th</sup> St. corridor was historically an entirely African American neighborhood, culminating in U St., which was often called the Harlem of DC. This has changed very quickly in the last five to ten years. One interviewee saw the election of Mayor Anthony Williams as the turning point. He said that the changes started happening in 1999 when Anthony Williams replaced Marion Barry as Mayor of DC. Mayor Williams wanted to focus on rejuvenating DC, and the Logan Circle area was one of the areas in which he encouraged

investment and development. This increased investment and development led to reduced crime and increased property prices, as well as new niche businesses and luxury housing.

Existing businesses found that they had to modify their merchandise and selections if they wanted to stay in business – those that adapted have survived, those that were unwilling to change have been replaced by others. A few interviewees commented on the seeming artificiality of the demand for niche products – such as expensive furniture and specialty items. They said that as an eclectic mix of high-end businesses have come to the area, new arrivals believe they need to buy the sorts of things that are now being sold in order to fit in to the area's new image.

Affordable Housing: Most people blamed increases in rent for African American outmigration from the 14<sup>th</sup> St. area, as people were priced out of their homes and were forced to move further from 14<sup>th</sup> St. to find affordable housing. The destination of those who are moving out is unclear – two interviewees said they thought people were going to Virginia and Prince Georges County in Maryland. Two others said people are moving east toward 7<sup>th</sup> St. and/or north of U St. One interviewee described this movement within DC as "people moving back to where they had come from." And none of the African Americans sounded surprised by this phenomenon. One older man said that his people had always been moving, so they are used to it. He said that "when white folks with money come into a neighborhood, black folks know it's time for them to move on." This idea was picked up by another African American interviewee who said that minorities tend to be the ones that move into communities when no one else wants to live there. He believed that they fix the communities up and make them desirable, and then people with money come in and force them out and they have to start fixing up another area from scratch.

The Whole Foods marketing representative mentioned that there were many requirements when the plans for the store were approved, and that all of these plans have been implemented except for the affordable housing requirement. Nearly everyone interviewed – old time residents, business owners, new residents, African Americans, white people – complained about the lack of affordable housing and the fact that the government has not stepped in to make sure that the gentrification does not lead to massive housing loss for those who had been living in the area.

Safety: A third key idea raised by almost all interviewees has to do with the safety of the area. Our research had already shown us that the 14<sup>th</sup> St. and Logan Circle areas were a hotbed of drugs and prostitution until very recently. Interviewees talked about having walked on carpets of crack vials and feeling unsafe walking certain streets even during the daytime over five years ago. Now, not only is the area safer than it was then, but also many of the people who would have kept the area's dangerous reputation alive have left and the new arrivals are often not aware of the reputation. One interviewee marveled that a couple of weeks ago he had seen two young women (in their early 20s) teetering down 14<sup>th</sup> St. at around 2:00 AM. They were obviously coming home from a night out and they appeared completely unafraid of walking on 14<sup>th</sup> St. at that hour. This would have been unheard of five or ten years ago.

In speaking to the owner of the liquor store, we learned another interesting fact about safety. Our research showed us that the Logan Circle area had been dangerous and that now it was less dangerous. But that was an isolated fact that we had not viewed in the context of overall DC crime rates. When Kristen asked the liquor store owner why he had chosen this location ten years ago, he said he had picked it because this area was safer in comparison to other areas of DC. He was pleased to note that the area has continued to get safer since he opened his store.

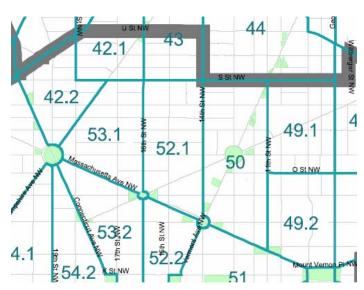
**Business Interests:** Finally, many interviewees reported that the new development and the influx of wealthier people was a boon for local businesses in the 14<sup>th</sup> St. corridor. Businesses that were able to adapt to the needs of the new residents seem to be surviving – from dry cleaners to barber shops to liquor stores. Other businesses seem to have failed – either because their products were not attractive to the new residents or because they did not update their inventories to reflect the changing demand. The business owners we interviewed did not express remorse that the demographics have changed in the area because they have seen their profits grow.

# Statistical Data on the Study Area

The interviews from which the information above was obtained were very useful for identifying themes for us to look into in greater detail. After speaking with local residents, business owners and politicians, we looked at census data and other statistics to see if there were larger patterns in either DC or in the study area that would support (or refute) the observations made by interviewees.

# Demographic Information

As seen in the map to the right,<sup>2</sup> the study area encompasses two different census tract areas. 14<sup>th</sup> Street divides census tract 52.1 from census tract 50. Logan Circle is the large green circle in the middle of census tract 50. P Street moves straight west from Logan Circle to Dupont Circle (the largest circle on the left side of the map). The Whole Foods Market is located on P Street at the



bottom of the "1" in census tract 52.1. Other reference points on this map are as follows: Massachusetts Avenue runs diagonal from the left-hand circle down to the bottom right corner of the map. The new convention center is in the bottom right corner, at Mount Vernon Square. And U Street is at the top of this map, along the dark gray line above tracts 42.1 and 43. (The dark gray line is the upper boundary of Ward 2, the political region into which our study area falls.) We looked at statistics for tracts 52.1 and 50, although gentrification has been moving eastward, so the more dramatic changes were seen in tract 50. Tract 52.1 largely gentrified ahead of tract 50.

<sup>&</sup>lt;sup>2</sup> Wards and Census Tracts Map taken from the website of the Washington, DC Office of Planning. <a href="http://planning.dc.gov/planning/frames.asp?doc=/planning/lib/planning/maps/docs/census\_tract.pdf">http://planning.dc.gov/planning/frames.asp?doc=/planning/lib/planning/maps/docs/census\_tract.pdf</a>

The total population of Ward 2 (an area larger than that shown in the above map) in 2000 was 68,869,<sup>3</sup> which represented a positive change of 2.6% from the 1990 population (67,101).<sup>4</sup> Within Ward 2, the populations of Tracts 50 and 52.1 both increased. The population of tract 50 was 7,278 in 2000,<sup>5</sup> which represented an increase of 826 people from 1990.<sup>6</sup> In 2000, the population of tract 52.1 was 4,559,<sup>7</sup> which represented an increase of 79 people from 1990.<sup>8</sup> Thus the population of both the ward and the census tracts of interest were increasing. This is particularly interesting given the fact that overall DC population decreased by 34,841 people during this same time period<sup>9</sup> (from 606,900 in 1990 to 572,059 in 2000).<sup>10</sup>

In 2000, the proportion of white and black residents of Ward 2 differed vastly from that of DC as a whole, as seen in Table 1 below:<sup>11</sup>

	Total	White	Black /	Am.	Asian	Native	Some	Two or	Hispanic
	Population		African	Indian /		Hawaiian	Other	More	/ Latino
			American	Alaskan		/ Pacific	Race	Races	(not
				Native		Islander			counted
									as race)
Ward 2	68,869	45,036	13,723	234	5,269	111	2,595	1,901	6,997
%	100%	65.4%	19.9%	0.3%	7.7%	0.2%	3.8%	2.8%	10.2%
DC Total	572,059	176,101	343,312	1,713	15,189	348	21,950	13,446	44,953
%	100%	30.8%	60.0%	0.3%	2.7%	0.1%	3.8%	2.4%	7.9%

The change in racial compositions in Ward 2 between 1990 and 2000 is also interesting. In Ward 2, the African American population decreased by 23.2% between 1990 and 2000.

Populations of all other races increased by varying amounts during this time period: white: +

<sup>&</sup>lt;sup>3</sup> 2000 Population by Single Race and Hispanic Origin by Ward. Taken from the website of the Washington DC Office of Planning. http://planning.dc.gov/planning/cwp/view,a,1282,q,569460.asp

<sup>&</sup>lt;sup>4</sup> 1990-2000 Population Change by Single Race and Hispanic Origin by Ward. Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1282,q,569453.asp">http://planning.dc.gov/planning/cwp/view,a,1282,q,569453.asp</a>

<sup>&</sup>lt;sup>5</sup> 2000 Population by Single Race and Hispanic Origin by Census Tract. Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1281.q,569621.asp">http://planning.dc.gov/planning/cwp/view,a,1281.q,569621.asp</a>

<sup>6 1990-2000</sup> Population Change by Single Race and Hispanic Origin by Census Tract Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp">http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp</a>

<sup>&</sup>lt;sup>7</sup> 2000 Population by Single Race and Hispanic Origin by Census Tract. Taken from the website of the Washington DC Office of Planning. http://planning.dc.gov/planning/cwp/view,a,1281,q,569621.asp

<sup>8 1990-2000</sup> Population Change by Single Race and Hispanic Origin by Census Tract Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp">http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp</a>

<sup>&</sup>lt;sup>9</sup> 1990-2000 Population Change by Single Race and Hispanic Origin by Census Tract. Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp">http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp</a>

<sup>&</sup>lt;sup>10</sup> 1990-2000 Population Change by Single Race and Hispanic Origin by Census Tract Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp">http://planning.dc.gov/planning/cwp/view,a,1281,q,569551.asp</a>

<sup>&</sup>lt;sup>11</sup> 2000 Population by Single Race and Hispanic Origin by Ward. Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view,a,1282,q,569460.asp">http://planning.dc.gov/planning/cwp/view,a,1282,q,569460.asp</a>

4.7%, American Indian / Alaskan native: + 40.1%, Asian / Pacific Islander: + 45.7%, some other race: +9.6%. 12

These statistics are enlightening for two reasons. First, they support the idea that African American residents, who had traditionally lived in these census tracts, were leaving in large numbers. Second, they show that trends in Ward 2 tend not to mirror those in the rest of the city – as the population of the city was decreasing, that of this particular Ward was increasing.

#### **Crime Information**

For years Washington, DC had the dubious distinction of being known as the 'murder capital of America.' During the nationwide crack epidemic of the 1970s and 1980s, entire sections of Washington decayed – housing stock deteriorated and prices fell, drug use increased, crime, too, increased. The greater Logan Circle / 14<sup>th</sup> Street area was one of many neighborhoods that were severely affected by the crack epidemic.

The 20-year homicide trend in DC is revealing on many levels. At a quick glance, there does not appear to have been much of a change in homicide rates in DC. In 1985 there were 148 homicides in DC, compared to 198 in 2004. However, there was not a slow, steady increase in homicide rates during the period between 1985 and 2004. There were 369 homicides in 1988, 474 in 1990, and with a peak of 482 in 1991. In a mere five year period from 1985 to 1990, the number of homicides tripled in DC. Concurrent with a national trend in the 1990s, homicides dropped steadily in DC. By 1999 there were just 241 homicides, and the number continued to fall through the 2000s. <sup>13</sup>

These numbers coincided with a dramatic rise and then fall in a variety of other crimes as well. In 1993 there were 7,107 reported robberies in the city; by 2004 that number had been cut in half. <sup>14</sup> The same was true for aggravated assault, burglary, larceny and incidences of arson – some of which were reduced by more than 50%. <sup>15</sup> The only type of crime that did not

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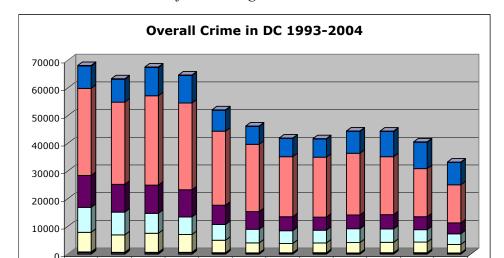
<sup>&</sup>lt;sup>12</sup> 1990-2000 Population Change by Single Race and Hispanic Origin by Ward. Taken from the website of the Washington DC Office of Planning. <a href="http://planning.dc.gov/planning/cwp/view.a,1282,q,569453.asp">http://planning.dc.gov/planning/cwp/view.a,1282,q,569453.asp</a>

<sup>&</sup>lt;sup>13</sup> Metroploitan Police Department Statistics, 20-Year Homicide Trend. All statistics in this paragraph were taken from the website of the Metropolitan Police Statistics Department.

http://mpdc.dc.gov/mpdc/cwp/view,a,1239,Q,543308,mpdcNav\_GID,1523,mpdcNav,%7C,.asp

<sup>&</sup>lt;sup>14</sup> Metropolitan Police Department Statistics Annual Totals, 1993-2004. http://mpdc.dc.gov/mpdc/cwp/view,a,1239,q,547256,mpdcNav\_GID,1556.asp <sup>15</sup> Ibid.

experience a decline between 1993 and 2004 was auto theft – it remained relatively constant with 8,060 cars stolen in 1993 and 8,136 stolen in 2004. 16



1998

■Homicide ■Rape □Robbery □Assault ■Burglary □Larceny ■Stolen Auto □Arson

1999

Table 1: Crime Statistics for Washington DC<sup>17</sup>

1996

1997

Since Whole Foods opened in 2001, crime within Ward 2 has fallen sharply. In 2000 there were 4,198 thefts in the Ward, by 2004 that number was almost halved, dropping to 2,132.<sup>18</sup> Other indicators of crime have improved as well since the Whole Foods opened. although most other categories did not experience an almost 50% reduction. Just a decade ago this same Ward was witness to 1,730 burglaries, (compared to 479 in 2004), 586 robberies (compared to under 131 in 2004) and 988 stolen cars (compared to 274 in 2004). 19

2000

<sup>&</sup>lt;sup>17</sup> Metroploitan Police Department Statistics, 20-Year Homicide Trend. The information to create this table was taken from the website of the Metropolitan Police Statistics Department. http://mpdc.dc.gov/mpdc/cwp/view.a.1239,O.543308,mpdcNav GID.1523,mpdcNav,%7C..asp

<sup>&</sup>lt;sup>18</sup> Second District Crime Statistics Annual Totals: 1993-2004. Taken from the website of the Metropolitan Police Statistics Department. <a href="http://mpdc.dc.gov/mpdc/cwp/view,a,1239,q,544610,mpdcNav\_GID,1535.asp">http://mpdc.dc.gov/mpdc/cwp/view,a,1239,q,544610,mpdcNav\_GID,1535.asp</a>

19 Ibid.

# Summary Analysis of the Changing Face of the 14<sup>th</sup> St. Area, Based on Interviews and Other Research

The process of gentrification we seem to have observed in the 14<sup>th</sup> St. area is not new to DC. In fact, it appears to be part of a larger and long-standing move toward gentrifying the city. A 1985 article by Barrett Lee, et al, says that DC is "a city widely acknowledged as a 'gentrification hotbed." Paul Knox reports that gentrification in Washington "dates back to the New Deal, when Georgetown was discovered by the influx of young college-educated government employees." Knox also reports that the 1950s saw modest gentrification in Foggy Bottom, Kalorama, and Capitol Hill, and that gentrification really picked up in the late 1960s. He states that Georgetown's gentrification was completed in the 1970s, and that the late 1980s saw massive gentrification in many other DC neighborhoods. By 1987, Knox says that gentrification had reached "broad sections of the West End, Dupont Circle, Adams-Morgan, Mount Pleasant, Columbia Heights, LeDroit Park, Logan Circle, Shaw and Capital [sic] Hill." The area we are studying was right on the edge of gentrification he claimed had already begun (in the Logan Circle area) and where it was just about to begin (in the Thomas Circle area).

It is evident from the dates these authors provide that the gentrification process started long before the people we interviewed noticed any changes. While the process might have accelerated and become more visible through the types of businesses and people found on the streets in the last three to five years, it is obvious that the seeds of gentrification were present many years before the changes were noticed. In fact, even though crime rates were still high in 1995, the owner of the Barrel House liquor store chose to open his store on 14<sup>th</sup> St. He said this was because the area was safer than other parts of DC, which seems to have been a precursor of gentrification in the neighborhood.

Some of the white interviewees with whom we spoke expressed dismay at their role in the process of gentrification. Two were looking for condos to buy, and neither was attracted to the idea of living in a new condo in an area with all upper-middle class, largely white, young

<sup>&</sup>lt;sup>20</sup> Barrett Lee, et al. "Neighborhood Revitalization and Racial Change: The Case of Washington, DC." *Demography*. 1985: 22(4), p. 582.

<sup>&</sup>lt;sup>21</sup> Paul Knox. "The Restless Urban Landscape: Economic and Sociocultural Change and the Transformation of Metropolitan Washington, DC." *Annals of the Association of American Demographers*. 1991: 81(2), p. 198. <sup>22</sup> *Ibid*.

<sup>&</sup>lt;sup>23</sup> Ibid.

professionals. Both were looking for a racially and economically diverse area, and both were frustrated that, because of their skin, they would always be participants in the gentrification process. Simply by being white people on the street in a racially mixed area, both felt that they were making a diverse neighborhood seem more "comfortable" or "attractive" to other white people who might not feel at home if they were in the racial minority in an area.

An older white interviewee did not have these same moral dilemmas. He did not see any down side to the gentrification process, as seen in this quote from his interview:

Q: "What do you think is the best part about the gentrification of DC? The worst?"

A: "The best [part about gentrification is] ... the city improves, the tax base increases, neighborhoods improve, people feel safer. The worst [part of gentrification]? I can't think of any. What is bad about a neighborhood removing blight and becoming more inhabitatable?

Q: "What about those that get displaced during the process?"

A: "That's how a city changes. What can you do? If you want to increase your tax base and make a better city, do you halt all that because someone is worried about losing their home? It's a tough situation but the city is better off by changing and gentrifying."

Former D.C. Councilmember Harold Brazil believes he understands the rising tide of gentrification in the city. "Gentrification is the huge wave, it is like a tsunami," Brazil told us in an extensive interview. "Once it gets going there is little, very little you can do to stop it. Only for some this giant wave lifts them up, but for others it crushes them."

Terry Walker, a long-time resident of U Street is beginning to feel the effects of that wave. For over 20-years Mrs. Walker has lived on U Street, just off Logan Circle. She was one of the brave who did not flee when the Circle was a den of drugs dealers and prostitution. Today, when she leaves her house and walks down the street, she sees a neighborhood different in so many ways. "I wouldn't be able to afford to live in my own neighborhood now," she said, pointing a new luxury building going up near her home. "Rents start at \$1500 a month in that building. For a one-bedroom! Who's moving into these places? Who can afford to pay this? Not everybody's a lawyer."

<sup>&</sup>lt;sup>24</sup> Harold Brazil. Interview with Jason Haber. April 15, 2005.

<sup>&</sup>lt;sup>25</sup> Lori Montgomery. "Class Issues Drive D.C. Campaigns." <u>The Washington Post</u>. September 13, 2004. A1.

Ms. Walker isn't alone in her observations on U Street. Brazil, who was first elected to represent the 6<sup>th</sup> Ward of DC, and then went on to serve as an At-Large Councilman, believes that what is happening around Logan Circle is astonishing. "When I was first elected to the City Council in 1990 no one wanted to move to U Street. No one. And now, you can't build fast enough for the people that want to live there. It's incredible how fast it has changed. I know people who lived there 20-years ago. They were housing activists. I haven't heard from them in a long long time, I don't know if they are still there," he said.<sup>26</sup>

In September 2004, Brazil himself fell victim to gentrification. As a member of the City Council, Brazil staked out strong positions on redevelopment and business growth for the City. While those proposals brought in new investors to the City, it also alienated him against his longtime constituents who felt Brazil was more interested in helping developers than the residents of D.C. After a mostly distinguished 14-year career on the City Council, its longest serving member was defeated by a virtual unknown in a landslide. One of the first things his successor called for was more attention to be paid to the growing problems with gentrification.

Brazil remains sanguine about his defeat claming that the City is better off overall for the gentrification that it has undergone. "Are you as a government official supposed to stop a project that will add millions in city tax revenue? Are you to stop a project that will bring more people into your community and bring more dollars with them?" he asked.<sup>27</sup> But now Brazil does concede, "there is another side of the coin. The flip side is the displacement of those who built up the community and lived there for so many years. They may not be wealthy but they have rights too, and government needs to be cognizant of that."28

Unless gentrification is carefully controlled and affordable housing is guaranteed from the beginning, the process of gentrification inevitably prices long-time residents out of their homes and pushes property values up. The ultimate result is that only people with sufficient disposable income can afford to live in an area. The very obvious effect of this is that the established community moves out and a new community, made of people who "look" different, because of their race or their socioeconomic position or their sexual orientation, etc., moves in. More subtle effects include: lost opportunities to reduce segregation and increase interactions

Harold Brazil. Interview with Jason Haber. April 15, 2005.
 Harold Brazil. Interview with Jason Haber. April 15, 2005.

<sup>&</sup>lt;sup>28</sup> Harold Brazil. Interview with Jason Haber. April 15, 2005.

among different communities, lost cultural institutions (from stores to restaurants to other places of significance for the population that is leaving), and uneven distribution of key pieces of real estate.

This process is not unique to Washington, DC. In Boston, traditionally African American "Southie" is being transformed by middle- and upper-class white newcomers.<sup>29</sup> Vietnamese residents are moving out of Houston to make room for white people who can afford the escalating real estate prices.<sup>30</sup> In Baltimore, new waterfront development has taken precedence over construction and refurbishment of low-income housing.<sup>31</sup> Elderly trailer park residents outside of Los Angeles are being forced to move.<sup>32</sup> And so it goes – as new money arrives, those who cannot afford to stay are pushed out and forced to make way for those with money for whom the neighborhood has suddenly become attractive.

There are winners in the gentrification process. As business owners explained to us, they are pleased because the new residents have enough money to pay higher prices and purchase items more frequently. One interviewee, commenting on the high volume of business conducted at Whole Foods, said that the area could easily support another Whole Foods store, if not two. With groceries as expensive as they are at Whole Foods compared to other stores, this is an indication that there is more disposable income flowing into the area, which is good for businesses and developers alike. This gentrification process is another example of power dynamics in the city, and the degree of influence and decision-making power that comes with wealth.

<sup>&</sup>lt;sup>29</sup> Noel Paul. "Boston Remaking 'City Upon a Hill' Amid Clash of Tradition, Innovation." *The Seattle Times*. July 24, 2004.

<sup>&</sup>lt;sup>30</sup> Edward Hegstrom. "Old Flavors Fade in New Midtown." *The Houston Chronicle*. April 4, 2003.

<sup>&</sup>lt;sup>31</sup> Doug Donovan. "New Faces Vying in the City's New District 1." *The Baltimore Sun.* October 4, 2004. B1.

<sup>&</sup>lt;sup>32</sup> Bob Pool. "Low-Cost Housing Threatened by Gentrification." *The Los Angeles Times*. January 22, 2005. B1

## **Conclusions**

At the outset, we wanted to find out if the appearance of the Whole Foods Market in Ward 2 was responsible for the rapid gentrification that has been observed over the last five years. Through our research, we determined that this area was already changing when Whole Foods moved in. Its racial make-up was the inverse of that in the rest of DC and it had lower crime rates than many other wards. However, we do believe that the appearance of Whole Foods has dramatically increased the speed of gentrification in the area.

In order to get a fuller picture of the role of supermarkets in the gentrification process, we decided to look in one more place – other cities' experiences with the opening of supermarkets. We looked at Harlem where, in 2005, gentrification is in full swing. In 1997, it was just getting underway. One harbinger of things to come for Harlem was the opening of a Pathmark in East Harlem. Until Pathmark came to Harlem, there were few large corporate entities doing business in the community. But that did not stop Pathmark from wanting do business in the neighborhood. "There is no overriding economic business reason why our inner cities should not be as served as our suburbs by supermarkets," Pathmark Vice-President Harvey Gutman explained to us during an interview.<sup>33</sup>

Gutman claims that Pathmark did not select Harlem because of gentrification. He cites stores in other locations, such as Red Hook, Brooklyn, and Newark, New Jersey that have been opened for years in areas that have not experienced the same kind of gentrification as Harlem. However, Gutman does note, "Harlem is unique. It was going to gentrify at some point. Possibly if Pathmark were turned down, it would have been slower. It is true that Pathmark did provide the catalyst for further commercial development, which brought jobs and quality food to the community."

It is true that the target market for Pathmark is not the same as that of Whole Foods. Pathmark is a grocery store for the average person, Whole Foods tends to be for the wealthy. However, in Harlem, the appearance of Pathmark seems to have been significant because it was a large chain opening in an underdeveloped area. The appearance of one large chain store tends to make other chains more willing to invest because the area is suddenly more desirable – it

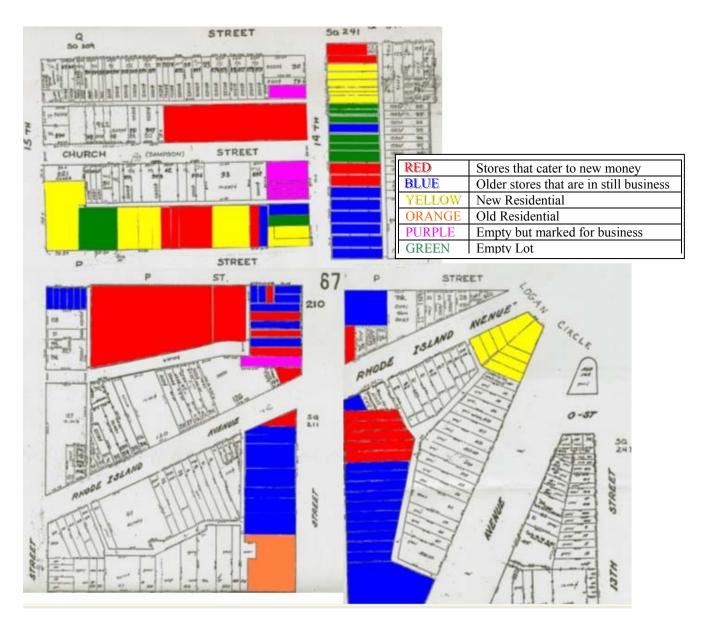
<sup>&</sup>lt;sup>33</sup> Harvey Gutman. Interview with Jason Haber. April 19, 2005.

<sup>&</sup>lt;sup>34</sup> Harvey Gutman. Interview with Jason Haber. April 19, 2005.

seems safer, there appears to be more money flowing, and the presence of several chain stores might increase shopper traffic and thus be mutually beneficial. This is not so different from the process that happened in the neighborhood of Whole Foods in Ward 2. The Whole Foods replaced a low-end grocery store (across the street), making a statement that this was going to be an area for wealthier shoppers. People interested in opening niche stores for the wealthy wanted to locate near an up-and-coming area, and saw Whole Foods as the sign that 14<sup>th</sup> St. would be this area. As the first niche stores were successful, others moved in, along with some higher-end chain stores (a Storehouse Furniture store is coming soon). Condo developers also saw this as an up-and-coming area, and wanted to be sure to get in on the action.

Thus we have concluded that there is a whole confluence of factors that led to the gentrification of Ward 2, particularly the Logan Circle and 14<sup>th</sup> St. areas. It began with lower crime and an interest in increasing investment and was accelerated by the addition of a Whole Foods store. It is concluding with condo conversion on a wide scale and the appearance of ever more niche stores. Without any affordable housing initiatives in the neighborhood, it appears as though gentrification will be complete in this area, forcing nearly all low-income residents out. But, although Whole Foods might be the most visible explanation for this change, we believe it is not strictly the Whole Foods that will have led to the complete gentrification of the area.

# Map of the Study Area



One phenomenon which can be observed on this map, is a sort of reverse gap-tooth phenomenon. Neighborhoods that are in decline are often characterized as having a "gap-tooth" appearance, in which gaping holes are left between buildings when there are fires or buildings are knocked down. This lends a feeling of insecurity to a neighborhood and is a sign of serious disinvestment. In this area, however, the reverse is true. In between old buildings, new ones are showing up. I would call this a "cap-tooth" phenomenon, where the old buildings are finding themselves next to new-and-improved buildings (similar to old teeth next to shiny new capped

teeth). A prime example is on the southwest corner of 14<sup>th</sup> and P St., where new and old businesses alternate. Whole stretches of blocks are experiencing reinvestment, with new condominiums and businesses popping up, and existing businesses changing their product offerings to cater to the new money that is pouring into the area. (An example of an existing business that is catering more to the new money is the Studio Theatre, located on the NE corner of 14<sup>th</sup> and P St. There is a large block of blue buildings there, but much of that is new construction that has significantly enlarged the theatre's performance space.)

The empty lots in this area are not signs of disinvestment, but rather signs of new investment. Old structures have been demolished and vacant lots have been sold, and new construction is everywhere. This map is actually somewhat outdated. Since we drew it, some of the old businesses have closed and some of the vacant lots have construction happening now. Some buildings that were standing have been demolished. But this map provides an accurate snapshot for March 2005.

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Wards and Census Tracts Map

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Kristen's interviews (all were with anonymous respondents):

- Elderly female long-time (more than 40 years) African American resident from the 14<sup>th</sup> St. area
- Elderly male long-time (more than 40 years) African American resident from the 14<sup>th</sup> St. area
- 31-year old 7-year white resident from the greater 14<sup>th</sup> St. area
- the owner of a successful 10-year old local liquor store on 14<sup>th</sup> St. (the Barrel House)
- a marketing representative from Whole Foods
- five people from the DC Historical Society (all of whom live in DC, although not necessarily near 14<sup>th</sup> St.)
- one homeless person from Logan Circle
- an employee at the Fair Price Market, an older grocery store on 14<sup>th</sup> St. He had been working there for 5 years.

#### Jason's anonymous interviews:

- 50-year old gay man who has been living in DC for 25 years
- 54-year old African American man who lives in New Jersey but is a political consultant to the DC government and therefore travels there on a regular basis.