DEMAND, SUPPLY AND DISCRIMINATION- THE INTENTIONAL DEVALUATION OF BLACK COMMUNITIES-
A part of harnessing black consumer power as an agent for social change

Black communities are being used as a source of cheap reserve housing for others including non-Hispanic whites. The bottom line is the other areas are too expensive.¹

White Flight

For the past 60-70 years since white-flight of the fifties and sixties, the black communities experienced intentional devaluation of our property and neighborhoods, urban decay, and modern Jim Crow segregation. White-flight was the phenomenon where whites across the North and California fled the urban cores after landmark Supreme Court decisions held racial covenants and segregated schools/buses to be unconstitutional. No one took the urban cores from them – They preferred to live far away in the suburbs or on the other side of town rather than to go to school with us or live with us. The cities emptied out. That’s true dislike for being around black people. After white flight, the “urban” areas, then the code for “Black” areas, saw a period of violence and social decline across the country.²

In Los Angeles during the late sixties and seventies, white flight was the reason for the Valley’s explosive buildup along with the suburb cities and later Westside communities like Century City, the Marina, the Southbay and West Los Angeles. During the property boom of the late 1990’s, property on the white side of Los Angeles skyrocketed to the million dollar price tags for the smaller homes one sees today. Black communities did not see their properties rise at the same incredible rate. Inglewood saw a modest bump in home prices. I lived in Inglewood at this time. White Los Angeles (“The West side”) became expensive real estate; Black Los Angeles remained underdeveloped and undervalued. Greed and racism motivated the extreme housing costs and disparity in Los Angeles and the adjacent cities.³

Today the new urbanites are flooding the urban cores and relocating the existing Blacks with a powerful combination of extreme rent and property increases and a brutal police force.⁴

What is happening is the continued and sustained discriminatory and arbitrary application of the factors that affect desirability and therefore property prices. This discrimination allows for the new urbanites to intentionally pay less for great property under the guise of appraisals. Blacks with homes and property in the black side of Los Angeles and surrounding cities are being offered too low of bids considering the future economic profits and expectations- thus cheating Blacks from fully participating in the economic riches.⁵

Let’s break it down: Supply and Demand

Demand is how much people are willing to pay to live/work in a place, which depends on how desirable and economically productive a place is. Factors which increase the desirability and therefore price of property include an educated workforce, good climate, good housing condition, and proximity to the urban cores and metro services.⁶

Even now, our property values are not reflecting positive factors toward desirability and prices. For example, the California coastline contains some of the most expensive cities to rent and to buy property in the country.⁷ Apparently good climate and close proximity to the new urban cores is now worth millions.
However the property values in Black communities do not reflect these positive factors of an educated workforce, climate and home condition. For example, some zip codes, such as 90301 in Inglewood, CA, are being arbitrarily devalued despite containing a number of two-story homes in good condition with ocean breezes in safe neighborhoods. Most of these residents have higher education degrees and so do their children. Our property values are not reflecting these positive factors. In fact, the area is seeing more non-hispanic whites hoping to buy great homes at bargain hood prices.

The same factors which are used to devalue Black communities are being used to increase property values once Blacks have been relocated. For example in 2017 New York Times article “Good Schools, Affordable Homes, Finding the Suburban Sweet Spot,” states that public school system ranking is no longer an important factor with regards to price in newly redone urban areas like San Francisco, where most of the property is now some of the most expensive in the country after “revival”. Close proximity to metro lines and urban cores is now more desirable than a good public school system and therefore worth paying for. However for Blacks, these exact reasons- closeness to downtown and poor schools- are still used as negative factors when the desirability equation is applied to determine the value of Black property in Black areas. By analogy Black areas should be higher valued because they are also close to downtown Los Angeles/LA Live and USC, and will soon be stops along the new metro lines which caters to the exact same crowds as in San Francisco. Of course, Black areas are not valued more highly.

Black communities are always reported as having the lowest income in the country. If an area is not making money or is full of poor people, the area will be determined to be “unproductive” and therefore worth less.

Supply is also a crucial factor in determining housing prices. The overwhelming numbers of new urbanites flooding the urban areas is fueling numerous multi-unit housing construction projects. Sadly, it is a common sight now to see construction projects in a neighborhood where Blacks once lived. However the increase in multi-dwelling unit housing means that single family homes with a front yard and back yard will become scarcer. The amount of available land in a city area is limited. This means that our property values should be higher, and always should have been higher. Our land in the Black communities is a precious commodity that these new city dwellers are coveting. Unfortunately, they aren’t trying to pay Blacks a fair price.

Scarcity in affordable housing also plays a large role in the intentional devaluation of our neighborhoods. While the Westside, etc continues to skyrocket in value, our communities remain intentionally underdeveloped in order to serve as cheap housing for the new urbanites so they may profit from the depressed prices and the future expected profits out of urban renewal- aka the “fixer upper market”. The new urbanites mass movements into the urban areas at “unanticipated proportions” increases the demand for affordable housing in Black areas. The result is additional and sustained pressure on Black communities as a resource for cheap housing. This increased pressure combined with a brutal police force creates the perfect recipe for relocation. Like the Los Angeles County area, San Francisco, CA, New York, NY, and Washington D.C. already had a shortage of affordable housing on the “white” side of town due to modern Jim-Crow. Most of the property outside of the black areas was too expensive for people. This left Black communities to provide affordable housing due to the scarcity of affordable housing elsewhere, such as Harlem, Brooklyn, Oakland, and all of DC except by Georgetown.
The result was the relocation of Blacks in New York, Washington D.C., San Francisco, Oakland, Seattle and Los Angeles.18

After relocation, in cities such as San Francisco, New York and Washington D.C., the property values skyrocket out of the reach of most Americans and these increased values are based partly on factors such as proximity to urban areas and metros.19

The greater Los Angeles area is following the same pattern of development and Black relocation.

Here in the greater Los Angeles area, the beginnings of a city-wide/county area demographic and economic shift are occurring following street and metro lines. The Staples Center/LA Live/Downtown LA area is a perfect example of economic exploitation and intentional property and neighborhood depreciation, and is a perfect example of how expensive a renewed area can become and how quickly the demographics can change. Downtown Los Angeles was an economically depressed area since white flight. Downtown Los Angeles was once home to many blacks. That’s common knowledge. South Los Angeles sits directly in the shadow of downtown Los Angeles. Beginning with the NBA’s move to the Staples’ Center in the nineties, this area began a construction boom. The Staple’s Center became the heart of a new downtown and LA Live complex, and sat adjacent to the growing metro lines.

Now the demographics have changed and the property is some of the most expensive in the city.20 For example, in 2012 Carmel Partners, a multi-unit development and investment firm based in San Francisco, CA purchased a development site at 8th Street and Grand Avenue in Downtown Los Angeles.21 In 2015, the firm opened up the property called “Eighth and Grand”, a 700 unit apartment building where studio rents start at $2,300 per month.22 Carmel Partners also opened “Atelier”, a 363 unit apartment building on Olive Street in Downtown Los Angeles.23 Carmel Partners either opened up or is in development of 21 multi-family investments in the Southern California area since 2004.24 Carmel Partners only operates in every city where Blacks have been relocated and the rents are amongst the highest in the country- Northern California/San Francisco, CA, Southern California, CA, New York Metro, NY, Seattle, WA and Washington D.C., along with Honolulu, HI and Denver, CO. These extremely large, very expensive apartment buildings are exactly the type of buildings designed to change the character, race and overall demographics of these cities.

The construction increases each day, and so does the price. Roger Vincent of the Los Angeles Times writes, “new condominiums have been in short supply downtown, but hundreds are coming to market as the $1 billion Metropolis Center complex near LA Live is completed in phases...Many are priced over $1 million, and prices are on their way up. In August, the average price per square foot of a new condominium was $802, up 9% from the same period a year ago...Some units in Metropolis are fetching more than $1000 per square foot, according to Marco, a San Francisco real estate marketing firm.”25 And to think, it was so cheap to live in Downtown 15 years ago...

At the same time, Los Angeles City’s and County’s homeless population has dramatically increased.26 In 2017 it increased 23% from 2016, which increased from 2015’s numbers.27 In addition, many people have already moved to San Bernardino, Riverside and Ontario counties from the Los Angeles County area due to increased rent and housing costs.

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2 Isn’t it funny how “urban” once meant black and now it will mean white and/or homosexual urbanite?

3 Among the people who are returning are decedents from white flight. People who lived in segregated suburbs or the “white” side of Jim Crow Los Angeles. Further, there has always been racism among whites on the “Westside” areas who would like to return to a segregated Los Angeles. Know of any team owner/developers who may have fit this description??? There are also such segregationist in San Francisco. Developers are fueling the relocation/property boom as well. Some developer firm have invested billions and decades into redoing the urban cores where Blacks disappear. Until we actually address all aspects of relocation including all groups’ role in relocation, it will continue at alarming speeds. In California it is not just the usual Republican Reganites who are displacing blacks. So are “liberal” white groups who consider themselves Democrats. It is common knowledge that the coastal areas of California vote blue. However blacks are relocating east out of the blue areas.

4 For example the NYPD stop and frisk policy- Beginning at least 15 years ago, NYPD terrorized mostly Blacks (54-57%), where the black population was continuously decreasing. “Stop and Frisk Data”, New York Civil Liberties Union, https://www.nycCLU.org/en/stop-and-frisk-data. Between 2003 and 2012, NYPD targeted Harlem’s and Central Brooklyn’s black populations. The number of stop and frisks of residents for “suspicious” behavior drastically increased, and peaked in January 2012. Mike Bostock and Ford Fersseden, “Stop and Frisk Is All But Gone From New York”, New York Times, September 19, 2014, https://www.nytimes.com/interactive/2014/09/19/nyregion/stop-and-frisk-is-all-but-gone-from-new-york.html. In January 2012 NYPD performed over 15,000 stops per week. Ibid. Most persons stopped were Black and innocent. In 2003, 87% of persons stopped were innocent, 54% were Black, 31% were Latino, 12% were white, and 55% between the ages of 14-24. New York Civil Liberties Union, “Stop and Frisk Data.


Therefore NYPD was and is increasing pressure on an ever-shrinking Black population while whites poured into the newly vacated areas. If this is not the police relocating blacks for white encroachment I don’t know what is. The black population of the Bronx may be under siege now by NYPD as Brooklyn has already become too expensive. See Copwatchers documentary; See also Steven Rosenfeld, “Is Gentrification Fueling Police Brutality in San Francisco?”, Alternet, May 15, 2015, http://www.alternet.org/civil-liberties/gentrification-fueling-police-brutality-san-francisco.


San Francisco?"
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ood the average home is $349,000.

Atlanta Black Star population
Dwindling"
18 they should have to pay westside prices here.
17 Neighborhoods.
15 City, Not
across the country, in cities such as New York and San Francisco.”
become a right of passage…the high demand for city living has led to a wave of high
9 The author of this article, Katherine Burns, is an attorney. My father was also an attorney. My mother has a
master’s degree in pedagogy and curriculum building.
10 Which groups are moving in large numbers into the “renewed” urban areas? According to the US Census
Bureau, countless mainstream media articles and personal observation it is a combination of groups that are
moving into the urban areas at “unanticipated proportions” looking for cheap housing, including but not limited to,
the white hipster/techies, white millennials and their parents, white homosexuals of both genders and other
11 Quoctrung Bui and Conor Dougherty, “Good Schools, Affordable Homes, Finding the Suburban Sweet Spot.”
12 Ibid.
14 “Americans are experiencing an urban renaissance of unanticipated proportions, as young people graduate
college and flock to the cities...for millennials today, leaving Levittown for the bright lights of downtown has
become a right of passage...the high demand for city living has led to a wave of high-rise construction projects
across the country, in cities such as New York and San Francisco.” Frizell, “The New American Dream Is Living In A City, Not Owning A House In The Suburbs.”
15 See Rosenfeld, “Is Gentrification Fueling Police Brutality in San Francisco?.”
16 For example in January 2016, a home in lower Santa Monica is worth an average of $1.6 million while in North
Inglewood the average home is $349,000. Realty.com, “Inglewood, Inglewood CA Housing, Market, Schools and Neighborhoods.”
17 Blacks should NOT have to pay the price each time. If whites wanted to make the westside so expensive, then
they should have to pay westside prices here.
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