The Trajectory and Impact of Ongoing Gentrification in Pilsen

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Introduction

This report updates the study *Gentrification before Gentrification, the Plight of Pilsen* published by the Nathalie P. Voorhees Center for Neighborhood and Community Improvement (the Voorhees Center) at the University of Illinois at Chicago (UIC) in 2006. Along the lines of the previous report, we compiled data for the period 2000-2013 and examined the voices of residents, heads of local institutions, and other individuals involved in or affected by gentrification. The previous report focused on the extent of gentrification, the expectations set off by a gentrifying cluster in the east end, and their effect on the overall real estate market and the lives of residents. We argued that the presence of the cluster changed Pilsen's image and raised expectations, jacking property prices up throughout the neighborhood while portraying Pilsen as gentrified even though only a portion of it showed signs of gentrification.

This report examines the extent to which the findings of *Gentrification before Gentrification* have changed since while paying special attention to the role and nature of discourses involved in the process. This update suggests that:

- Gentrification of the east end of Pilsen has intensified and has actually expanded;
- 2) A new cluster of gentrification is emerging in the center of the community;
- 3) Still, overall indicators make Pilsen a low-income, working class community;
- 4) Although the entire community is losing population, the highest rates are in the areas most directly affected by gentrification;
- 5) Indicators suggest a process of 'weeding out' that seems to be retaining the most affluent households while progressively transforming Pilsen from a 'port of

entry' of first generation residents to one of second or third generation households and gentrifiers;

- 6) Gentrification is intensifying the threat on lower income residents via increases in the cost of housing and the passive attitude of local institutions;
- 7) Rather than a case of Latino-on-Latino gentrification, Pilsen appears to be assuming the classical form of White-on-White gentrification with some participation by well-off Latinos; and
- 8) A 'battle of discourses' has accompanied gentrification, lining up different sectors of the community on different sides of the spectrum while progressively undermining the Mexican compact and planting a generalized sense of uncertainty, especially among the most vulnerable.

Methodological Note

As in the previous report, we examined changes in population, housing, and other relevant factors associated with gentrification along with accounts and perceptions of it. The first part of the analysis draws on census data to determine the paths of gentrification and its actual impact on the composition and characteristics of the population. While using the same methodology and indicators of the previous report, analysis is adjusted to reflect changes in US Census Tract boundaries introduced in 2010. Whereas in 2000 Pilsen included 15 census tracts (3101, 3102, 3103, 3104, 3105, 3106, 3107, 3108, 3109, 3110, 3111, 3112, 3113, 3114, and 3115), in 2010, it had been condensed into 11 census tracts (3102, 3103, 3104, 3105, 3106, 3107, 3108,

3109, 8412, 8413, and 8432). Although eight tracts remained unchanged, tracts 3101, 3114, and 3115 were combined into tract 8432.

While examining other data and publications on Chicago neighborhoods, we found one that openly contradicts the general perception of Pilsen as a neighborhood in a high stage of gentrification: the Gentrification Index. Developed by the Voorhees Center, the Index uses thirteen indicators to examine change across neighborhoods between 1970 and 2010. In contrast with the perception that Pilsen has changed drastically in the last decades, the Index classified it as a 'no change community.' While somewhat confirming the overall findings of *Gentrification before Gentrification*, this characterization requires some qualification. In earlier studies, we learned that gentrification takes some time to show up in community-wide indicators. Thus, analyses need to examine smaller geographies to detect possible clusters or determine if gentrification is at an incipient stage. Lastly, without wholesale urban renewal (e.g., Lincoln Park and Hyde Park, also in Chicago) or other such public sector interventions, gentrification tends to move unevenly and, in the case of Pilsen, has run into significant opposition and resistance.

Moreover, in order to understand the trajectory and impacts of gentrification, analyses need to go beyond statistical descriptors and examine factors such as community fabrics, the actual gentrifiability of the existing building stock, zoning and other regulations, and community resistance. In particular, gentrification is accompanied by or requires the transformation of the community's image, and in many cases, sets off struggles that are reflected in battles of discourses and representations. Lastly, the mere resilience of people and the fabric of self-help and mutual aid in a place

like Pilsen become formidable forms of resistance that the literature has not explored. To get a sense of this, the second part of the report examines the testimonies and perceptions reported in media articles and verified by our research. We collected nearly 50 articles from printed and web media and conducted text analyses of them that we supplemented with further research (especially participant observation and formal and informal interviews/conversations with residents and institutional representatives).

For the statistical analysis, we included aggregate and census tract level indicators and divided Pilsen into three main subareas (see Figure 1):

- (1) East Pilsen, consisting of census tracts 3102, 3103, 3104, and 3105 on the east end of the neighborhood;
- (2) Central Pilsen, including tracts 3106, 3107, and 3108; and
- (3) West Pilsen, consisting of tracts 3109, 8412, and 8413.

Tract 8432 to the south was left out because it is mostly industrial; yet, we noticed conversions of former manufacturing or warehousing structures that are also changing the nature of the tract.

This analysis is based on widely used data sources (i.e., the 2010, 2000, and 1990 Decennial Censuses and the 5-year American Community Survey estimates from 2006-2010 and 2009-2013). For housing market trends and housing conditions, we used the clearinghouse of property-level housing data at the Institute for Housing Studies (IHS) Housing Market Indicators Data Portal, which includes Home Mortgage Disclosure Act data, Crime data, and USPS vacancy data. Here we focused on long-term vacancy, property purchase activity by business buyers, and property sales activity.

The report starts with a brief background followed by two major parts: (1) analysis of selected indicators of gentrification and (2) review of media and other literature reporting the voices of residents, institutional representatives, and other relevant actors. For the descriptive statistics, we included population (population, income, race, and foreign-born) and housing indicators (age, vacancy, overcrowding, tenure, prices, real estate activity, and affordability) along with safety figures. While shifts in population, density, and income reveal changes in the composition and characteristics of residents, housing indicators show changes in real estate. Lastly, crime and safety are used to reinforce the previous two (decreases in crime rates usually accompany gentrification via population replacement and changes in policing).

Background: The Trajectory of Gentrification in Pilsen

Originally a port of entry and first settlement for workers of the nearby railroad yards and manufacturing plants, Pilsen was first occupied by European immigrants reaching a population of 85,680 in 1920 and declining thereafter to 44,951 in 1960. Postwar White flight opened the community to Mexicans who moved in mass especially in the 1960s when urban renewal and highway construction displaced them from Hull House and other nearby locations. This concentration made Pilsen the first majority Latino community in the city while stabilizing the neighborhood's population up until the 1990s when, coinciding with the advance of gentrification, it started declining again.

Previously described as an orderly and well-maintained working class European ethnic community supportive of family life, as soon as Mexicans moved in, it was designated as an area of 'slum and blight,' a classification that slated it for

redevelopment. Meanwhile, racialization brought in or intensified 'slumlordism', disinvestment, redlining, and public neglect causing further deterioration. Still, community leaders engaged immediately in community and institution building, working to improve the social and physical conditions of the neighborhood and its new residents.

Also, as soon as Latinos moved in, the City enacted the Chicago 21 Plan targeting Pilsen and other central communities (i.e., the Cabrini Green area, Southeast Westtown, the Near West Side and the South Loop) for redevelopment. Having trained in the struggle against urban renewal while at the Hull House and taking clues from the Chicano Civil Rights movement, Pilsen residents mobilized along with other central communities causing the city to table its plan for those areas. Once established, this organizational compact continued defending Pilsen against displacing development as illustrated by its opposition to Jane Byrne's proposal for a World Fair that would have taken the east end and to a plan to transform central Pilsen into a Mexitown. Although in the 1970s local leaders developed an alternative plan for development without displacement, the city never embraced it seemingly waiting for the opportunity to gentrify the area.

Meanwhile, de-industrialization and railroad decline further affected the employment and mobility chances of residents who had to turn to low-wage jobs in the service industry. This situation consolidated the low-income condition of the neighborhood and its vulnerability to speculators.

Operating under the radar, in the 1980s, a developer acquired contiguous properties in the east end of Pilsen turning them into what he called an artist colony including nearly 300 units. But when he proposed a zoning change to redevelop an old

brewery, occupied at the time by three manufacturing businesses, into a residential and performing arts complex, residents took notice and mobilized again, convincing the city to reject the conversion. Since, residents continued to keep a close eye on the agendas of developers and speculators intent on gentrifying the community.²

A number of factors, however, weakened local resistance against gentrifying redevelopment. With the return of the Democratic Machine to power in 1989, the growth coalition regained full control of the city's agenda; among other changes, the Machine coalesced with local foundations on which community-based organizations relied for funding, steering them toward a mainstream model of collaboration and partnership. Around the same time, a change of guard in Pilsen replaced the Civil Rights leadership with one of 'pragmatic' CBOs. In 1996, the Mayor appointed a progentrification alderman for the 31st Ward, which included most of Pilsen. This appointment, along with the advance of gentrification to the Pilsen border through the demolition of ABLA Homes (3,596 public housing units to be redeveloped into a mixed-income community), the development of University Village, a middle-to-upper-income community (a public-private partnership of the City with UIC), and the relocation of the South Water Market (making the buildings available for condominium development) further attracted the attention of gentrifying forces.

With the support of the growth coalition, gentrification started absorbing the east end of Pilsen via conversions and new construction. Although development came to a screeching halt in the Great Recession of 2008, investors acquired foreclosures homes

² Patricia A. Wright, The Pilsen Community Plan Organizing Effort 1973-1975, A Case Study in Citizen Participation, Master's Thesis, School of Urban Sciences, College of Architecture, Art and Urban Sciences, UIC, June 1979.

³ Solis was a former head of a Latino group involved with Daley's Democratic Machine.

and short sales, renting them while awaiting the opportunity to sell them to a new wave of gentrifiers. As development absorbed the east end of Pilsen, a growing collection of 'deal hunters' and politically connected developers –along with some Latino professionals moving in or supporting the process –pushed the gentrification frontier west.

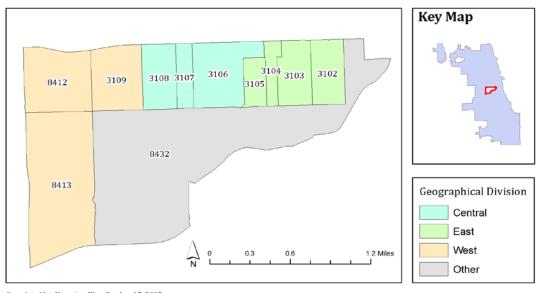
Despite the common belief that Pilsen is a case of Latino-on-Latino gentrification, our evidence suggests that developers, capital investors, and gentrifiers have been predominantly White. Trendy retail has followed, replacing Mexican-owned businesses and venturing deeper and deeper along 18th street, the main commercial strip of the community.

In contrast with the early institutional and community-based organization leaders, professional executives have focused on collaborations with the public and private sectors, dropping the anti-gentrification struggle and betting on mixed-income development. A single grassroots organization, Pilsen Alliance, continues working to oppose displacement. Leading the way on the mixed-income front, the Resurrection Project has been developing affordable housing. This strategy and discourse has become a common rationalization for community-based nonprofits and institutions that feel that gentrification is inevitable and the best they can do is to help some residents stay. Meanwhile, gentrification has been displacing many of its Mexican residents and also pushing out many of the early White artists.

Part I: The Trajectory of Gentrification in Pilsen, Selected Indicators

Figure 1: Lower West Side (Pilsen) Census Tracts and Subareas

Lower West Side Census Tracts, 2010-2015



Completed by: Youngjun Kim, October 15, 2015 Projection: State Plane Illinois East NAD83, feet

Demographic Indicators

Population Change

In 2013, Pilsen had 35,353 people compared to 44,031 in 2000 and to 45,654 in 1990, losing 8,678 or 19.7 percent in the 2000-2013 period, 1,623 or 3.6 percent between 1990 and 2000, and 6,564 or nearly 15 percent in the 2000-2010 decade (See Table 3). Although losing population steadily since the 1920s, the Mexican presence had stabilized the community between 1970 and 1990; after that, however, population decline continued accelerating, especially after 2000.

But the loss was not spread out evenly. Whereas losses of Latinos in the 1990-2000 decade occurred principally in east Pilsen, in the 2000-2010 decade, central Pilsen had the most dramatic loss, followed by west and east Pilsen in this order (see Table 1). Still, in absolute numbers, the largest loss in this decade took place in West Pilsen followed by central Pilsen and east Pilsen.

Table 1: Population Change by Major Sections of Pilsen, 2000-2010

Population Change, 2000-2010	Hispanic	White	Total Loss
East	-1310	+153	-769
Center	-4946	+998	-2522
West	-3235	+24	-3176

By census tract (See Table 2), three tracts lost over 20% of their population: 3105 (the last east-west tract of the eastern section), 3106 (in the newly gentrifying central area), and 8412 (the westernmost tract –see Figure 1 and Table 2). Next to them are tracts 3108 and 3109 in central and west Pilsen with population losses in the teens. Only tract 3107 in central Pilsen gained population in the 2000-2010 period (13 percent).⁴ In absolute numbers, the main losers were tracts 3106, 8412, 3109, and 3108 in that order, all of them along the northern border (see Figure 1).

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⁴ This change may be associated with displacement east of this tract into tract 3107.

Table 2: Population Changes by Census Tract for the Period 2000-2010

	2000	2010	Difference # (%)
Tract 3102	1,570	1,631	+61 (+3.8)
Tract 3103	1,898	1,906	+08 (0.4)
Tract 3104	1,536	1,373	-163 (-10.6)
Tract 3105	2,174	1,499	-675 (-31.0)
Tract 3106	7,035	5,277	-1,758 (-25.0)
Tract 3107	2,276	2,571	+295 (+13.0)
Tract 3108	5,810	4,751	-1,059 (-18.2)
Tract 3109	6,618	5,483	-1,135 (-17.2)
Tract 8412	6,455	4,837	-1,618 (-25.1)
Tract 8413	5,464	5,041	-423 (-7.7)
Tract 8432	3,195	3,108	-87 (-2.7)
Total	44,031	37,477	-6,554 (-14.9)

By race (See Table 3), Latino losses were largest in the east section between 1990 and 2000 and in the center from 2000 to 2010 (followed by the east in this period). In contrast, during the 1990-2000 period, west Pilsen gained Latino population, perhaps related to population losses in the rest of the community.⁵ But in the 2000-2010 decade, Latino losses in the West reached double figures.

Table 3: Total Latino Population Changes by Area, 1990, 2000 and 2010

	Eas	st	Cent	er	Wes	it	Pilsen
	Total		Total		Total		Total
	Latino	Percent	Latino	Percent	Latino	Percent	Latino
	Population	Change	Population	Change	Population	Change	Population
1990	7,004		15,289		12,118		34,411
2000	5,774	-17.6%	14,026	-8.3%	13,163	8.6%	32,963
2010	4,464	-22.7%	9,080	-35.3%	10,818	-17.8%	24,362

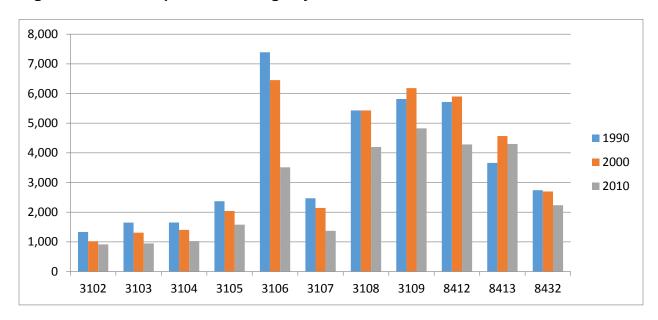
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⁵ This could be an east-west population movement related to the displacement of gentrification.

Table 4: Latino Population Changes by Census Tract, 2000-2010

	Population Loss	Percentage Change
Tract3102	-107	-10.5%
Tract3103	-364	-27.8%
Tract3104	-377	-26.9%
Tract3105	-462	-22.6%
Tract3106	-2940	-45.6%
Tract3107	-772	-36.0%
Tract3108	-1234	-22.7%
Tract3109	-1354	-21.9%
Tract8412	-1614	-27.4%
Tract8413	-267	-5.8%
Tract8432	-464	-17.2%
Pilsen	-9955	-25.4%

Figure 2: Latino Population Change by Tract from 1990 to 2010



Latino population losses reached double digits in east Pilsen between 1990 and 2000 as well as in all sections between 2000 and 2010 (35.3 percent in the central area, 22.7 percent in east Pilsen, and 17.8 percent in west Pilsen). These losses correspond with early gentrification in east Pilsen and of the central area more recently. Although registering a smaller rate, west Pilsen population losses are also large.

The four largest losers of Latinos in absolute numbers (tracts 3106, 8412, 3109, and 3108 in this order) are also the largest losers of population in general (See Tables 2 and 4). Two of them (3106 and 3108) are in central Pilsen and the other two (3109 and 8412) are in west Pilsen. Meanwhile, the tracts with the least losses are in the gentrified east section (i.e., tracts 3102, 3103, 3104, and 3105) and in the least gentrified west section (i.e., tract 8413). Two of the four largest losers of Latinos are in the central area (i.e., tracts 3106 and 3108) followed by 3109 in west Pilsen; these tracts registered the largest percentage gains of Whites between 2000 and 2010 and the fourth largest loser, tract 3109, is located immediately west of the gentrifying central tracts. Whereas the eastern (3102, 3104, and 3105) and central tracts (3106 and 3107) lost more than 10 percent of their total population, two of the western tracts (3109 and 8413) gained between 1990 and 2000. Altogether, these changes suggest an east-west path of population losses concentrated particularly along the northern tracts of the community.

Household Characteristics

The decline of families (20.4 percent) and families with children under 18 (40.9 percent) paired with the increase of one-person households (17.8 percent) and non-family households (88.6 percent) suggest a jump in gentrification between 2000 and 2010 in Pilsen.⁶ (See Table 5) Meanwhile, average household size declined by half-a-person or .51 (Chicago only decreased by .15), also reflecting the transition from a family to a non-family community (See Table 6). Decline is most pronounced in census tracts 3104, 3106, 3105, 3109, and 3107 suggesting a major shift in these tracts during the

⁶ Gentrified areas tend to have far less families, less families with children and more nonfamily and one person households.

decade. In contrast, census tracts 3102 and 3103 that started gentrifying earlier had lower changes showing a process of intensification in the period.

As Figure 3 shows, this decline includes all census tracts but is minimal in tract 8432.

Table 5: Household Type, 2000-2010

Pilsen	Percent Change 2000-2010	2010		2000)
Total	-5.4%	12,110		12,797	
1-person household	17.9%	3,169	26.2%	2,689	21.0%
Family households	-20.4%	7,396	61.1%	9,289	72.6%
With own children under 18	-40.9%	2,457	20.3%	4,160	32.5%
No own children under 18	1.5%	1,862	15.4%	1,835	14.3%
Nonfamily hhlds (2 or more)	88.6%	1,545	12.8%	819	6.4%

Table 6: Average Household Size, 2000-2010

			Change 2000-
	2000	2010	2010
Tract3102	2.57	2.23	-0.34
Tract3103	2.75	2.64	-0.11
Tract3104	3.35	2.53	-0.82
Tract3105	3.70	3.03	-0.67
Tract3106	3.49	2.62	-0.87
Tract3107	3.40	2.76	-0.64
Tract3108	3.72	3.19	-0.53
Tract3109	3.78	3.11	-0.67
Tract8412	3.66	3.21	-0.45
Tract8413	3.11	2.96	-0.15
Tract8432	3.34	3.27	-0.07
Total	3.43	2.92	-0.51
Chicago	2.67	2.52	-0.15

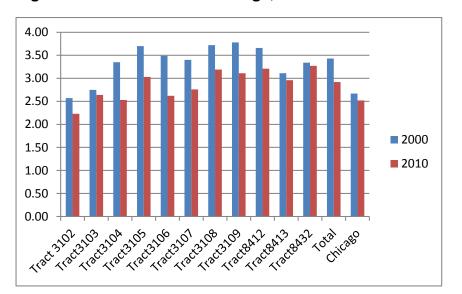


Figure 3: Household Size Change, 2000-2010

Median Household Income

Traditionally, Pilsen was a low-income, port of entry neighborhood. We might think that this trend has continued taking into consideration that in 2010, Pilsen had a much lower median income at \$35,611 than Chicago at \$47,270 (See Table 7). Yet, other data suggest that the neighborhood may be losing that characteristic. For instance, the east side of Pilsen registered figures far above the city's median. In particular, census tracts 3102 and 3103 had median incomes of \$63,015 and \$50,324 respectively in 2013. Meanwhile, all tracts have made gains but most particularly those undergoing gentrification.

In 1990, one western tract (8412) had a higher median income than tract 3102 and others were only slightly below it. By 2010, tract 3102 had surpassed all tracts (See Figure 3 and Table 7). The disparity between east and west Pilsen was smaller in 2000; the gap between tract 3102 and western tracts (3109, 8412, 8413) went from \$4,654 and \$8,878 in 2000 to \$17,159 and \$23,365 in 2010, and to \$24,806 and

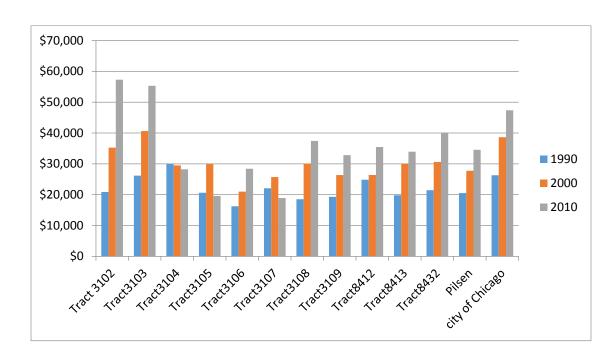
\$30,240 in 2013 compared to the City's figure at \$47,270 and Pilsen's at \$35,611.

Notice, meanwhile, that by 2010 only tracts 3102 and 3103 had median household incomes higher than Chicago while tracts 8432, 3108, and 8412 had median incomes higher than Pilsen, followed closely by 8413. Still, Pilsen was far behind Chicago.

Table 7: Median Income by Tract, 1990-2013

	1990	2000	2010	2013
Tract 3102	\$20,899	\$35,273	\$57,292	\$63,015
Tract3103	\$26,184	\$40,644	\$55,313	\$50,324
Tract3104	\$29,943	\$29,500	\$28,232	\$42,989
Tract3105	\$20,625	\$29,954	\$19,583	\$32,316
Tract3106	\$16,250	\$20,985	\$28,410	\$30,920
Tract3107	\$22,083	\$25,714	\$18,917	\$32,500
Tract3108	\$18,539	\$30,102	\$37,446	\$38,062
Tract3109	\$19,311	\$26,358	\$32,813	\$32,692
Tract8412	\$24,854	\$26,395	\$35,478	\$33,750
Tract8413	\$19,825	\$30,000	\$33,927	\$32,775
Tract8432	\$21,465	\$30,619	\$40,133	\$38,209
Pilsen	\$20,524	\$27,763	\$34,573	\$35,611
city of Chicago	\$26,301	\$38,625	\$47,371	\$47,270

Figure 4: Median Household Income by Census Tract



Between 2000 and 2013, median income in tracts 3102, 3104, and 3106 increased by 78.6, 45.7, and 47.3 percent respectively, an increase that is at least 15 percent points higher than the average for all of Pilsen (28.3 percent), actually doubling the rate of increase for the city (See Table 7). In contrast, in west Pilsen, tract 8412 had an increase of nearly 28 percent going from \$26,395 to \$33,750, which is below the averages for Pilsen at \$35,611 and for Chicago at \$47,270. Meanwhile, census tracts 3109 (next in the east-west gentrification trajectory) and 8413 on the west side are close to the median for Pilsen, yet below the figure for Chicago. These numbers suggest that incomes are increasing across the board in Pilsen and that gentrification has formed two main clusters, a more advanced one on the east end of the community and a more recent second one in the central area, while apparently penetrating deeper in the rest of community. Although census tract 8412 is occupied mostly by manufacturing, conversions are also pushing it upward. Lastly, the fact that non-gentrified tracts are closing the gap with Pilsen may be explained by increases in rents and house prices that, again, are likely weeding out the most vulnerable population. This is reinforced by decreases in the foreign born population (see Table 12 below), which also suggest that the community is losing its character as a port of entry.

Examining these changes by race shows (see Tables 8 and 9) a wide variation among White households by census tract and far less variation among Latinos, suggesting a closer class condition among Latinos when compared to Whites.

⁷ These figures are not adjusted for inflation and, thus, may be actually lower than in 2010.

Table 8: Median Household Income for Latino Households by Census Tract, 2000-2013

	Tract 3102	Tract 3103	Tract 3104	Tract 3105	Tract 3106	Tract 3107	Tract 3108	Tract 3109	Tract 8412	Tract 8413	Tract 8432	Total
2000	\$44,942	\$44,981	\$38,383	\$38,711	\$29,225	\$35,518	\$39,620	\$35,011	\$35,032	\$40,709	\$38,164	\$35,989
2010	\$66,875	\$52,396	\$25,560	\$19,119	\$29,733	\$20,398	\$39,886	\$31,933	\$37,481	\$34,557	\$33,875	\$34,905
2013	\$60,095	\$47,145	\$26,910	\$30,614	\$29,281	\$28,023	\$36,136	\$28,970	\$30,113	\$32,866	\$31,367	\$32,126

Although White households have consistently higher median incomes, Latino households had higher incomes in 2000 in six of the eleven tracts. However, the number of tracts that follow this trend went down to three in 2010 and to two in 2013 (see Tables 8 and 9). The only exceptions to the flatter distribution of Latino incomes are in tracts 3102 and 3103, both in eastern Pilsen where Latino households' median income surpassed by nearly \$10,000 the city's median in 2010.

Table 9: Median Household Income for White Households by Census Tract

	Tract 3102	Tract 3103	Tract 3104	Tract 3105	Tract 3106	Tract 3107	Tract 3108	Tract 3109	Tract 8412	Tract 8413	Tract 8432	Total
2000	\$58,612	\$54,249	\$80,558	\$16,030	\$16,591	\$31,545	\$35,985	\$31,582	<mark>\$29,900</mark>	\$36,845	\$51,053	\$41,596
2010	\$39,755	\$82,109	\$40,147	\$43,750	\$37,530	\$30,938	\$34,000	\$60,625	\$26,029	\$24,414	\$34,250	\$37,374
2013	\$64,817	\$67,567	\$48,554	<mark>\$25,886</mark>	\$37,773	\$46,409	\$33,929	\$56,691	\$34,539	\$26,194	\$42,938	\$41,760

Per capita income further confirms the Latino-White gap (See Table 10).

Whereas in 1990 the figure for Whites was only \$1,336 higher than for Latinos, in 2000 the difference was \$20,628 and in 2010 it was \$14,661. Meanwhile, per capita income was higher for Whites in all census tracts in each of these three years. Although the White- Latino difference was below \$10,000 in all tracts in 1990, it was below this mark only in two tracts in 2000 and 2010. Differences were more pronounced in 2000 than in 2010, perhaps as a reflection of the impact of the Great Recession on 2010 incomes.

Table 10: Per Capita Income by Race by Census Tract, 1990-2010

Per Capita		1990			2000			2010	
Income by Race	White	Hispanic	Difference	White	Hispanic	Difference	White	Hispanic	Difference
Tract3102	\$18,258	\$9,550	\$8,708	\$33,124	\$15,276	\$17,848	\$49,383	\$22,347	\$27,036
Tract3103	\$13,922	\$11,844	\$2,078	\$61,106	\$20,352	\$40,754	\$37,618	\$26,020	\$11,598
Tract3104	\$14,886	\$11,334	\$3,552	\$70,229	\$19,678	\$50,551	\$31,801	\$10,504	\$21,297
Tract3105	\$10,530	\$8,446	\$2,084	\$39,082	\$11,473	\$27,609	\$35,599	\$10,988	\$24,611
Tract3106	\$11,861	\$8,401	\$3,460	\$15,941	\$9,801	\$6,140	\$24,044	\$12,743	\$11,301
Tract3107	\$15,557	\$9,737	\$5,820	\$25,379	\$11,111	\$14,268	\$12,781	\$11,197	\$1,584
Tract3108	\$12,983	\$8,942	\$4,041	\$22,510	\$11,993	\$10,517	\$23,396	\$13,143	\$10,253
Tract3109	\$13,241	\$9,205	\$4,036	\$20,382	\$11,267	\$9,115	\$38,083	\$11,915	\$26,168
Tract8412	\$15,550	\$10,919	\$4,631	\$22,922	\$12,254	\$10,668	\$20,792	\$12,857	\$7,935
Tract8413	\$15,515	\$10,589	\$4,926	\$31,803	\$13,100	\$18,703	\$23,456	\$12,226	\$12,230
Tract8432	\$15,949	\$10,006	\$5,943	\$29,427	\$16,070	\$13,357	\$22,737	\$14,001	\$12,736
Total	\$10,979	\$9,643	\$1,336	\$33,125	\$12,497	\$20,628	\$27,846	\$13,185	\$14,661

Race

In the late 1980s, the Latino population started to decrease significantly in Pilsen at the same time that Whites increased steadily, especially in the most gentrified tracts. But all tracts in Pilsen are still majority Latino. This pattern suggests two alternative scenarios vis-à-vis gentrification: (1) that the gentrification of Pilsen, as some authors suggest, has the dominant Latino-on-Latino form or (2) that many lower income Latinos have managed to remain as gentrification advances around them. This data together with our observations and formal and informal conversations with residents across the years suggest that, although middle income Latinos have participated in the gentrification of Pilsen, they do not appear to be the majority. Also, although gentrification has intensified in particular tracts, it has not been even in any of them.

While the number of Latinos is decreasing in the most gentrified section of east Pilsen, they have held their own in west Pilsen. In the 2000-2010 decade, Pilsen lost over 25 percent of its Latino population (9,955). Whereas in the 1990-2000 period the

major decrease took place in east Pilsen, between 2000 and 2010 newly gentrifying central tracts 3106, 3107, and 3108 lost 35.3 percent of their Latino residents.

Meanwhile, Latinos decreased in east Pilsen in this period by 22.7 percent and in west Pilsen by 17.8 percent (See Table 11). Similarly, the eastern tracts have the lowest proportions of Latinos. Although gentrification has followed an east-west trajectory, White increases and Latino decreases do not follow a strict linear route.

Starting in the east tracts, the percentages of Whites proceed as follows in 2013: 33.9 in tract 3102, 26.2 in 3103, 19.9 in 3104, 5.4 in 3105, 14.7 in 3106, 16.4 in 3107, 10.3 in 108, 10.9 in 3109, and 8.8 in 8412 (See Table 11).

Table 11: Race by Census Tract, 1990-2013

Race		1	990		2000				20	010			2013			
	WI	hite	Hisp	anic	W	hite	Hisp	anic	W	hite	Hisp	anic	W	hite	Hisp	anic
Tract 3102	387	22.0%	1,334	76.4%	451	28.7%	1,022	65.1%	496	34.5%	915	63.6%	474	33.9%	844	60.3%
Tract 3103	231	12.1%	1,648	86.2%	405	21.3%	1,308	68.9%	461	31.6%	944	64.6%	374	26.2%	866	60.6%
Tract 3104	77	4.3%	1,652	92.6%	98	6.4%	1,404	91.4%	163	12.1%	1,027	76.1%	257	19.9%	932	72.0%
Tract 3105	65	2.7%	2,370	97.1%	81	3.7%	2,040	93.8%	68	4.1%	1,578	95.9%	86	5.4%	1,492	93.9%
Tract 3106	242	3.1%	7,390	93.8%	278	4.0%	6,452	91.7%	772	15.9%	3,512	72.2%	818	14.7%	3,900	70.0%
Tract 3107	105	4.0%	2,468	94.6%	94	4.1%	2,143	94.2%	423	22.7%	1,371	73.6%	196	16.4%	901	75.5%
Tract 3108	425	7.2%	5,431	92.3%	302	5.2%	5,431	93.5%	477	10.2%	4,197	89.3%	479	10.3%	4,125	88.9%
Tract 3109	634	9.8%	5,816	89.8%	341	5.2%	6,181	93.4%	343	6.4%	4,827	90.0%	540	10.9%	4,227	85.0%
Tract 8412	687	10.6%	5,717	88.4%	400	6.2%	5,898	91.4%	522	10.6%	4,284	86.6%	494	8.8%	4,841	85.8%
Tract 8413	1,319	26.2%	3,661	72.7%	739	13.5%	4,567	83.6%	639	12.5%	4,300	84.4%	354	8.1%	3,859	87.9%
Tract 8432	634	18.5%	2,740	80.2%	398	12.5%	2,698	84.4%	382	13.7%	2,234	80.4%	313	9.7%	2,848	88.1%
Total	4,806	10.5%	40,227	88.1%	3,587	8.2%	39,144	88.9%	4,746	13.4%	29,189	82.2%	4,385	12.4%	28,835	81.6%

These figures suggest a cluster with 20 percent or more Whites to the east, a sharp fall in tract 3105, a cluster of two tracts in the mid-teens in central Pilsen, and a

cluster of three tracts at or below 10 percent after them. This distribution together with earlier figures suggests the formation of two clusters of gentrification (east and center) at different stages. Similarly, combining increases in the White population with income increases shows a relatively steady east-west pattern even in census tract 3105. At the same time southern tract 8432 is also showing signs of gentrification due to an increasing number of conversions.

Moreover, by median household income and per capita income, Latinos have been below Whites throughout the community but especially in tracts with higher levels of gentrification. Latinos have decreased steadily in the two most gentrified tracts to the east, going down to 60 percent in 2013; decline is also very noticeable in the next two tracts east-west (3104 at 76.1 percent and 3106 at 72.2 percent). In contrast, Latinos are still highly concentrated (85.8 percent in 8412 and 85 percent in 3109), in tract 3108 (88.9 percent) in the central area and, interestingly, in tract 3105 (93.9 percent) in east Pilsen. Putting these trends together with income changes suggests that the tracts with the highest incomes and the highest concentrations of Whites are in the east end of the community and then in two central tracts (3106 and 3107), followed again by census tract 8432.

In short, despite large Latino population losses, many lower-income Latinos have found ways to stay. Income figures suggest a dominant pattern of White gentrification as well as an increasing scattering of White households throughout Pilsen. Due to their income, Whites are advantaged even in the most gentrified tracts. But the jury is still out and census data do not allow us to completely discard either of the two scenarios.

Foreign Born Population

Traditionally serving as a port of entry, Pilsen has consistently had a large foreign-born population. This tradition continued when it became the first majority Latino community in Chicago. At that point, the neighborhood also became the organizational headquarters of Latinos in the City. This tradition and role, however, seem to be changing. While Chicago as a whole experienced a significant growth of foreign-born population between 1990 and 2000, Pilsen experienced a steady decline with a particular drop in the 2000-2010 decade. Steady decreases can be observed in all census tracts in East Pilsen and in census tracts 3107 and 3108 in central Pilsen. Gains in census tracts 3109, 8413, and 8432 in West Pilsen between 1990 and 2000 may have resulted from relocation of foreign-born households from gentrifying tracts (See Table 12).

Table 12: Foreign-born population

	1990	2000	2010	2013
Tract3102	596	570	420	320
Tract3103	837	608	319	449
Tract3104	782	705	454	458
Tract3105	1,326	1,221	913	712
Tract3106	4,235	3,675	1,936	2,044
Tract3107	1,403	1,113	751	561
Tract3108	3,077	3,017	2,389	2,156
Tract3109	3,466	3,596	2,441	2,066
Tract8412	3,277	3,105	1,976	2,313
Tract8413	1,996	3,784	2,098	1,741
Tract8432	1,439	1,564	1,183	1,470
Pilsen	22,434	21,608	14,880	14,290
City of Chicago	469,187	628,903	570,543	569,328

Yet, these western tracts also lost foreign-born residents thereafter. Between 2010 and 2013, tracts 3106 in central Pilsen and 8412 in west Pilsen also gained

foreign- born residents, perhaps as a result of the dislocations caused by the entry of gentrification to central Pilsen (See Table 12). As a whole, Pilsen lost 6,728 or nearly a third of its foreign born population (31.1 percent) in the 2000-2010 decade, or 79 percent of the total loss of 8,523 people in the entire community during the period. This loss is higher than the one for 1990-2000. In contrast, the city's foreign-born population grew by 34 percent during the decade.

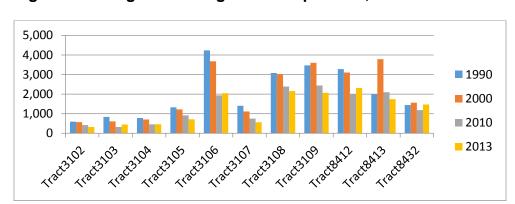


Figure 5: Changes in Foreign-Born Population, 1990-2013

Housing Indicators

Housing Units

As Figure 6 and Table 13 indicate, housing units increased slightly between 1990 and 2000 (3.9 percent) and declined in the following decade (9.6 percent). The 1990-2000 decline is related to the fact that few units were demolished while condominiums were being built in Pilsen. The 2000-2010 decline is likely related to conversions and demolitions, both of them possibly related to gentrification.

Proportionally (see Table 13), the main gain in the 1990-2000 decade took place in census tract 3103, followed by tract 3104, and 3109; all of these tracts are in gentrifying areas. In the 2000-2010 decade, only tracts 3104 and 3106 in east and

central Pilsen gained units. Meanwhile, the main proportional losses took place in tracts 8432, 8413, and 3103 in this order. In the same way as gains were spread out in the 1990-2000 decade, losses were spread out in the 2000-2010 period. Numerically, the main losers were tracts 8413, 3109, 3108, and 8432. Meanwhile, census tracts 3106 and 3104 gained 8.2 and 11.4 percent, or 187 and 61 units respectively.

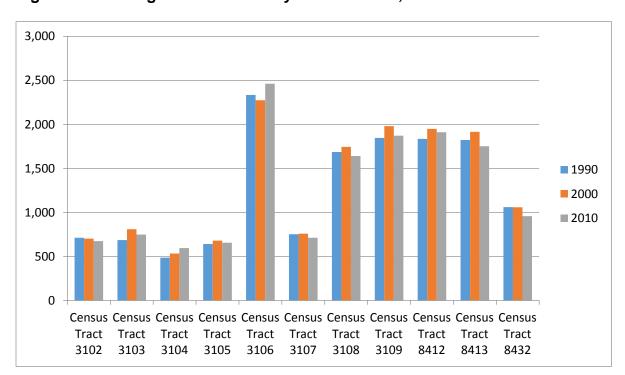


Figure 6: Housing units in Pilsen by Census Tract, 1990-2010

Altogether, between 1990 and 2010, Pilsen lost 6.1 percent of its total housing units, some of which may be the result of demolition, replacing higher density housing with lower density units and conversions of multifamily housing into single family homes.

Table 13: Total Housing Units in Pilsen by Census Tract

	1990	2000	1990-2000 Difference	2010	2000-2010 Difference
Tract 3102	713	703	-10 (-1.4%)	674	-29 (-4.1%)
Tract 3103	686	810	124 (18%)	749	-61 (-7.5%)
Tract 3104	486	534	48 (9.9%)	595	61 (11.4%)
Tract 3105	642	680	38 (5.9%)	656	-24 (-3.5%)
Tract 3106	2,335	2275	-60 (-2.6%)	2462	187 (8.2%)
Tract 3107	753	759	6 (.79%)	713	-46 (-6%)
Tract 3108	1,687	1745	58 (3.4%)	1641	-104 (-5.9%)
Tract 3109	1,847	1980	133 (7.2%)	1872	-108 (-5.4%)
Tract 8412	1,836	1949	113 (6.1%)	1911	-38 (-1.9%)
Tract 8413	1,823	1916	93 (5.1%)	1752	-164 (-8.5%)
Tract 8432	1,061	1059	-2 (0.2%)	958	-101 (-9.5%)
Total	13,869	14,410	541 (3.9%)	13025	-1385 (-9.6%)

New Construction

Confirming the pattern of gentrifying redevelopment emerging from previous indicators, the largest number of new units was built in east Pilsen (census tracts 3102, 3103, and 3104). Between 2005 and 2011, the increase in new permits issued in these three tracts was more than three times the rate of change in Chicago suggesting that gentrification intensified after 2000 (See Figure 7). In contrast, new construction in the rest of the community is rather sparse.

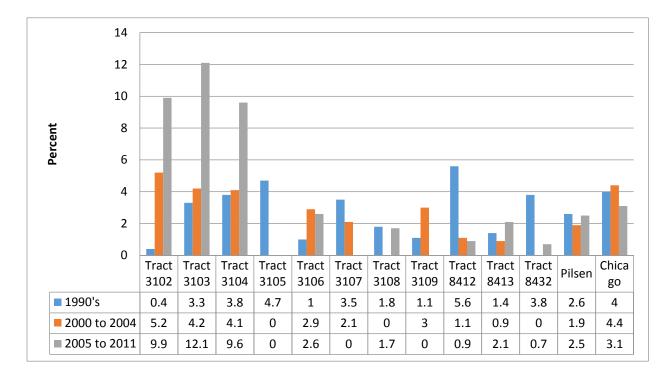


Figure 7: Year of construction as a percentage of total homes

Source: American Community Survey 5year estimate 2007-2011

Most recently two developers, Baum Development and New York-based Property Markets Group, were in the late stages of approval of proposals that would add 611 units to the east section of Pilsen. Whereas the first development will transform a vacant five story building at Sangamon and 19th streets into 111 units,⁸ the second will develop a 500-unit condominium development on a vacant, 7.85 acre lot between 16th and 18th streets, and Newberry Avenue and Peoria Street in census tract 3103, one of the most upscale areas in Pilsen.⁹ Meanwhile, conversion of residential units into condominiums continues unabated as does the conversion of old factory buildings (e.g.,

⁸ AJ LaTrace, "Developer Sees 111-unit Apartment Project in Pilsen's Future," *Curbed Chicago*, 9 June 2015, accessed on 15 October 2015 at http://chicago.curbed.com/archives/2015/06/09/pilsen-apartment-development.php

⁹ Curbed Staff, "Pilsen Moves Forward with 500-Unit Apartment Development," *Curbed Chicago*, 8 May 2015, accessed on 15 Oct 2015 at http://chicago.curbed.com/archives/2015/05/08/pilsen-moves-forward-with-500unit-apartment-development.php

Chantico Lofts at 1061 W. 16th Street). Along with these residential conversions, retail establishments are replacing Mexican-owned mom-and-pop stores with upscale restaurants, bars, and cafes owned by White individuals or chains. They have been joined most recently by brew pubs and bars selling craft beers, specialty coffee shops, and expensive restaurants catering to younger and wealthier populations. One of the most famous brands in Chicago, the Bow Truss Coffee, recently opened its third city location in Pilsen. Initially limited to east Pilsen, trendy, non-ethnic retail businesses are opening deeper and deeper into the central area of the community along 18th Street.

Vacancies

The vacancy rate measures housing availability and is a good indicator of how efficiently housing units turn over (long-term vacancy is an indicator of the strength of market demand). Based on data from The Institute for Housing Studies, the long-term vacancy rate in Pilsen is larger than the long-term vacancy rate of the City in 2014 (See Figure 8). Figures from 2010 to 2014 also show that in comparison to the City of Chicago's long-term vacancy rate, Pilsen's rate was more variable. This trend suggests a tight market loosening up.

¹⁰ Euan Hague, "Pilsen, the Gentrification Frontier", AAG Newsletter, 5 March 2015, Accessed on 15 Oct 2015 at http://news.aag.org/2015/03/pilsen-the-gentrification-frontier/

¹¹ Eric Perez, "After Gentrification Claims: A Closer Look at Bow Truss in Pilsen," *Sprudge*, 5 Feb 2015, accessed on 15 Oct 2015 at http://sprudge.com/gentrification-claims-closer-look-bow-truss-pilsen-70325.html

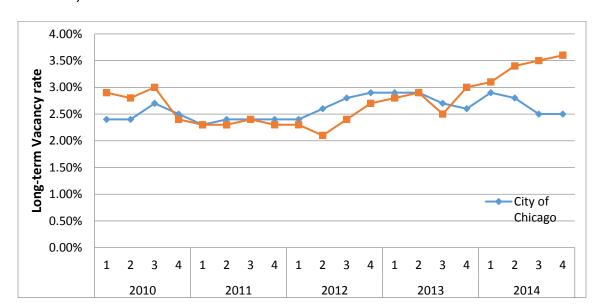


Figure 8: Long-term vacancy Pilsen and Chicago: Share of Addresses Vacant+24 months, 2010-2014

Total Sales Activity

Total real estate sales activity in the City of Chicago and in Pilsen decreased between 2005 and 2011 most likely as a result of the 2008 depression (see Figures 8, 9, and 10). Whereas total property purchase activity in Pilsen in 2014 is almost equivalent to that of 2005, sales in 2014 for the City of Chicago were only half of those in 2005.¹²

¹² In 2005, Chicago had 67,061 property sales transactions compared to only 34,003 in 2014 (IHS, 2015).

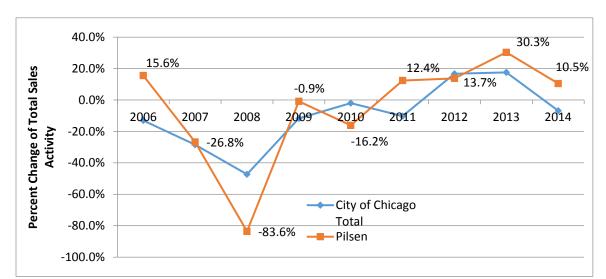
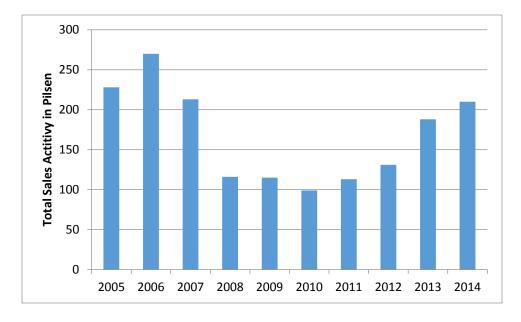


Figure 9: Percent Change of Total Property Sales Activity, 2006-2014

Figure 10: Total Property Sales Activity Trend, 2006-2014



This difference suggests that the real estate market in Pilsen is recovering at a faster pace from the 2008 Great Recession than that of the city.

In the City of Chicago, the share of residential property being purchased by investors increased substantially after 2007, especially in markets with declining prices. Large institutional investors represented a growing share of investor buyers in 2013, as

they purchased lower-value and foreclosure-distressed single family dwellings to convert to rental housing and sell once the market recovered.

In the last decade, Pilsen has shown a higher rate in the share of residential property purchased by investors than Chicago (See Figure 11). In the period 2010-2014, property purchase activity by business buyers in the City showed little variance by year. The rate in the Lower West Side has increased since 2011; the gap with the City widened from 0.6 percent in 2011 to 15.9 percent in 2014. This trend suggests high levels of speculation, as the recovery and increases of property sales can be attributed to business buyers or investors rather than to homebuyers.

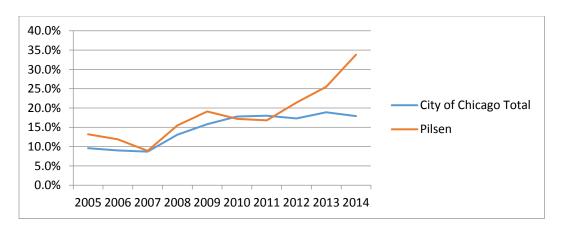


Figure 11. Property Purchase Activity by Business Buyers, 2005-2014

Home ownership

In 2013, nearly 69.7 percent of all housing units in Pilsen were renter occupied, compared to 74.1 percent in 1990 and 74.7 percent in 2000. By census tract (see Table 14 and Figure 12), changes are far more dramatic. Coinciding with gentrification, the easternmost tracts (tract 3102, 3103, and 3104) have the highest owner occupancy rates. In contrast, tracts 3106 and 3107 in central Pilsen, the area with the largest

amount of multi-family buildings, have the lowest levels of owner occupancy. Still, since 2000, homeownership rates have been increasing in this area as well. Interestingly, the tracts with the highest fluctuation in owner-occupancy are 3102, 3103, 3104, and 3108, which in the last decade experienced the largest rates of residential construction. Altogether, there were dramatic and uneven changes in tenure status within the community area. For instance, from 2010-2011, the homeowner-occupancy rate in tracts 3103 and 3104 in east Pilsen decreased by more than 11 percent, compared to a mere 2.2 percent in adjacent tract 3102 (See Figure 12).

Table 14: Owner and Renter households by Census Tract, 1990-2013

Census Tract	Type of Tenure	1990		2000		2010		2013	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Tract 3102	Owner	145	23.1%	143	24.3%	211	35.2%	211	35.2%
	Renter	483	76.9%	445	75.7%	389	64.8%	389	64.8%
Tract3103	Owner	256	39.1%	153	27.6%	190	30.1%	190	30.1%
Tractorios	Renter	399	60.9%	402	72.4%	442	69.9%	442	69.9%
Tract3104	Owner	121	27.4%	120	27.4%	225	42.8%	225	42.8%
Tractoro+	Renter	320	72.6%	318	72.6%	301	57.2%	301	57.2%
Tract3105	Owner	163	28.2%	117	20.8%	146	29.6%	146	29.6%
114010100	Renter	415	71.8%	446	79.2%	348	70.5%	348	70.5%
Tract3106	Owner	320	15.7%	330	15.9%	397	20.1%	397	<mark>20.1%</mark>
114010100	Renter	1,718	84.3%	1,752	84.2%	1,580	79.9%	1,580	79.9%
Tract3107	Owner	101	14.9%	113	17.0%	120	21.2%	120	<mark>21.2%</mark>
Haciotor	Renter	579	85.2%	552	83.0%	445	78.8%	445	78.8%
Tract3108	Owner	366	23.6%	345	23.0%	512	36.0%	512	36.0%
Hacioroo	Renter	1,186	76.4%	1,154	77.0%	909	64.0%	909	64.0%
Tract3109	Owner	479	27.3%	482	29.0%	467	28.3%	467	28.3%
Tracis 109	Renter	1,273	72.7%	1,180	71.0%	1,184	71.7%	1,184	71.7%
Tract8412	Owner	507	28.7%	483	29.3%	510	34.3%	510	34.3%
	Renter	1,257	71.3%	1,165	71.0%	979	65.8%	979	65.8%
Tract8413	Owner	510	28.8%	516	31.0%	525	33.5%	525	33.5%
	Renter	1,261	71.2%	1,146	69.0%	1,042	66.5%	1,042	66.5%
Tract8432	Owner	343	36.6%	315	33.5%	289	30.6%	289	30.6%
	Renter	595	63.4%	663	70.6%	656	69.4%	656	69.4%
Total -	Owner	3,311	25.9%	3,117	25.3%	3,592	30.3%	3,592	30.3%
	Renter	9,486	74.1%	9,223	74.7%	8,275	69.7%	8,275	69.7%

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¹³ This area contains the largest number of multifamily buildings in the community.

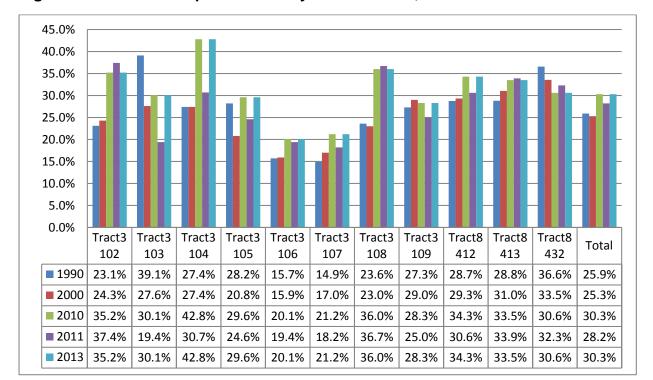


Figure 12: Owner-Occupied Homes by Census Tract, 1990-2013

Housing Affordability

The proportion of households paying over 30% of their income for rent or mortgage has increased radically in recent years (see Figure 13 and Table 15). In 2010, over 50 percent of renter households and 52 percent of households with mortgages were cost burdened, compared to 2000 when over 26 percent of renters and over 35 percent of owners were cost burdened. Whereas in 2000 the percentage of both rent and mortgage-burdened households was slightly below the city's rate, by 2010, the proportion of renters had matched the city's average while owners had surpassed it.

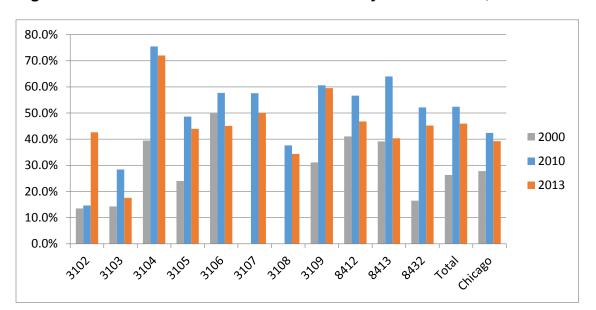


Figure 13: Owner cost-burdened households by Census Tract, 2000-2013

Between 2000 and 2010, cost-burdened homeowners paying \$1,000 or more per month were above the city's average as were those paying \$2,000 or more (at a higher margin). Interestingly, between 2010 and 2013, the proportion of cost-burdened owners declined in almost every census tract with the exception of tract 3102.¹⁴ Yet, it continued to be above the 1990-2000 trends. The lowest (tract 3103 at 17.5 percent) and the highest owner cost- burdened areas (tract 3104 at 72.0 percent) were both located in east Pilsen, suggesting significant variations even within the most gentrified subsection of Pilsen. Tracts 3104 and 3109 had the largest percent increases of owner cost-burdened households between 1990 and 2000. For the 2000-2010 period, tracts 3104, 8413, 3109, 3106, 3107, 8412, and 8432 had over 50 percent of homeowner-burdened households. In the 2010-2013 period, tracts 3104, 3107, 8412, 8432, 3109, and 3107 were in this same situation followed by tracts 3106, 3105, 8412, 8432, 8413, and 3102, which were below 50 percent.

¹⁴ This shift may be related to the 2008 housing crisis resulting in many short sales, foreclosures and refinances.

Table 15: Cost-burdened renter and owner by Census Tract, 1990-2013

Cost-burden (Spend 30% or more of income)		1990		2000		2010		2013	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Tract 3102	Owner	0	0.0%	5	<mark>13.5%</mark>	29	14.6%	87	<mark>42.6%</mark>
	Renter	166	35.8%	123	25.5%	173	44.5%	180	40.5%
Tract3103	Owner	0	0.0%	20	14.3%	50	28.4%	20	17.5%
	Renter	83	20.0%	145	36.3%	100	22.6%	202	36.3%
Tract3104	Owner	4	16.0%	15	<mark>39.5%</mark>	157	<mark>75.5%</mark>	162	<mark>72.0%</mark>
Tract3104	Renter	50	17.9%	116	36.3%	209	71.3%	151	52.8%
Tro et 24.05	Owner	0	0.0%	6	<mark>24.0%</mark>	71	48.6%	62	<mark>44.0%</mark>
Tract3105	Renter	109	22.8%	171	41.2%	176	63.5%	175	51.8%
Tro at 24.06	Owner	7	35.0%	24	50.0%	229	<mark>57.7%</mark>	165	<mark>45.1%</mark>
Tract3106	Renter	672	37.6%	739	43.0%	665	42.7%	712	42.5%
Tue et04.07	Owner	0	0.0%	0	0.0%	57	<mark>57.6%</mark>	44	<mark>50.0%</mark>
Tract3107	Renter	164	33.7%	214	37.0%	259	60.9%	192	44.1%
Tract3108	Owner	7	100.0%	0	0.0%	181	37.6%	157	34.4%
	Renter	444	38.5%	437	36.8%	432	49.9%	530	54.1%
Tra et24.00	Owner	24	21.8%	37	31.1%	283	60.6%	250	<mark>59.5%</mark>
Tract3109	Renter	383	32.6%	366	28.8%	539	48.2%	559	52.0%
Tro at 0.44.2	Owner	47	34.3%	62	41.1%	277	56.6%	225	46.8%
Tract8412	Renter	299	25.6%	467	37.3%	580	61.0%	711	63.1%
Tue et0 440	Owner	23	18.3%	56	39.2%	336	64.0%	163	40.3%
Tract8413	Renter	402	35.2%	374	667.9%	524	51.8%	594	59.8%
Tue et0 400	Owner	34	30.4%	14	16.5%	146	52.1%	137	45.2%
Tract8432	Renter	204	30.5%	211	35.5%	314	51.6%	243	49.9%
Total	Owner	146	24.6%	225	26.3%	1,816	52.4%	1,472	46.0%
	Renter	2,976	32.3%	3,363	35.5%	3,971	50.0%	4,249	50.6%
Chicago	Owner	52,117	21.2%	73,365	27.8%	209,399	42.4%	182,954	39.3%
	Renter	253,337	42.3%	225,765	37.9%	270,634	50.2%	283,879	50.5%

Median Gross Rent and Home Values

According to the American Community Survey and Decennial Censuses, average median rent in Pilsen was \$778 in 2013. The largest increase in monthly rent took place between 2000 and 2010, and stabilized thereafter (See Table 16). This median was constant by census tract within a range of \$638 to \$779 per month for most

tracts in 2013. In 2013, median gross rents in tracts 3104 and 8432 were higher than in all other tracts except tract 3102 and 3103. Tract 3104 is located in east Pilsen and tract 8432 is an irregularly shaped, predominately industrial tract covering almost the entire southern part of the community (See Figure 1). This tract is undergoing conversion of former manufacturing buildings to housing. The major outliers are census tracts 3102 and 3103 in East Pilsen, whose median rents of \$1,077 and \$956 respectively in 2013 surpassed the city's average.

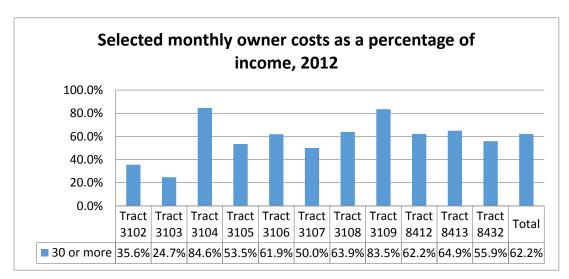
Table 16: Median Monthly Rents by Census Tract, 1990-2013

	1990	2000	2010	2011	2012	2013
Tract 3102	\$380	\$577	\$964	\$1,026	\$1,037	\$1,077
Tract3103	\$361	\$552	\$1,106	\$1,016	\$1,056	\$956
Tract3104	\$299	\$498	\$693	\$739	\$743	\$833
Tract3105	\$295	\$493	\$713	\$682	\$693	\$704
Tract3106	\$292	\$445	\$622	\$734	\$723	\$743
Tract3107	\$329	\$496	\$649	\$662	\$644	\$638
Tract3108	\$332	\$486	\$748	\$756	\$767	\$762
Tract3109	\$318	\$473	\$743	\$737	\$733	\$779
Tract8412	\$337	\$471	\$687	\$727	\$761	\$768
Tract8413	\$336	\$479	\$734	\$738	\$737	\$735
Tract8432	\$336	\$516	\$862	\$861	\$871	\$883
Pilsen	\$327	\$483	\$743	\$759	\$770	\$778
Chicago	\$445	\$616	\$885	\$916	\$935	\$949

Meanwhile, in 2012 (see Figures 14 and 15), census tracts 3104 and 3105 have the highest GRAPI (gross rent as a percentage of income) in Pilsen and, thus, are the most rent-burdened. The same census tracts have the highest average mortgage costs per month. Census tract 3104 has the highest SMOCAPI (selected monthly owner costs as a percentage of income) in Pilsen, with over 80 percent of owner households paying above 30 percent of their income per month toward housing. Tracts 3104 and 3105

also have the highest monthly rents at \$773 and \$719 respectively. This disparity may be related to the westward advance of gentrification.

Figure 14: SMOCAPI (selected monthly owner costs as a percentage of income), 2012



On average, rents increased in Chicago by about 5 percent between 2013 and 2014, a figure above the national average of 3 percent. Median rent for a one bedroom apartment in February 2014 in the Lower West Side was roughly \$1,300 per month, ahead of north side communities such as North Center, Lakeview, Logan Square, and Uptown. In this context, Pilsen is leading Chicago's rental real estate market. This trend may be related to the high level of new construction in Pilsen between 2000 and 2010.

¹⁵ AJ La Trace, "Holy Heatmap Batman: A Look At Rising Rent Prices in Chicago," *Curbed Chicago*, 22 Jan 2014, accessed on 15 Oct 2015 at http://chicago.curbed.com/archives/2014/01/22/trulia-rent-prices-up-5-in-chicago.php

¹⁶ AJ La Trace, "A Look at Median 1 & 2 Bedroom Rent Prices in Chicago," Curbed Chicago, 14 March 2014, accessed on 15 Oct, 2015 at http://chicago.curbed.com/archives/2014/03/14/a-look-at-median-1-2-bedroom-rent-prices-in-chicago.php

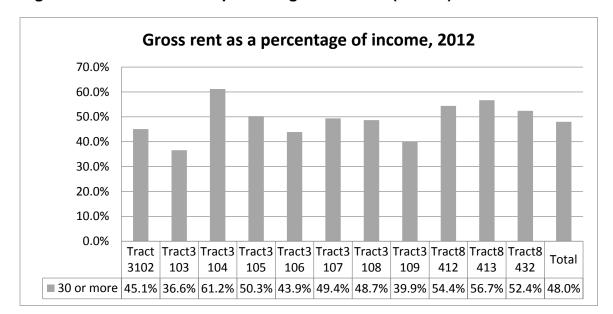


Figure 15: Gross rent as a percentage of income (GRAPI) in 2012

Overcrowding

Pilsen has been a neighborhood of families. As a port of entry, density has been large because these families tend to be large; families double or triple up to save on their housing costs, offer temporary accommodations to recent immigrants, or rent rooms. In contrast, gentrifier households are smaller and often are composed of single individuals.

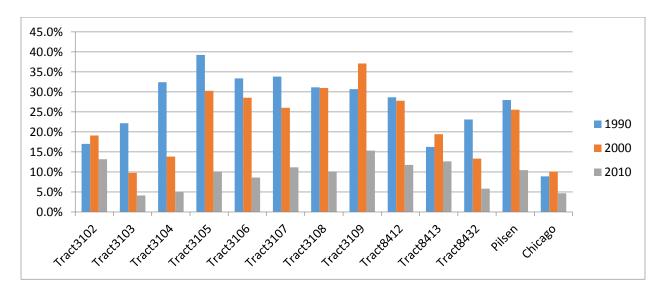
Table 17: Overcrowding by Community Subsection, 1990-2010

	East	Percent Change	Center	Percent Change	West	Percent Change	Total	Percent Change
1990	586		1,387		1,252		3,451	
2000	420	-28.3%	1,240	-10.6%	1,484	18.5%	3,269	-5.3%
2010	181	-56.9%	377	-69.6%	626	-57.8%	1,239	-62.1%

Table 18: Overcrowding by Census Tract 1990-2013

	1990		2000		2010	
	Households	Percent	Households	Percent	Households	Percent
Tract3102	100	17.0%	120	<mark>19.1%</mark>	79	13.2%
Tract3103	123	22.2%	64	9.8%	26	4.1%
Tract3104	142	32.4%	61	13.8%	26	4.9%
Tract3105	221	39.3%	175	30.3%	50	10.1%
Tract3106	695	33.4%	582	28.6%	170	8.6%
Tract3107	225	33.8%	177	26.0%	63	11.2%
Tract3108	467	31.2%	481	31.0%	144	10.1%
Tract3109	510	30.7%	650	<mark>37.1%</mark>	253	15.3%
Tract8412	472	28.6%	490	27.8%	175	11.8%
Tract8413	270	16.2%	344	<mark>19.4%</mark>	198	12.6%
Tract8432	226	23.1%	125	13.3%	55	5.8%
Pilsen	3,451	28.0%	3,269	25.5%	1,239	10.4%
Chicago	90,059	8.9%	107,530	10.1%	48,237	4.7%

Figure 16: Percent of Households with More than 1 Occupant per Room, 1990-2010



In Chicago, households with more than 1 occupant per room are considered overcrowded. Between 1990 and 2000, households in Pilsen with between one and 1.5 persons per room declined by 5.3 percent, while there was a 21% increase in the occupancy rate of 1.51 or more persons per room. Corresponding with the presence of

gentrification in east and central Pilsen (see Table 17), in the 1990-2000 decade both areas experienced decline in the number of persons per room while non-gentrifying western tracts showed either a slighter decrease or an increase. Eastern tracts 3103, 3104, 3105, and 3106 witnessed the highest decreases in the number of persons per room between 1990 and 2010.

Overall, overcrowding decreased by 15 percent in Pilsen between 2000 and 2010. Whereas east Pilsen had stabilized and showed a lower decrease (from 18.2 to 8.0 percent), the central area had the most significant decline during this period, dropping from 29 to 9.5 percent. Decline in west Pilsen has hovered around the average for the whole community.¹⁷ Today, in general, highly gentrified east Pilsen has the lowest rate of overcrowding and the least gentrified area of west Pilsen the highest. Overall decreases appear to relate to both gentrification and a process of 'weeding out "of the poorest households while retaining the best off, even among the low-income. *Overall findings*

Gentrification in Pilsen, this analysis suggests, has been slow but steady.

Largely limited in the 1980s to an artist enclave on the extreme east end of the community, gentrifying forces started increasing in Pilsen in the 1990s, stimulated by the gentrification of the area immediately north, the Near West Side. Apparently accelerating in the early 2000, it took a back seat to business buyers or investors profiting from the crash of the housing market in 2008. Most recently, it is entering a new phase of large developments combined with small building infills or rehabs and the

¹⁷ In the 2000-2010 decade, overcrowding in west Pilsen decreased from 28.1% to 13.3%. In the same period, the overall community has shown a similar pattern going from 27.3 to 11.3 percent.

transformation of retail. Whereas initially contained in east Pilsen, gentrification is establishing new beachheads in central and south Pilsen.

Regardless of pace or scale, its presence in east Pilsen resulted in waves of property price increases, "studentification", and speculation, with major displacing effects reflected in the decline of the population and an apparent weeding out of the most vulnerable households. Talking to property owners and renters we learned that, while many have seen gentrification as the main culprit, others have seen it as an opportunity. Whereas most outsiders see Pilsen as a great opportunity for investment, resident families continue looking for an escape to the security problems of the community. Thus we ask, do outsiders feel less threatened (after all, police tends to be more responsive to them and they often do not have children), or is the difference related to their willingness to take that risk aware that, as in typical gentrified neighborhoods, it affects them less and will eventually go away?

To add to this picture, Part II examines testimonies of the different actors in the community, reflecting their respective positions and perceptions of gentrification and the ways in which it affects them.

Part II: Discursive Analysis: A War of Representations

Changing the Image

Economic and symbolic capitals are so inextricably intertwined that the display of material and symbolic strength represented by prestigious affines [sic] is in itself likely to bring in material profits, in a good-faith economy in which repute constitutes the best, if not the only, economic guarantee.¹⁸

Image and perception are critical elements in the determination of the value of a neighborhood, in the value of real estate, and in the struggle for the production of space in general. As mentioned before, despite being a predominately working class neighborhood with one of the oldest housing stocks in the city, one indeed with high levels of disrepair, Pilsen was deemed sound when inhabited by European ethnics. Yet, when Mexicans became the majority, it was designated as an area of 'slum and blight.' Thus, whereas European ethnics made it 'normal,' Latinos infected it with blight, ¹⁹ a classification that turned Pilsen into an outcast neighborhood. Soon after, in 1973, the growth coalition in control of City Hall targeted it along with other central communities 'invaded' by minorities for redevelopment. Their perception and intentions were spelled out in the opening paragraph of the Chicago 21 Plan: "The Central Communities must be revitalized to again become desirable both for living and working."²⁰

¹⁸ Pierre Bourdieu, 1980, *The Logic of Practice*, Stanford, CA: Stanford University Press, p. 119

¹⁹ Notice that this designation makes blight a natural disease affecting neighborhoods. Translated from its original meaning as "a plant disease, especially one caused by fungi such as mildews, rusts, and smuts," (*Bing*, accessed on 2 Oct 2015 at http://www.bing.com/search?q=define+blight&src=IE-TopResult&FORM=IETR02&conversationid=) turns race in this case into a social disease of the urban social body.

²⁰ Chicago Central Area Committee (CCAC), Chicago 21 Corporation, *Chicago 21 Plan, A Plan for the Central Communities, Summary* p. 4, accessed on Oct 1 205 at http://www.gpo.gov/fdsys/pkg/CZIC-ht168-c5-c54-1973b/pdf/CZIC-ht168-c5-c54-1973b.pdf

As the sunset of urban renewal preempted federally-funded wholesale upgrade or demolition, City Hall turned to private sector gentrification and worked with developers to absorb these communities into the expanding central business district. Thus, people such as Podmajersky were labeled frontiersmen or pioneers. This is how this developer defined his work: "If I wasn't doing what I am doing, there wouldn't be a neighborhood here."²¹

Meanwhile, in the 1990s, gentrifying forces made culture the selling point for redevelopment of majority minority neighborhoods. In cities like New York and Chicago, Black and Latino communities were advertised to tourists looking for 'exotic' cultural experiences. This was the case of Pilsen and Bronzeville in Chicago that were thus re-branded around saleable culture. Appropriating Davila's divide between culture as a way of life and culture as a commodity, in Pilsen, culture was defined into a product tourists could see (e.g., murals and art), taste (Mexican food), take home (e.g., Mexican arts and crafts), film, or attend (i.e. Fiesta del Sol) –in other words, commodifiable cultural products.

Trolleys and buses carrying visitors paraded Pilsen's architectural relics (e.g., churches and halls), stopped at murals, took visitors to restaurants and *panaderias* (Mexican bakeries), visited art galleries, and drove the main thoroughfares. Bypassing the rest, many culture tourists came directly to the major attraction, the National Museum of Mexican Arts founded in 1982 and housed since 1987 in an impressive building within walking distance of the 18th Street train stop. Packaged into a spectacle,

²¹ Paul Merrion, "Podmajersky: Savior or Villain in Pilsen?", *Crain's Chicago Business*, Nov 14, 1988, 62.

²² The best known and most celebrated cases are those of Harlem in New York and Bronzeville in Chicago.

²³ Arlene Davila, 2004, *Barrio Dreams: Puerto Ricans, Latinos in the Neoliberal City*, Los Angeles, CA: University of California Press.

the community that was marketed to tourists (and potential investors) excluded the lived experiences and struggles of residents and certainly the 'slum and blight' that developers and the city sought to replace and that for residents was home.

Rebranding offered visitors an imagined place of saleable symbolic capital, seductive products for consumption, and representations of an exciting Pilsen they could be part of or profit from. As Bourdieu explains, symbolic capital operates as "mechanisms which (no doubt universally) make capital go to capital."²⁴ At stake was the production of a place-spectacle that veiled and eventually replaced the 'slum.' In the words of the alderman:

My vision is to make Pilsen the preeminent Mexican-American community as Chinatown is to Chinese-Americans — not only for the families who live here but for people who visit. We have a good mix of working-class and professional people who are fixing up the older buildings, getting involved in the community and putting down roots. We've always been a port of entry, but now we are more than that."²⁵

But one thing is to enact a vision such as this; another is to make it actually happen. Words often replace reality with unreachable or misleading imaginaries.

Whatever the intentions, this vision offered an artifact that confused many opponents and critics of displacing commodification. By asserting that the community would remain Mexican, such statements articulated abstract promises of a Mexican Mecca that whet

²⁴ Bourdieu, Ibid., p. 120

²⁵ Leslie Mann, Pilsen: Where change is underfoot Redevelopment brings renewed life to old ethnic neighborhood," *Chicago Tribune*, 6 March, 2009, accessed on 28 Sept, 2015 at http://articles.chicagotribune.com/2009-03-06/classified/chi-pilsen-profile_chomes_0306mar06_1_danny-solismurals-mexican-revolution/2

the appetite of everybody without having to live up to the promise, least assure residents a place in the vision. The statement in fact left open the possibility that they might not be part of the deal. In the 1916 elections, a candidate for alderman accused the incumbent of "trying to create a Mexican district without Mexicans" 26 —as there is, for instance, a Greektown without Greek residents in the West Loop of Chicago.

Although this marketing tool produced tourists of the 'Mexican experience,' it was not a substitute for gentrification; on the contrary, it promoted it. A middle-class Mexican-American described gentrification in Pilsen in this way,

"The only thing constant in life is change. You can't really stop it. My thing is, rather than fight it, I am going to do whatever I can so my family and my peers [Mexican American urban professionals] can be a part of it."²⁷

In short, the Mexican motto operated as a *technology of power* or a mechanism to discipline opponents, reclaim space, and advance rationalities that facilitated change. These rationalities provided the "the moral justifications for particular ways of exercising power by different authorities...[the] domain for the formulation and justification of idealized schemata for representing reality, analyzing it and rectifying it."²⁸

In fact, Pilsen's recent trajectory by no means resembles the Mexican vision. On the contrary. Redevelopment was spearheaded by a White artist enclave and consolidated progressively into a predominately White version of gentrification. And, as

²⁶ Stephanie Lulay, "Pilsen's Gentrification Debate Began Well Before Bow Truss Moved In," *Pilsen, Little Village, Near West Side News*, 16 Feb 2015, accessed on 30 Sept 2015 at

http://www.dnainfo.com/chicago/20150216/pilsen/pilsens-gentrification-debate-began-well-before-bow-truss-coffee-moved.

²⁷ Web Beherens, "Pilsen Gentrification, Can Pilsen Pull off Responsible Development?", *Timeout Chicago*, 15 Feb 2009, accessed on 15 Nov 2015 at http://www.timeout.com/chicago/pilsen/pilsen-gentrification.

²⁸ Nikolas Rose, Pat O'Malley and Mariana Valverde, 2009, 'Governmentality', *Annual Review of Law and Social Science*, 2:83-104.

the data shows, Pilsen is Whiter by the day and incoming Whites have higher incomes than residents.

If anything is evident in Pilsen is the steady decline of Latinos and the sharp growth of Whites throughout all census tracts. For instance, the new gentrification cluster forming in central Pilsen has produced a 200 percent increase of White residents paired with a large decrease of Mexicans. Thus, rather than reinforcing the Mexican presence, the Mexican motto has diffused the issue of Mexican removal while providing a convenient cover for gentrification. Hence, the imaginable and desired vision advanced by the alderman and his entourage helped marginalize the issues of minority displacement and community destruction. This is present in statements by well-off Latinos:

"An "evolving Pilsen" won't erode the neighborhood's Mexican roots. Who are we to tell people they can't come to Pilsen?" "I love the fact that Pilsen is in resurgence and I love that real economic development is driving public safety."

[Professional Latino resident]³⁰

I love to hear about restaurants coming into the area... It's safer, more restaurants. The parks are nicer. The streets are cleaner. There is more diversity. I hear, 'Oh, you live in Pilsen? I love that neighborhood!³¹ [Middle class Latina]

²⁹ Cloe Riley, "Pilsen Gentrifying, But not Where You Think, Student Says," *Pilsen, Little Village, Near West Side News*, 20 May 2013, accessed on 7 Oct. 2015 at http://www.dnainfo.com/chicago/20130530/pilsen/pilsen-gentrifying-but-not-where-you-think-student-says

³⁰ Stephany Lulay, "Pilsen's Gentrification Debate Began Well Before Bow Truss Coffee Moved In," *Pilsen, Little Village, Near West Side News*, 16 Feb 2015, accessed on 20 Sept 2015 at http://www.dnainfo.com/chicago/20150216/pilsen/pilsens-gentrification-debate-began-well-before-bow-truss-coffee-moved

³¹ Web Beherens, "Pilsen Gentrification, Can Pilsen Pull off Responsible Development?", *Timeout Chicago*, 15 Feb 2009, accessed on 15 Nov 2015 at http://www.timeout.com/chicago/pilsen/pilsen-gentrification.

Developers, meanwhile, have used the Mexican motto opportunistically, making symbolic gestures to the culture³² but ignoring it for the most part. Actually, the Mexican brand and rhetoric opened the door to non-Mexican developers and gentrifiers as illustrated in quote of a representative of a major community development corporation I interviewed:

We want to continue to see a community that is representative of the Mexican cultural heritage... but we have to be mindful [that] communities change... What is important for us is that fifty years from now or one hundred years from now that Pilsen, though it may not be any longer a predominately Mexican community, that we leave behind that we were here... we have to support affordable housing but be mindful that of course these are market forces at play... We have to be realistic in our demands.

The Battle of Discourses

Pilsen's gentrification has unleashed a battle of discourses and representations that have been part and parcel of the efforts of the different interests to prevail.

Foremost among them were discourses of 'change'/'progress' and 'choice'/'displacement.' Advanced principally by supporters, change was presented as the natural way of things or a universal aspiration:

"Communities change. It is something that history has proven to happen over and over again. For example, Pilsen was at one point a large Polish and Eastern European community. [Interview of director of an organizing project in Pilsen]

³² Some developers have used names (e.g., Chantico Lofts) or Mexican motives that pay tribute to the Mexican culture. Yet, they have done it primarily to secure political support or to soften the image of their work.

"I believe in change, I am pro-change and I believe that whether we like it or not, things are going to change like when this community was populated by Czechoslovakians and Italians and other ethnic groups, and they moved [out] and the Latino community moved in, and you can say that was like a gentrification but it was just a change." [Middle class Mexican resident]³³

"Gentrification is just a dirty word for 'changing.' [Developer of artist enclave]³⁴

Although both critics and supporters shared the desire for progress and change, they differed in the type of change they were advocating; in contrast with the citations of celebration quoted earlier, advocates call for responsible development:

"We want the community to develop, but not at the expense of residents." [Latino business owner]³⁵

"It's not that residents are against progress in the community, but if there is progress in this community, it has to be a progress that's going to benefit everyone, it has to be progress in which residents are included and in which they can express their interests and their necessities." [Mexican leader and resident]³⁶ Politicians can talk all they want. 'Oh, I have these asides for affordable Housing. But they are not telling people that the criteria [for median income] is based on the six county region... It's really not fair to say it's affordable to local folks.³⁷

³³ Sarai Flores, "Changing face of Pilsen," *Chicago Talks*, 9 Jan, 2013, accessed on 25 Sept, 2015 at http://www.chicagotalks.org/2013/01/changing-face-of-pilsen/.

³⁴ Paul Merrion, "Podmajersky: Savior or Villain in Pilsen?", Crain's Chicago Business, Nov 14, 1988, 62.

³⁵ Lucia Anaya, "Changing Faces: Are Pilsen's Changing Demographics Transforming the Culture of the Neighborhood?, *The Gate*, 24 Sept, 2012, Accessed on 20 Sept, 2015 at

http://www.thegatenewspaper.com/2012/09/changing-faces-are-pilsens-changing-demographics-transforming-the-culture-of-the-neighborhood/

³⁶ Linda Lutton, Will Development Bury the Barrio?, *Reader*, April 24, 1998, pp. 22-24.

³⁷ Web Behrens, "Pilsen Gentrification: Can Pilsen Pull off Responsible Development?," *Time-Out Chicago* 15 Feb 2009

Presenting change as good made gentrification appear as a universal benefit, while simultaneously pre-empting questions of social drawbacks, social responsibility, accountability, equity, and even agency. It certainly veiled factors of speculation, displacement, and community destruction that supporters trivialized as mere externalities within a faceless marketplace.

"[Gentrification] is part of Pilsen, it's good for the neighborhood. When we were growing up we didn't have as many stores or anything around here [and] it was a bad neighborhood." [Mexican resident]³⁸

"Thank you God for Dusek's and Thalia Hall! I love the fact that Pilsen is in a resurgence and I love real economic development is driving public safety!"³⁹ [Aldermanic candidate]

"There is a great change in Pilsen as far as the diversity; there is a lot of young artsy people which is good because they are coming with new ideas." [Owner of a local restaurant]⁴⁰

While bypassing the fact that racism and disinvestment consistently deprive low-income and minority communities of such services, these claims discount the losses assuming that changes benefit everybody. Along the way, they emphasize physical over social improvements.

³⁸ Sarai Flores, "Changing face of Pilsen," *Chicago Talks*, 9 Jan, 2013, accessed on 25 Sept, 2015 at http://www.chicagotalks.org/2013/01/changing-face-of-pilsen/.

³⁹ Stephanie Lulay, "Pilsen's Gentrification Debate Began Well Before Bow Truss Coffee Moved in." *Pilsen, Little Village, Near West Side News,* 16 Feb, 2015, accessed on 22 Sept, 2015 at http://www.dnainfo.com/chicago/20150216/pilsen/pilsens-gentrification-debate-began-well-before-bow-truss-coffee-moved).

⁴⁰ Katie Gallegos, "Pilsen Struggles with Gentrification," *Loyola Summer Stories*, 20 June, 2013, accessed on 25 Sept, 2015 at http://highschooldigital.com/2013/06/20/pilsen-struggles-with-gentrification/

Sitting in the middle, some actors spice up the story with abstract win-win scenarios of 'balanced development,' mixed-income, or diversity, placing themselves on both sides of the issue, or avoiding it altogether:

It's difficult for me to define gentrification. I think there was improvement; I think there was development; I think we had a lot of construction going on."

[Alderman]⁴¹

"I am Mexican but no amount of new people will erase the cultural anchors that have been here like the National Museum of Mexican Art or the eagle at 18th and Blue Island." [Candidate for alderman]⁴²

Like 'change,' 'displacement' is a major point of contention; the term is posed principally by those for whom gentrification is an added hardship and a daily struggle. Highly dependent on place-based networks and supports, they do their best to resist:

"All my life since I was 10 years old, I've been living in Pilsen and I have seen the changes of the community in general, and it has personally affected me in many ways; like displacement of our friends and family because they had to move because they couldn't afford their rents." [Latino Resident]⁴³

"But resistance is evident from the signs in living room windows to an antigentrification mural on Bishop and 18th Streets. [Journalist]⁴⁴

⁴¹ Web Behrens, "Pilsen gentrification: Can Pilsen pull off responsible development?" *Time Out Chicago*, 15 Feb 2009, Accessed on 15 Sept 2015 at http://www.timeout.com/chicago/pilsen/pilsen-gentrification

⁴² Stephanie Lulay, "Pilsen's Gentrification Debate Began Well Before Bow Truss Coffee Moved in." *Pilsen, Little Village, Near West Side News*, 16 Feb, 2015, accessed on 22 Sept, 2015 at http://www.dnainfo.com/chicago/20150216/pilsen/pilsens-gentrification-debate-began-well-before-bow-truss-coffee-moved).

⁴³ Sarai Flores, "Changing face of Pilsen," *Chicago Talks*, 9 Jan, 2013, accessed on 25 Sept, 2015 at http://www.chicagotalks.org/2013/01/changing-face-of-pilsen/

⁴⁴ Teresa Puente, "Residents Fret That Gentrification May Be About To Hit Their Neighborhood," *Chicago Tribune*, 4 Nov 1997, Accessed on 25 Sept, 2015 at http://articles.chicagotribune.com/1997-11-04/news/9711040475_1_tax-increment-financing-gentrification-neighborhood.

"Pilsen is a social fabric and people are seeing this material fabric being ripped apart by these changes." [Director of Community organization]⁴⁵

"I am upset that people that took the decision to displace the community and did not inform [us] what they're trying to do... They don't care about our children, they don't care about our health, and we are just nobodies." [Displaced resident]⁴⁶

"It's a not-so-good thing because all these rents are coming up, they are seeing more güeros, and all of our Latino friends are leaving. I have some friend that recently moved. They had lived here their whole lives, like me. But they just couldn't keep up with rent. And they have White people that are willing to pay more." [Mexican resident]⁴⁷

But whereas some of the most negatively affected raise their voices against it, the least affected dodge, justify, or rationalize developments, portraying displacement as the way of things ("IT'S THE MARKET, STUPID!), or denying it flatly:

More people have left this community, not because of gentrification. They left because of gangs, because they did not get the educational opportunities."

[Alderman]⁴⁸

⁴⁵ Mauricio Peña, Anti-Gentrification Posters Target Bow Truss Coffee Shop in Pilsen, *DNAInfo*, 25 Jan 2015, accessed on 30 Sept 2015 at http://www.dnainfo.com/chicago/20150125/pilsen/anti-gentrification-posters-target-bow-truss-coffee-shop-pilsen

⁴⁶ Sarai Flores, "Changing face of Pilsen," *Chicago Talks*, 9 Jan, 2013, accessed on 25 Sept, 2015 at http://www.chicagotalks.org/2013/01/changing-face-of-pilsen/.

⁴⁷ Linda Lutton, "Racial Change in Pilsen: Mi Casa, Tu Casa," WEBZ 91.5, 30 Aug 2012, Accessed on 30 Sept 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

⁴⁸ Teresa Puente, "Residents Fret That Gentrification May Be About To Hit Their Neighborhood," *Chicago Tribune*, 4 Nov 1997, Accessed on 25 Sept, 2015 at http://articles.chicagotribune.com/1997-11-04/news/9711040475_1_tax-increment-financing-gentrification-neighborhood

"We are seeing some change in that more people are settling here and we are hearing that people are buying and rehabbing in Pilsen, which is something we haven't seen a lot of recently. But this wholesale gentrification just isn't happening." [Executive director of a local CDC]⁴⁹

Each party rationalizes the gain or the loss as per his/her life experience, position and wishes. On one end are those that celebrate the direction of the neighborhood and, on the other, those hurt by the disintegration of support systems, the loss of home, or added hardships, with many others in between:

It's like two communities in the same space... "It's really different with them [gentrifiers] up there. We don't talk to them. They just do their thing." [Mexican resident]⁵⁰

"I think [there] is tension that I notice in Pilsen... It's about Mexicans not wanting to lose the Mexican culture, which people have worked really hard to create.

[Mexican male returnee]⁵¹

"I would honestly be disappointed if we lost, like, the culture. And I think we would lose the culture if we lost the population density of Hispanic people in the neighborhood." [White female]⁵²

The biker says he notices the increase in White people here. He calls it a drag... "And now we are slowly going to have more people come in and maybe—I don't

⁴⁹ Maggie Garb, Pilsen is Growing Up, *Chicago Sun Times*, 4 March 1990.

⁵⁰ Linda Lutton, "Racial Change in Pilsen: Mi Casa, Tu Casa," WEBZ 91.5, 30 Aug 2012, Accessed on 30 Sept 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

⁵¹ Linda Lutton, "Racial Change in Pilsen: Mi Casa, Tu Casa," *WEBZ 91.5*, 30 Aug 2012, Accessed on 30 Sept 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

⁵² Linda Lutton, "Racial Change in Pilsen: Mi Casa? Tu Casa?," WBEZ 91.5, 30 Aug 2012, Accessed on 30 Sept 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

know—take that down. And granted, I'm one of them, but um... it's mixed feelings, 'cause Pilsen's an awesome place, and you don't want to see it change." [White resident].

Gentrifiers, meanwhile, prefer to believe that they are not harming or displacing anyone but, on the contrary, bringing in development and opportunity,

"I don't think we are actively displacing anyone; I hope to place people by employing them." [White Owner of a trendy new business]⁵³

"There was this poster that said Gringos get out of here, get your hipster crap out of here, you're displacing working class families. My response was, 'the only thing that got displaced when I moved to Pilsen was my boyfriend's Adidas collection" [White gentrifier]⁵⁴

We saw what the neighborhood was doing and wanted to move faster and take part of it... It's turning over... It's definitely turning into something else but it's still a community. (White couple moving to Pilsen and opening a vintage store)⁵⁵
In their study of Pilsen, Wilson, Wouters, and Grammenos (2004)⁵⁶ identified three competing discourses, each coinciding representing a coalition: the first, "affluent restructuring" represents the forces of gentrification proper; the second, "protect Pilsen"

⁵³ Lucia Anaya, "Changing Faces: Are Pilsen's Changing Demographics Transforming the Culture of the Neighborhood?, *The Gate*, 24 Sept, 2012, Accessed on 20 Sept, 2015 at

http://www.thegatenewspaper.com/2012/09/changing-faces-are-pilsens-changing-demographics-transforming-the-culture-of-the-neighborhood/

⁵⁴ Sarai Flores, "Changing face of Pilsen," *Chicago Talks*, 9 Jan, 2013, accessed on 25 Sept, 2015 at http://www.chicagotalks.org/2013/01/changing-face-of-pilsen/.

⁵⁵ Lucia Anaya, "Changing Faces: Are Pilsen's Changing Demographics Transforming the Culture of the Neighborhood," *The Gate*, 24 Sept, 2012, accessed on 20 Sept 2015 at

http://www.thegatenewspaper.com/2012/09/changing-faces-are-pilsens-changing-demographics-transforming-the-culture-of-the-neighborhood/ http://www.thegatenewspaper.com/2012/09/changing-faces-are-pilsens-changing-demographics.

⁵⁶ David Wilson, Jared Wouters and Dennis Grammenos, "Successful Protect-Community Discourse: Spatiality and Politics in Chicago's Pilsen Neighborhood," *Environment and Planning A* 38, 7: 1173-1190.

refers to people fighting to keep Pilsen for its current residents; and the third, "commodify ethnicity" includes those that view development as the commodification of Mexican culture.

Although this classification offers a useful depiction of the forces in contention, our research identified a more spread out and fluid scenario including overlapping and regroupings; meanwhile, we could not confirm the correspondence between discourse and participation in an acting 'coalition.' In fact, the same person could take different positions on different issues and other alliances formed and dissolved over time.⁵⁷ We also identified discourses of nostalgia and crisis, along with depictions of gentrification as a necessary evil:

"Pilsen is a thriving vibrant community at risk of losing their ethnic charm and inhabitants." [Huestis 2005]

"Residents interested in defending Pilsen as a strong working-class, port of entry neighborhood have a feeling they are under siege." [Lutton 1998] "It's sad to see that when there is a hot spot like Pilsen being sought out, the city looks into that. Then all of a sudden they want to raise the prices on the property taxes and it becomes difficult for those people who have been here for many years to continue being here for many years." [Restaurant owner]

⁵⁷ One case is the apparently universal support requirement of affordable units in large condominium developments. Meanwhile, different proposals line up local actors often differently. (Curbed Staff, Pilsen Moves Forward with 500-Unit Apartment Development, *Curbed Chicago*, 8 May, 2016 accessed on Sept 22nd, 2015 at http://chicago.curbed.com/archives/2015/05/08/pilsen-moves-forward-with-500unit-apartment-development.php

⁵⁸ Julie Moore, Gentrification and its Effects, *Yahoo.Voices*, 25 Aug, 2007, accessed on 20 Sept, 2015 at http://voices.yahoo.com/gentrification-its-effects-488493.html

⁵⁹ Linda Lutton, "Will Development Bury the Barrio? In Pilsen the Property is Doing Better than the People", *Reader*, 24 April 1998, p. 1.

⁶⁰ Katie Gallegos, "Pilsen Struggles with Gentrification," *The High School Digital Storytelling Workshop*, 20 June 2013, accessed on 22 Sept 2015 at http://highschooldigital.com/2013/06/20/pilsen-struggles-with-gentrification/.

"Like an unruly adolescent, the Near Southwest Side neighborhood is struggling to shape its identity and future in the face of rising property values and a growing need for low-cost housing. The recent prosperity of neighboring communities and developers' renewed interest in Pilsen property are compelling residents to take a new look at a neighborhood that once seemed headed irreversibly toward self-destruction. ⁶¹ [Garb 1990]

Ultimately, in this war of discourses, the same terms often communicate different messages, generating ambiguities that require qualification as they actually constitute opposite positions. For instance, both residents and gentrifiers pay tribute to culture and the feel of community. Yet, for residents culture is a way of life while for the gentrification industry it is about products and spectacle for sale. In this way, speakers are often speaking above each other's heads. As far as the feel of community, for residents it is a lived experience but for newcomers it is a product to consume.

Other terms making part of the conversation are far more symbolic and foreign to residents as is the case of diversity, an issue to which the politically correct pay tribute but that in reality is an overlay for the racial divide. For a city and society as segregated as Chicago is, one indeed in which property values are related to race, diversity appears more as an excuse and an afterthought than a benefit.

The Elephant in the Room? Race and Gentrification in Pilsen

In Pilsen, race has played a central role in this battle of discourses with Mexicans on one side and Whites on the other. Early on, this confrontation took the form of ethnic/racial community versus growth coalition. Displaced from other sites, Mexicans

⁶¹ Maggie Garb, "Rehabs Brew Heady Changes in Pilsen," Chicago Sun-Times, 4 March, 1990.

dedicated themselves to building a place of their own in Pilsen. Then, as urban renewal under a new dress, gentrification became the new enemy. This time, the most visible actors were White institutions (especially City Hall and UIC), White developers (most recently PMG Windy City), and gentrifiers. In the eyes of many Mexican residents, gentrification is a new racial attack:

We don't want to see Wicker Park in Pilsen, we don't want to see the University of [Illinois at] Chicago in Pilsen. The only thing that type of development has done is displace people. We want Pilsen for Mexicans! [Director of former community-based organization]⁶²

"Pilsen was supposed to be a neighborhood for the Mexican community, but now that it is becoming a 'better place' and more expensive," the Mexican community is being forced to leave." [Mexican university student and old-time resident]⁶³ ¿Sabes dónde estás? La Raza vive aquí. Gentrification is not welcome here. Racism and gentrification smells like your coffee." [Graffiti posted at a recently established White-owned café]⁶⁴

What concerns me is my people. These are my roots. [Mexican business owner]⁶⁵

Avoiding a bitter racial battle, the powers that be (in coalition with selected local notables) advanced initiatives such as the appointment of a Mexican alderman close to

⁶² Linda Lutton, "Will Development Bury the Barrio?", Reader, 24 April 1988, p. 24.

⁶³ Olivia Mosheni, "Pilsen community fight gentrification with murals," *The DePaulia*, 17 May 2015, accessed on 22 Sept, 2015 at http://depauliaonline.com/news/2015/05/17/pilsen-community-fight-gentrification-with-murals/. ⁶⁴ Eric Perez, "After Gentrification Claims, a Closer Look at Bow Truss in Pilsen," *Sprudge*, 5 Feb 2015, accessed on

²⁸ Sept 2015 at http://sprudge.com/gentrification-claims-closer-look-bow-truss-pilsen-70325.html.

⁶⁵ Teresa Puente, "Future Soul of Pilsen at Crossroads: As Area Gentrifies, Conflict, Fear Emerge," *Chicago Tribune*, 11 April 1998, accessed on 12 Oct 2015 at http://articles.chicagotribune.com/1998-04-

^{11/}news/9804110123_1_community-garden-community-leaders-business-groups

the Mayor, the vision of Mexican Pilsen as a tourist destination, and affordable housing ⁶⁶ accompanied by discourses of a diverse, mixed-income community. These maneuvers successfully lined up most local institutions and other community notables: – and ultimately gentrification.

The best way to stem gentrification is to create opportunities for the residents, to create affordable housing [Executive Director of a Local CDC]⁶⁷

Our primary goal is to improve the quality of life [Alderman]⁶⁸

We want to continue to see and remain a community that is representative of the Mexican cultural heritage but I think that it has to be also at the same time welcoming of diversification... But we have to be mindful that communities change... We have to be realist in our demands. [Interview of staff from a major CDC].

These moves and rationalizations helped break the community's Raza compact mentioned earlier while softening the racial confrontation at least among the notables. As mentioned earlier, the Mexican brand detracted the attention of many from race p while the Mexican presence receded with the advance of gentrification. In the middle of all the talk about a Mexican Mecca, Mexican murals have been neglected and some destructed, while murals reflecting gentrifier aesthetics and motifs cover the walls of gentrified areas⁶⁹ with the active support of the alderman. Along with them, Mexican

⁶⁶ Not only is the amount of affordable units produced by local nonprofits or resulting from large condominium developments a drop in the bucket, but much of this 'affordable' housing is available only to homeowners and is far beyond the possibilities of most residents.

⁶⁷ Teresa Puente, "Pilsen Fears Upscale Push May Shove Many out," *Chicago Tribune*, Nov 4, 1997.

⁶⁸ Teresa Puente, "Soul of Pilsen at Crossroads: As Area Gentrifies, Conflict, Fear Emerge," *Chicago Tribune*, 11 April 1998.

⁶⁹ "The murals today are like Campbell's soup. You open it, and it's already done. It [has] no flavor." (Community Rejuvenation Project, "Pilsen Muralists Fight Gentrification," *Community Rejuvenation Project*, 19 Oct 2012, accessed on 8 Oct 2015 at http://crpbayarea.org/2012/10/19/pilsen-muralists-fight-gentrification/.

businesses have been steadily disappearing from areas of gentrification and have been replaced by gentrifier-oriented retail (i.e., gourmet cuisine, cafés, rock venues, brew pubs, trendy boutiques, and brand businesses in general).⁷⁰ Moreover, the racial battle continues as a recent incident regarding the posting of graffiti in one of these businesses, Bow Truss Coffee, testifies,

On the night of January 22-23, 2015, the windows of Bow Truss Coffee at 1641 West 18th Street on Chicago's Lower West Side were covered with handwritten posters declaring "Wake up and smell the gentrification ... ¿Sabes dónde estas? Ila raza vive acqui!⁷¹ ... Sugar with your gentrification?"... To many residents of this Pilsen neighborhood, the arrival of Bow Truss and its gourmet coffee, priced at more than double that sold at Dunkin Donuts on the same block, symbolized what had long been feared: gentrification was fundamentally changing their community, remaking it into a place where they could no longer afford to live.⁷² [Hague 2015]

Reactions to this incident actually reflected the underlying polarization of the community: on one end, gentrifiers seem to misunderstand what is going and, on the other, Mexican residents and some of their leaders see the writing in the wall:

Well, you know, it's disheartening. You don't want to think there's negativity around what you're trying to do and you think what you're doing is positive. In

⁷⁰ See Olivia Mosheni, "Pilsen community fight gentrification with murals," *The DePaulia*, 17 May 2015, accessed on 22 Sept, 2015 at http://depauliaonline.com/news/2015/05/17/pilsen-community-fight-gentrification-with-murals/; Elizabeth Bloom, In Chicago's Pilsen neighborhood, the face is changing," *Pittsburgh Post-Gazette*, 13 July 2014, accessed on 19 Sept 2015 at http://www.post-gazette.com/life/travel/2014/07/13/Chicagos-Pilsenneighborhood-undergoing-gentrification/stories/201407060026

⁷¹ This Spanish is terribly misspelled.

⁷² Euan Hague, "Pilsen, the Gentrification Frontier," *Association of American Geographers News*, 3 March 2015, accessed on 19 Sept 2015 at http://news.aag.org/2015/03/pilsen-the-gentrification-frontier/

general we have a history of creating communities. People walking in and wanting us to get involved [in local events] and we say yes more often than not. We're open to being involved and helping and saying yes. I don't know what I can do for the people who are like, "Get out of here." I'm sorry if I've offended, but if anybody wanted to go over a productive way to help out we're in the business of that. Part of what we do is try and problem solve. [Owner of Bow Truss Pilsen]⁷³

It's unfortunate that this happened to the shop but it's bigger than that," said Rosilla Lopez, 19, a lifelong resident of Pilsen. "People and small business can't afford their rent and they are being pushed out."⁷⁴

In general, newcomers and historic residents live parallel lives, not interacting with each other. Bow Truss is the result and expression of that trend, as is Thalia Hall and other new businesses, clearly catering to the new neighbors. The newcomers are given all the green lights (Thalia Hall easily got all trimmings, even the church across the street got on board for the liquor license), while the Mexican businesses and families that forged the community leave without as much as a "thank you." [Pilsen Alliance's Facebook Post]

This division is also expressed in the holding of two separate art festivals,⁷⁵ one Mexican and the other White⁷⁶, and the contrasting perceptions of the community.

⁷³ Eric Perez, "After Gentrification Claims, a Closer Look at Bow Truss in Pilsen," *Sprudge*, 5 Feb 2015, accessed on 28 Sept 2015 at http://sprudge.com/gentrification-claims-closer-look-bow-truss-pilsen-70325.html.

⁷⁴ Mauricio Peña, "Anti-Gentrification Posters Target Bow Truss Coffee Shop in Pilsen," *Pilsen, Little Village, Near West Side News*, 25 Jan, 2015, accessed on 20 Sept 2015 at

http://www.dnainfo.com/chicago/20150125/pilsen/anti-gentrification-posters-target-bow-truss-coffee-shop-pilsen

⁷⁵ "There is a big division between the arts communities here and it almost seems like it's divided in color by the Latino artists and the White artists that are occupying a lot of these galleries." (Lucia Anaya, "Changing Faces: Are Pilsen's Changing Demographics Transforming the Culture of the Neighborhood?" *The Gate*, 24 Sept 2012, accessed on 25 Sept 2015 at http://www.thegatenewspaper.com/2012/09/changing-faces-are-pilsens-changing-demographics-transforming-the-culture-of-the-neighborhood/).

⁷⁶ Community Rejuvenation Project Staff, "Pilsen Muralists Fight Gentrification," *Community Rejuvenation Project*, 19 Oct, 2012, accessed on Sept 19 at http://crpbayarea.org/2012/10/19/pilsen-muralists-fight-gentrification/; Lucia Anaya, "Changing Faces: Are Pilsen's Changing Demographics Transforming the Culture of the

Asked what it was like to be a minority in a Mexican community, a White newcomer from the east section responded, "Well, in this part of Pilsen I don't think I am a minority by much."

But images can become so powerful that important circles have come to think that Pilsen is a case of Latino-on-Latino gentrification. Comparing Black Bronzeville and Mexican Pilsen, Anderson and Sternberg ⁷⁸ argue that different conceptions of Blackness and Latinonness treated Pilsen "as a more viable site of 'ethnic consumption'" (452) than Bronzeville "hunted by a demonizing imaginary that continues to influence this evolving racial economy." But an article in the Reader about a beercentric tavern in redeveloped Thalia Hall, joined the voices of those that perceive Pilsen's gentrification as Whitening:

"Apart from the roasted-chile churros on the dessert menu, there's little to remind anyone that Pilsen, despite its encroaching gentrification, is still a Mexican neighborhood. Observers more entrenched in the community than I have

Neighborhood?", The Gate, 12 Sept, 2012, accessed on Sept 15 at

http://www.thegatenewspaper.com/2012/09/changing-faces-are-pilsens-changing-demographics-transforming-the-culture-of-the-neighborhood/

⁷⁷ Linda Lutton, "Racial Change in Pilsen: Mi Casa, Tu Casa?", WBEZ 91.5, 30 Aug, 2012, accessed on Sept 15, 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

⁷⁸ Mathew B. Anderson and Carolina Sternberg, "Non-White" Gentrification in Chicago's Bronzeville and Pilsen Racial Economy and the Intraurban Contingency of Urban Redevelopment," *Urban Affairs Review* 49, 3: 435-467, 2013. See also Dennis Rodkin, "Why are Pilsen and Bronzeville Developing at Different Speeds," *Whet Moser's the 320*, ND, accessed on September 15 at http://www.chicagomag.com/Radar/Deal-Estate/January-2013/Why-Are-Pilsen-and-Bronzeville-Redeveloping-at-Different-Speeds/; Emily Badger, "How Black Gentrifiers Have Affected the Perception of Chicago's Changing Neighborhoods," *Citylab*, 31 Dec 2012, accessed on 15 Sept 2015 at http://www.citylab.com/housing/2012/12/how-Black-gentrifiers-have-affected-perception-chicagos-changing-neighborhoods/4233/. These authors treat Pilsen as Latino-on-Latino gentrification. Differently, my research suggests that it is primarily a case of White-on-Latino gentrification, with some participation by Latinos. In Pilsen we find a combination of "ethnic consumption" with White gentrification and trendy White businesses starting on the east of Pilsen and spilling westward specially along18th Street.

⁷⁹ The article's contrast between the African American and Mexican mottos to attract investment to an area speak to the deeper issue of races in the USA. Yet, our research suggests that the Mexican motto operated more as an entry point than as an actual end point. While many people visit the neighborhood to visit the National Mexican Museum and other Mexican art and restaurants, gentrifying investment has bypassed the Mexican Motif.

observed that the redevelopment of the entire Thalia Hall complex will mark some kind of milestone in the neighborhood's progress."80

In the last decade, authors have paid particular attention to the issue of race in the gentrification of Black and Latino neighborhoods.⁸¹ While recognizing the mediating role of Black and Latino elites and the calling attention to the commodification of minority cultures, these studies coincide with authors who explain it as a class process. Some middle class Mexicans have actually emphasized this view:

"I don't feel the [White-Latino] tension. I go to the grocery store and people respond to me in English thinking that I am White. I don't think the issue is race, I think it is a socioeconomic thing." [Local Newspaper Editor and Pilsen resident]⁸² I don't think it really matters that we have people who are Hispanic and people who are White. [Pilsen Gentrifier]⁸³

I don't see why there should be a problem. This is America. Like it's supposed to be integrated. We are supposed to be united. It's not supposed to be separated. [White Student residing in Pilsen]⁸⁴

⁸⁰ Mike Sula, "Bohemian rhapsody at Dusek's Jared Wentworth's new restaurant in Pilsen is more than just Longman & Eagle south," *Reader*, 15 Nov, 2013, accessed on 22 Sept, 2015 at http://www.chicagoreader.com/chicago/mike-sula-reviews-duseks-punch-house-thalia-hall/Content?oid=11552417

⁸¹ E.g., Michelle R. Boyd, *Jim Crow Nostalgia: Reconstructing Race in Bronzeville*, St. Paul, MN: University of Minnesota Press, 2008; Arlene Davila, Barrio Dreams: Puerto Ricans, Latinos, and the Neoliberal City, Los Angeles, CA: University of California Press, 2004; Derek S. Hydra, *The New Urban Renewal: The Economic Transformation of Harlem and Bronzeville*, Chicago, IL: University of Chicago Press, 2008; Mary Patillo, *Black on the Block: The Politics of Race and Class in the City*, Chicago, IL: University of Chicago Press, 2008.

⁸² Lucia Anaya, "Changing Faces: Are Pilsen's Changing Demographics Transforming the Culture of the Neighborhood?, *The Gate*, 24 Sept, 2012, Accessed on 20 Sept, 2015 at

⁸³ Linda Lutton, "Racial Change in Pilsen: Mi Casa, to Casa," WEBZ 91.5, 30 Aug 2012, Accessed on 30 Sept 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

⁸⁴ Linda Lutton, "Racial Change in Pilsen: Mi Casa, tu Casa," *WEBZ 91.5*, 30 Aug 2012, Accessed on 30 Sept 2015 at http://www.wbez.org/series/race-out-loud/racial-change-pilsen-mi-casa-tu-casa-102030

Despite these claims, the racial card continues to be the major language and instrument of gentrification in Pilsen. Meanwhile, studying gentrification in Chicago, Hwang and Sampson⁸⁵ found that it "tends to favor neighborhoods beyond a substantial share of White residents, around 35 percent," "that minority gentrification does not result in substantial neighborhood reinvestment," and that negative perceptions of minorities tend to deter gentrification."

Pilsen has not reached this 'tipping point;' yet, as the case of West Town also in Chicago suggests, but it may tip at any point. Many of our interviewees have attributed the comparatively slow pace of gentrification in Pilsen to local resistance. Although not fully explaining its pace, it certainly was a major factor in deterring gentrifying development up to the 1980s and residents still hope that it continues to be the case.⁸⁶

Territoriality

The dynamics of territoriality has had significant implications in the discourses and progression of gentrification in Pilsen while reflecting major changes in the work and orientation of former community-based organizations.

⁸⁵ Hwang, J., and R. J. Sampson. 2014. "Divergent Pathways of Gentrification: Racial Inequality and the Social Order of Renewal in Chicago Neighborhoods." *American Sociological Review* 79 (4) (June 12): 726–751. Page 746.

⁸⁶ Despite the passive attitude of various community-based organizations and local institutions or their reliance on affordable housing, a single non-profit successfully mobilized residents each time a new condominium proposal came to the table and won at the ballot box various non-binding referendums (e.g., the establishment of a community board to discuss zoning change proposals and a restricting residential zoning to single-family homes). Although the alderman has not honored the referenda, this type of resistance secured concessions such as funding for 'affordable' housing and set asides in large condominium developments. Meanwhile, undergoing tremendous hardships to remain in the community, residents have become a major factor of resistance.

⁸⁶ Sarai Flores, "Changing face of Pilsen," *Chicago Talks*, 9 Jan, 2013, accessed on 25 Sept, 2015 at http://www.chicagotalks.org/2013/01/changing-face-of-pilsen/

Much of the literature and work of community development has indeed focused on neighborhoods and has been place-based. European ethnic groups used territorial concentrations in Chicago as platforms for their settlement and advancement; to an extent, they operated as mini-nations for the groups at stake. While being a basis for segregation, these concentrations set the tone for other groups coming to the city thereafter. Although, for the case of Blacks and to a lesser extent Latinos, neighborhoods have been places of exclusion and seclusion, they also were also the sites of social networks and support systems and operated as electoral platforms. To the extent that low-income communities, as Harvey explains, 88 are far more dependent on place than affluent groups, they were critical for their consolidation.

The concentration of Mexicans in Pilsen provided a launching platform and headquarters for the Latino community in Chicago while facilitating community building and Latinization. Leaders associated with the Chicano and the anti-urban renewal movements as well as other progressive platforms combined the struggle for a home with the struggle for rights. The major anchors of this undertaking were community-based groups who, although symbolically serving the community as a whole, were mainly territorial (Pilsen-based and -oriented). However, as their leaders aged and some of the earlier groups folded, a new generation of Latinos and new groups

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⁸⁷ "Many forgotten or derided places are desperate for the sort of vitality that is bringing a second (or third) life to these 'hoods. Gentrification is both complicated and welcomed. To only present one side of the matter ignores the very real desire of many to diminish and eventually eradicate problems of many city neighborhoods. According to Schlictman, these are, "precisely what grassroots community organizers are fighting for in neighborhoods with deteriorating real estate, high crime rates, and disheartened residents." (Britt Julious, "Logan Square, Pilsen and Avondale: Is gentrification always a 'bad' thing?," *WBEZ91.5*, 9 Oct 2013, accessed on 19 Sept, 2015 at http://www.wbez.org/blogs/britt-julious/2013-10/logan-square-pilsen-and-avondale-gentrification-always-bad-thing-108874)

⁸⁸ David Harvey, "Flexible Accumulation through Urbanization: Reflections on Post-Modernism in the American City," *Post-Fordism, a Reader*, edited by Ash Amin, Oxford, UK and Malden, Mass/US: Blackwell Publishers, Inc., 2003, pp. 361-386.

assumed the leadership, moving away from the earlier orientation. Local CEOs defined themselves as pragmatic and focused on of institution over movement building.⁸⁹

This 'change of guard,' thus coincided with a shift in orientation and philosophy and had major consequences in this case for the struggle against displacement. As local organizations shifted into Latino-serving (rather than Pilsen-serving) entities, territorial causes became far less important as reflected for instance in the New Communities Program (NCP, 1998-2013). Although a territorial program, it included both local nonprofits and community-serving institutions. Bringing together nearly 20 groups, many of them with branches in or serving other neighborhoods, and the alderman, Pilsen's NCP developed a Quality of Life Plan that included the projects of these groups around affordable housing, education and training, public safety, recreation, youth activities and health care. This process and its focus constitute a radical departure from the early struggle as it seeks the solution of Pilsen problems in services while leaving aside the struggle for structural changes. It certainly embraces mixed income as the alternative to gentrification, as stated in its vision: ⁹⁰

Members of the Pilsen neighborhood will work together to build and reserve a strong, safe, healthy, mixed-income Mexican community for families, while enhancing the character and history of Pilsen.

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⁸⁹ To an extent this model coincides with institutionalized versus people's movement (see Francis Fox Piven and Howard Cloward, *Poor People's Movements: Why they Succeed, How they Fail, New York:* Vintage Books, 1978 and *McCarthy, John D.; Mayer N. Zald (1977). "Resource Mobilization and Social Movements: A Partial Theory." American Journal of Sociology* **82** (6): 1212–41). Notice that de-territorialization had also to do with the dispersal of Latinos into nearby communities and with the redefinition of community work away from turf and local representation into service provision to those that qualified, regardless of their residence.

⁹⁰ Pilsen Planning Committee I LISC Chicago's New Communities Program, "Pilsen a Center of Mexican Life, Quality of Life Plan 2006," Accessed on 5 Oct 2015 at http://www.newcommunities.org/cmadocs/Pilsen_QofL_2006.pdf.

Speaking on behalf of the plan, conservative journalist McCarron (2007)⁹¹ had this to say about the shift in orientation of community organizations and leaders: Nor is Pilsen still a hotbed of combative groups out to stop real estate developers from exploiting its proximity to downtown and its charming, pre-Chicago Fire housing stock.

There's a small cadre of anti-development types, but most leaders now take a more nuanced approach, welcoming compatible investment while insisting developers crank affordability into their plans.

This shift reflects the reorientation of community development from what we might call a cottage industry of local organizations to an established industry that operates today largely as a shadow welfare state. Not only have they gone from being organizations of the community to becoming free standing organizations in the community, but they have assumed a modus operandi and philosophy that pose no major threat to the status quo. Likewise, as they go from being community based and oriented to the serving of clients, their territory becomes rather incidental. In this way, gentrification or the displacement of their constituents do not pose a threat on them as they can continue providing services out of Pilsen to Latinos residing elsewhere.

Meanwhile, rather than focusing on structural changes, they work to help individuals with specific needs and challenges somewhat mitigating the effects of gentrification through services that they continue receiving after they move out.

Affordable housing is a case in point. The Resurrection Project has developed 256 units of rental housing along with 116 for sale units (64 single-family and 52 two-unit

⁹¹ John McCarron, 2007, Pilsen Comes Together to Preserve and Build, *New Communities Program Web Page*, Accessed on 10 Feb 2016 at http://www.newcommunities.org/news/articleDetail.asp?objectID=739

homes) for a total of 372 units in Pilsen (See Table 18). This is only 3 percent of the 13,948 units in the community as of 2010. It's important to note that these units are open only to documented citizens residents and cannot be limited to Pilsen residents or Latinos only.⁹²

Table 18. Affordable Units Developed by The Resurrection Project in Pilsen

	Homes for Sale	Rental		
	(includes single- family & 2-units)	Buildings	Units	
Pilsen	116	13	256	

It's a choice between keeping a few via affordable housing and struggling to keep the community for its former Latino residents. Whereas the former implies dispersal of a majority to gentrification, the latter wishes to save Pilsen as the collective home that the low-income immigrant community built for itself and that offers them the kind of environment that fits their condition. Ultimately, the shift implies the assumption that the mixed-income community they advocate is feasible and that the community that is disappearing is unfeasible —a matter of pragmatism or the end of a struggle?

Concluding Remarks: Power Effects

Gentrification leans heavily on power and thus needs to sort through existing relations and contestations. Rather than an abstract market process, as most discourses put it, it consists of a series of daily decisions and non-decisions by parties ranging from

⁹² Fair Housing laws prohibit reserving these units for Pilsen residents or other geographies or groups for that matter.

politicians, through developers, to buyers. In other words, gentrification has many faces and subjects. Although sharing commonalities across geographies and times, on the ground, it traces its own different trajectory in each case and location. This analysis followed some of its expressions and the discursive battles that have been part, cause, and effect of it in Pilsen within a mutually constitutive process between class, race, culture, and other forces factoring in.

Aware that all classifications tend to replace the daily flows of life with frozen snapshots based on the multiple voices and discourses identified here, we propose a fluid framework with three major nodes or clusters of visions and interests that includes overlapping positions as well as those in between:

- The lived perspectives of vulnerable and threatened groups and the ways in which they articulate, sense, and fight their battles vis-à-vis gentrification;
- 2. The rhetorical and symbolic positions of the affluent and of an institutional intelligentsia serving residents and mediating between the outside and the inside, the powers that be, and the powers that want to be; and
- The games of power resorting for the most part to autocratic or 'expert', topdown rationalizations trying to convince everybody that what they do is the best for everyone.

The first refers to sectors of Pilsen struggling to maintain the place-based community they built and cherish. This is the population that depends largely on place-based social supports to make up for what they cannot purchase in the marketplace. Indeed, the resilience that comes from this place-based social fabric has posed perhaps the most formidable resistance to gentrification. As mentioned earlier, these actors view

gentrification as the latest in a series of challenges seeking to take over their place. In contrast with the abstract discourses of the other two groups, their discourses reflect their daily struggles to deal with the perverse effects of gentrification on their networks (friends, relatives, *paisanos*), institutions (parishes, schools, service institutions), social fabrics (neighbors, traditions, shared cultural practices), home and sentiments, and community markers (places of reference and identity). Given their limited ability to confront these challenges head on, they have leaned on each other and their social fabrics to stay put while joining at times local advocates opposing gentrification.

Although welcoming improvements like everybody else, they want development without displacement.⁹³ Along these lines, they have resorted to La Raza identity to assert their claim to the place they share.

The second cluster consists of affluent people, some of them residents, some of them working for local institutions accountable for the most part to their funders (e.g., nonprofits), hierarchies (e.g., Catholic Churches, government branch offices), and to their own priorities. Although they may be close to the people, most are not affected by challenges such as gentrification or have the ability to stay above the fray and avoid its effects. Many of them have moved from intimate relations with the community to relationships of clientele. Often influenced by their middle class status and believes, they do not relate their work as much to the daily realities of survival as to institution

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⁹³ 'It's not that we don't want development. But the problem with Daley and the university is that they think the only development possible for our neighborhood and for the city in general are the models that they propose. And they are models that are very authoritarian and very anti-poor. They are models to attract the middle class and to get rid of the poor." [Activist Mexican resident] "We want the community to develop but not at the expense of residents... What concerns me are my people... These are my roots. [Latino businessman]. (Linda Lutton, "Will Development Bury the Barrio, *Reader*, 23 April 1998 accessed on October 10 2015 at http://www.chicagoreader.com/chicago/will-development-bury-the-barrio/Content?oid=896150]

building. To the extent that gentrifying development is not a direct threat to them, they either embrace it, sit on the fence or avoid the issue altogether. Even those sharing ethnicity with the first group have resorted to abstract representations of (commodifiable) Mexican culture that misrepresent the intimate connection between Pilsen's majority residents and the culture, or between their daily struggles and gentrification. Along these lines, they have settled for a market over a political perspective and for a pragmatic over a community-based solution. Accordingly, they resort to discourses of escape (e.g., being pragmatic, getting the best out of gentrification, leaving behind a Mexican print, aestheticizing the neighborhood), symbols (e.g., affordable housing, mitigation, and quality of life) and avoidance (sitting on the fence or turning their face away).

The third group consists of those directly involved in games of power and benefitting the most from gentrification; it consists principally of the political establishment, the private sector associated with gentrification, and the forces of symbolic violence. Their control of policy-making, zoning, codes, infrastructure, finances, and other decision-making and resources without which gentrification cannot take place makes them the primary gentrifying forces. Members of this group rarely show their face, leaning heavily on group two for mediation and justification of their actions. Ruling on the name of the market and development (two major forms of symbolic violence), members of this group often operate behind the scenes and when they show their face usually adopt the languages of group two which operate as their organic intellectuals.

As indicated earlier, these three blocks and positions are not cast in stone but actually crisscross in many ways. An example is the Mexican Mecca vision that, while endorsed in principle by all, it means different things to people in different positions. Whereas at face value it appears to offer an assurance to the first group, it constitutes an aestheticized, imagined Mexican Mecca rather than the realities of actual residents. For the third group, it is a mere convenience. In this way, rather than a mechanism against gentrification or even an alternative to it, it has played into the hands of the last two groups against the first. Lined up in different ways, these forces have fought battles that range from the polls through specific projects to discourses to politics. Developers get the gold, the City gets the taxes and affluent constituents, and organizations get the support they need for institutional consolidation and growth. In contrast, vulnerable residents have been hanging by their nails to their social fabrics, their memories, and their communal life. Lastly, consumers of gentrification get the show and the distinction. In the words of an editorialist,

"Many forgotten or derided places are desperate for the sort of vitality that is bringing a second (or third) life to these 'hoods... [G]entrification should not solely be considered a "bad" thing. That sort of energy, prosperity, livability, and inherent possibility should be viable and available for any neighborhood. [Middle class urbanite living in a gentrified neighborhood]⁹⁴

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⁹⁴ Britt Julious, "Logan Square, Pilsen and Avondale: Is gentrification always a 'bad' thing? Many forgotten or derided places are desperate for the sort of vitality that is bringing a second (or third) life to these 'hoods," *WBEZ91.5*, 9 Oct 2013, accessed on 19 Sept, 2015 at http://www.wbez.org/blogs/britt-julious/2013-10/logan-square-pilsen-and-avondale-gentrification-always-bad-thing-108874.

But what for outsiders is a trophy, for vulnerable residents is home, that is, roots, identity, recognition, sentiments, supports, and convenience. As another editorial put it,

In Pilsen, there are various neighborhoods in one. Immigrant families struggle to meet rising rents and Hispanic-owned businesses seek to retain their Spanish-speaking clientele, while brew pubs and bars selling craft beers and award-winning tater tots cater to a more footloose, younger, and wealthier population intrigued by the neighborhood's artistic reputation, its proximity to downtown, and its hipster appeal. Murals of the Virgen de Guadalupe sit uncomfortably alongside stores selling handmade leather goods for hundreds of dollars and trendy boutiques offering vintage clothing styles. At Bow Truss in January, these divisions along the gentrification frontier came into stark relief. The owner, 35-year old Phil Tadros lamented in the *Chicago Tribune*, "It's hard for me to believe we've done something bad... Who doesn't want a good cup of coffee?" The poster he tore down, in contrast declared, "Racism and classism smells like your coffee.⁹⁵

Gentrification, we have tried to show, has a face, has agents or, as we prefer to call them, subjectivities. It has individuals using their power to advance the gains of their firms, their institutions, or themselves. It has institutions that do what it takes to grow their clienteles and their budgets; it has advocates taking the side of vulnerable residents and paying for it as funders and institutional forces marginalize them; it has neighborhood fabrics resisting dismantlement; it has residents doing everything they can to hang on to their community; it has gentrifiers buying the product; it has politicians

⁹⁵ Euan Hague, Pilsen – The Gentrification Frontier, *AAG Newsletter*, 5 March 2015, accessed on 28 Sept 2015 at http://news.aag.org/2015/03/pilsen-the-gentrification-frontier/

engaging in double talk or openly promoting gentrification in the name of progress; and it has many others writing about it, visiting, joining the show, speculating, looking for opportunities, and so forth.

So far, Pilsen as a whole retains the characteristics of a low-income community. But underneath, it is being eroded via progressive displacement, wearing away of social fabrics and networks, loosening of relations between local institutions and place, increases in the cost of living, progressively taking over ethnic retail, commodifying culture, replacing traditional families with other households, branding, and so forth. What appears particularly interesting is how organizations of the community have gone from place-/community-based to footloose, client-serving. This shift has facilitated the advance of gentrification as the original basis of resistance and community building are being undermined. Only one organization and a few leaders continue confronting the forces of gentrification. But ultimately, if Pilsen has not gentrified as the general public thinks and perhaps wishes, it is due to the resilience and resistance of residents and their social fabrics.