

**Black Flight: The Impact of Market-based Urban
Renewal in Chattanooga**

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African American Population Decline in Chattanooga

The 2020 Census Redistricting data shows that both the White and Hispanic population in the city of Chattanooga increased between 2010 and 2020. The African American population decreased. These numbers only include those who classify as a single race.

- White Alone, Non-Hispanic *grew* from 93,698 to 98,977 (+5,279)
- Hispanic *grew* from 9,225 to 16,581 (+7,356)
- African American *declined* from 58,256 to 52,384 (-5,872)

Recent community debate has focused on the reported decline of Chattanooga's African American population between 2010 and 2020. Is it really happening? Are the data reliable? Some have suggested the Census data are less robust than in previous years due to the COVID pandemic in 2020. A recent Census simulation by The Urban Institute found "Black and Hispanic/Latinx people had a net undercount of more than 2.45 and 2.17 percent, respectively, in our simulated 2020 Census."¹

Others have claimed that people are voting with their feet, seeking more affordable housing or better employment opportunities elsewhere. Census data from the American Community Survey (at least since 2018) have shown that African Americans are leaving Chattanooga. A 2019 analysis of American Community Survey data from 2018 showed an exodus of African Americans living in census tracts in and near downtown Chattanooga to suburban locations. The decreases in African American population are concentrated in neighborhoods near downtown. As such, we don't believe the documented population decline is primarily due to a compromised 2020 Census.

Table 1 shows data from the 2020 Census used for redistricting. The African American population in Hamilton County dropped by 5.1%, a loss of 3,472. At the regional level, Bradley County (+1,009) and Catoosa County (+466) experienced a gain of African American residents. In total, the African American population in the region dropped by 2,875.

Table 1: African American Population Change in Chattanooga MSA by County, 2010-2020

County	2020	2010	Change
Hamilton, TN	64,428	67,900	-3,472
Marion, TN	1,047	1,012	+35
Sequatchie, TN	72	21	+51
Bradley, TN	5,238	4,219	+1,019
Catoosa, GA	1,858	1,392	+466
Dade, GA	145	142	+3
Walker, GA	2,871	2,829	+42

¹

<https://www.urban.org/research/publication/simulating-2020-census-miscounts-and-fairness-outcomes>

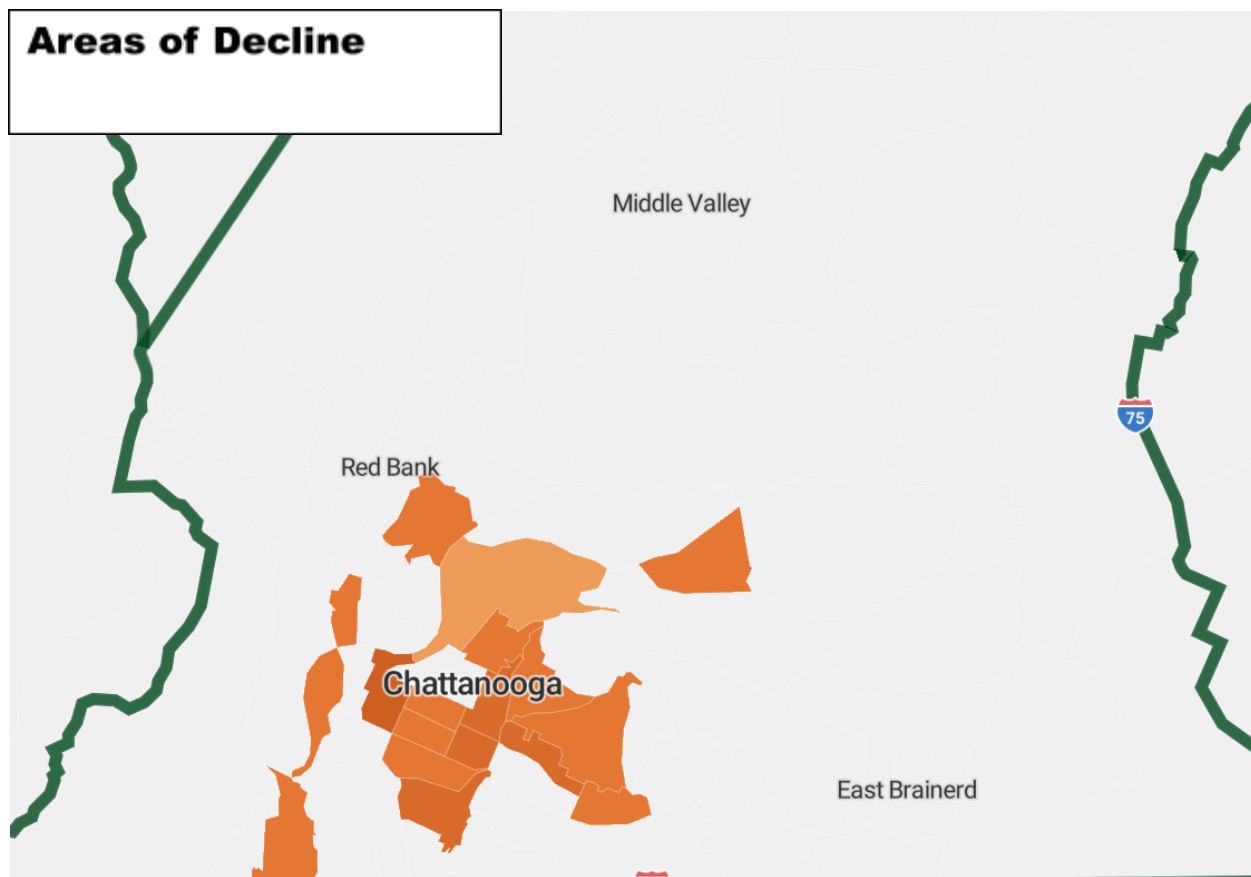
TOTAL	70,421	73,296	-1,856
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SOURCE: U.S. Census, 2020 Redistricting Data.

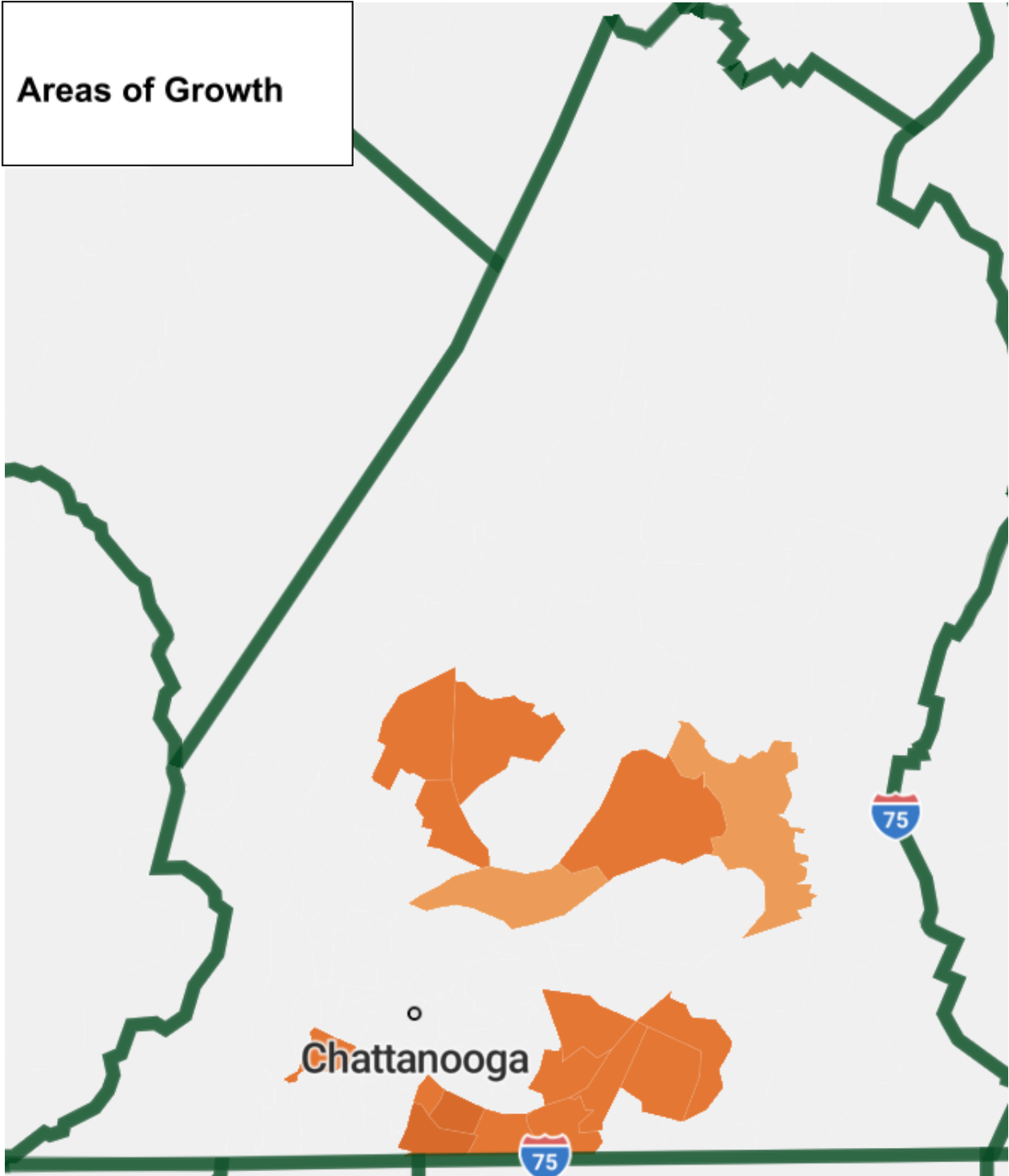
Within Hamilton County, demographic transition among African Americans was most pronounced in communities near downtown Chattanooga. Table 2 (see appendix) lists Census Tracts that experienced an African American population decline of at least 100. For these 19 Census Tracts (not all tracts in the City of Chattanooga), the African American population declined by 7,659. Most Census Tracts where the African American population increased by at least 100 were located in suburban Hamilton County. Table 3 (see appendix) shows a total growth of 4,926 African Americans in these Census Tracts. Simultaneously the white population (includes Hispanics) in the 24 tracts experiencing African American population gains grew by 289.

Hamilton County and Chattanooga are experiencing rapid population transition. The number of African Americans in the city is decreasing while some suburban areas are experiencing modest increases. The growth is occurring primarily east of downtown around the airport, the Bonny Oaks corridor, and southeast of the city near East Ridge and tracts along the Georgia border, as shown in Maps 1 and 2.

Map 1: Census Tracts that lost more than 100 African Americans, 2010-2020



Map 2: Census Tracts that Gained more than 100 African Americans, 2010-2020



Root Causes of Transition

Demographic transition is a lagging indicator. That is, it happens after a prolonged period of change. Leaders from Chattanooga's political, business, and philanthropic communities embraced a radical redevelopment ethos in the early 2000s that continues today. Hundreds of millions of dollars were spent by local government and philanthropies to prime the pump of redevelopment downtown and in surrounding urban neighborhoods. Leaders from other cities have sent delegations to Chattanooga to learn how the turnaround was orchestrated.

Prior to the explosion of growth on East Main Street and Jefferson Heights, civic elites actively promoted gentrification. "If gentrification is about restoring those homes and getting enough confidence in the market that this is a good neighborhood, bringing those houses back to life with people living in them, that's not a bad thing. That's a good thing" (Sarah Morgan of the Lyndhurst Foundation and Community Impact of Chattanooga, 2012).

A cursory review of 990 reports for large Chattanooga Foundations shows robust funding in the early 2000s to CNE for "acquisition of properties in Jefferson Heights" and "home buyer incentives for MLK neighborhood" type grants. Throughout this time period, millions of dollars flowed to River City Corporation focusing on downtown and Main Street redevelopment. Grants were also given for the purposes of "artist recruitment" and "artist housing incentive" projects in Jefferson Heights. Millions more were spent on placemaking projects to change the look, feel, and vibe of the community. Simultaneously, more millions were invested in bike lanes, urban greenways, and riverfront beautification and museums. The following list includes the purposes of specific Foundation grants from that time:

- Highland Park Land Acquisition
- Ross Hotel Acquisition
- Animate Bijou Building
- MLK Corridor Project
- Downtown Revitalization
- MLK Mural
- East 5th Housing
- Property Acquisition
- New Park @ Main and 13th
- Downtown Riverwalk
- Revitalize E. Main
- MLK Façade
- Jefferson Heights Park
- Streetscape Main St.
- Main Street Improvements

- Artist Housing Incentives
- MLK Home Buyers Incentives
- Home Buyers Incentives Ft. Negley, Highland Park
- Housing Incentives and acquisition of properties in Jefferson Heights
- Housing Incentives and acquisition Highland Park
- Buy-Hold Activities in 4 CIC Neighborhoods

The demographic transition that picked up steam after 2010 was planned, coordinated, well-funded, and intentional. It was planned in boardrooms by civic leaders with little input from community residents most impacted by the changes—often times by unelected leaders. The increase in redevelopment activity attracted investors and real estate speculators. These forces contributed to rising property values, more new development, and an influx of tech workers, entrepreneurs, and empty nesters—primarily white residents.

That's WHY radical demographic transition has occurred. The trend is real. Bringing in new residents was the goal. It succeeded. It has been loudly celebrated by leaders in Chattanooga. It is a brand marketed to tech entrepreneurs and business startups. Moving forward, real estate investors will continue to make money and inner-urban neighborhoods will continue to displace remaining working class African Americans, Hispanics, and Whites.

Tradeoffs

What has the African American community gained from the redevelopment of Chattanooga? If people are sharing in the bounty of growth, the demographic changes might be tolerable.

According to the ACS, the home ownership rate for African Americans in Chattanooga declined from 38.9% in 2010 to 31.2% in 2019 (U.S. Census, 5-year estimates). The total number of African American “owner occupied” homes declined from 8,934 to 7,387 during the same time period. The 2019 median household income of African Americans in Chattanooga was \$30,539—53.9% of the White Median Household Income (ACS, 5-year estimates).

From this limited analysis, the data seem underwhelming that African Americans in Chattanooga are experiencing widespread standard of living gains. Granted, some African Americans have relocated to Chattanooga and others have successfully started new businesses in the technology economy. But, on the whole, it seems as if the African American community has not made substantial gains in the last decade. Communities have been lost. Home ownership is down. Household income gains have been weak. These are the unintended consequences of the Chattanooga Renaissance. The people who have been the most negatively impacted by these changes were never included in

the process where civic leaders made their choices. And now they have to live with them, but not near downtown.

Future Reports

When the full 2020 Census is released in 2022, the Unity Group will conduct a comprehensive *State of Black Chattanooga* report to chronicle social, economic, and demographic changes between 2010 and 2020.

APPENDIX

Table 2: African American Population Decline in Hamilton County, 2010-2020

Tract	2020	2010	Change
122	1,737	2,705	-968
12	2,235	3,005	-770
124	728	1,442	-714
25	1,821	2,396	-575
33	4486	5023	-537
32	2374	2832	-458
4	2,513	2,940	-427
11	717	1,090	-373
13	706	1,075	-369
29	1,147	1,515	-368
114.02	3427	3791	-364
14	518	880	-362
123	2,654	2,968	-314
26	885	1,191	-306
18	382	629	-247
8	255	402	-147
30	779	919	-140
105.02	123	237	-114
16	1,906	2,012	-106
TOTAL	29,393	21,714	-7,659

Table 3: African American Population Growth in Hamilton County, 2010-2020

Tract	Growth
104.35	100
34	102
114.49	103
117	108
114.11	112

119	127
113.23	128
104.31	137
112.06	148
104.33	184
114.13	184
114.45	195
20	206
114.47	211
116	215
113.21	221
118	229
114.46	241
114.42	254