

# Gentrification and city improvement districts: a case study of residents' perceptions in Claremont, South Africa

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## Abstract

City Improvement Districts (CID) have emerged as an effective form of urban facilities management. The issues that surround the handing over of the governance of public urban spaces to private enterprise are not yet fully understood. This paper presents case study research on the residents living in the Claremont CBD, South Africa and its surrounding neighbourhoods. It explores the link between the work done by a CID organisation and gentrification, and how the changes brought about by this gentrification impacts on the residents. The paper provides greater insight into how the residents of the area perceive the CID organisation in light of the changes taking place. The research establishes that the gentrification of Claremont has been significantly influenced by the work done by the Claremont Improvement District Company (CIDC). Furthermore, through the analysis of survey data collected from the residents living in a defined area surrounding the Claremont CBD, the study finds that these residents regard the changes brought about as a result of this gentrification to be (largely) positive.

**Keywords:** Urban Facilities Management, City Improvement Districts, Gentrification

# 1. Introduction

## 1.1 Background to the research

City Improvement Districts (CIDs) emerged as an effective form of urban governance in New York City during the 1980s (Ward, 2006). Over one thousand cities across the USA and Europe have adopted CIDs as a strategy to develop the local economy and revitalise urban space (Miraftab, 2007). CIDs are also found in developing countries, with over 40 in South Africa alone (Hoyt, 2005). CIDs have achieved clear successes - reduced crime, cleaner streets, improved services, increased investment and successful marketing campaigns are reported in the literature – which are attributed to the freedom, autonomy and self-interest with which these CID organisations operate (Hoyt, 2005). But at what costs have these successes been achieved? Hoyt (2005:26) points out that the handing over the governance of public urban spaces from “general-purpose representative governments to special-purpose commercial clubs (i.e. CIDs)” could have some significant consequences for the area concerned. She encourages these consequences to be explored, stating that the “systematic impacts (of CIDs) should be the subject of ongoing research and evaluation” (Hoyt, 2005:26). The study reported in this paper is a response to this prompt, and specifically investigated gentrification in the residential neighbourhoods surrounding a CID.

## 1.2 Research design and method

CIDs provide clear benefits for businesses in the area, and in the context of residential areas, neighbourhood watches and the like, function similarly. However, the changes that come about as a result of their introduction are described in the literature on gentrification as being potentially positive or negative, depending on who evaluates them. Since the case study area of Claremont Central Business District (CBD) has a CID that is exclusively supported by businesses and managed by the Claremont Improvement District Company (CIDC), it is unclear what the effect on residents in the immediate and surrounding areas has been. What impact has the Claremont Improvement District Company had on the residential neighbourhoods surrounding the CIDC’s area of jurisdiction? The aim of the research was to establish whether or not gentrification is occurring in the neighbourhoods surrounding the Claremont CBD - and to determine whether the CIDC has caused this gentrification - by analysing residents’ perceptions of the changes occurring in their neighbourhood. Gentrification is occurring in the neighbourhoods surrounding the Claremont CBD due to the influence of the CIDC and the residents living in these neighbourhoods perceive this to be a negative change process. Since the research investigates a “contemporary phenomenon in a real-life context” (Yin, 2003), a single case study was undertaken. Two chief sources of evidence were used, namely a postal questionnaire survey and telephone interviews of residents. The survey was limited to those residents living within or in close proximity (1-2 km) to the boundary of the CIDC’s area of direct control. Only residents were surveyed. Other interested parties such as business owners

and informal traders within Claremont were excluded from the research. The response rate for the postal questionnaire survey (7.6%) could possibly be considered too small for valid conclusions to be drawn. Further, given that participation in the survey was voluntary, there is a possibility that the views expressed by the respondents do not necessarily reflect those of the population that did not respond. The number of interviewees in the follow-up survey (14) may be also be unrepresentative of the entire residential population.

### 1.3 Context of this study

Claremont is a suburb of the City of Cape Town, but had previously been a separate municipality. It thus has a commercial district, situated on the main road that runs through all of Cape Town's Southern Suburbs. Following many years of degradation and disinvestment, initial attempts at rejuvenating the Claremont CBD began in the early 1990s under an informal body called the Claremont Business Forum. Then, in 2000, after the City Improvement District by-law was promulgated by the City of Cape Town, this body developed into an official legal entity known as the Claremont Improvement District Company (CIDC) (Claremont Central, 2008). The CIDC's area of jurisdiction includes all of the commercial properties in the area, and excludes residential properties. The CIDC's vision is to make Claremont the premier retail, commercial and professional destination in the Cape Peninsula (Claremont Central, 2008). There is abundant evidence to suggest that the CIDC has delivered on this mission - the Claremont CBD has undergone a dramatic facelift over recent years, attracting major capital investment in commercial and residential apartment projects (Claremont Clarion, 2006). Previous studies conducted by Sandes (2006) and Vorster (2007) concluded that gentrification was taking place in the CIDC's area of jurisdiction and the surrounding neighbourhoods and that this was having a negative impact on the various stakeholders in the area (*i.e.* businesses, informal traders and residents). The sample sizes of residents used in these two studies were arguably too small to produce reliable conclusions. This study thus focused exclusively on the impact that the gentrification in Claremont is having on the residents living in the area, with the aim of improving the findings of these previous studies with an increased sample size.

## 2. Literature review

A city improvement district (CID) is a zone within a city that receives additional privately funded services for security, cleaning and marketing. CIDs are also referred to as "Business Improvement Districts", "Business Improvement Areas" and "Municipal Improvement Districts" (Hoyt, 2005). Businesses within the CID pay additional fees to their municipal bills in the form of a tax or levy (Miraftab, 2007). These services do not replace those provided by the local authorities, nor do they result in a reduction of these services, they merely top up gaps between what municipalities provide and what businesses desire (Hoyt, 2005). The CID model of governance was adopted due to "declining urban economies and failing city government responses (to the problem)" (Ward, 2006:70). CIDs are managed by non-profit, private partnerships between local government and businesses, which oversee services provided by

both the municipality and private contractors within the CIDs (Miraftab, 2007). The main aim of CIDs is to improve the economic conditions of a business area and all of the projects undertaken by CID management should aim to make the area more prosperous (Dawkins and Grail, 2007). There has been a global movement towards CIDs since the practice first emerged in Toronto in the early 1970s. However, they were brought to the public's attention during the 1980s when the then Mayor of New York, Rudi Giuliani, adopted them as a way to combat urban economic decline (Miraftab, 2007). Ward (2006) notes that this was the first time that CIDs were seen to privatise previously 'public' spaces. They did this by "redefining the ways in which urban areas were policed, involving itself in the transformation of New York's midtown into one big theme park and removing those whose activities/behaviour/look did not fit in with the image-building exercises at work" (Ward, 2006:63). New York was able to reduce crime and to attract new investment through the private and public sectors working together. The success stories of New York's CIDs meant that they, and their policies, became the model for other countries looking to adopt the same form of urban management (Ward, 2006). CIDs now exist in over one thousand cities in sixteen countries across four continents. CIDs can be viewed (Ward, 2006; Peck, 2003) as 'policies in motion' representing a new wave of neo-liberal urbanisation: "a new mode of governance rules, regulations, programs, and policies to resuscitate cities as sites for capital accumulation" (Wilson, 2004:771).

CIDs differ with regard to policies and objectives from one city to another, as well as from CID to CID within cities (Hochleutner, 2003). Hoyt's (2005) study on CIDs in the USA, Canada, New Zealand and South Africa confirms this. She found that CIDs in the USA, Canada and New Zealand focussed on consumer marketing as a tool to attract visitors and investors from surrounding areas in order to combat the attractions provided by suburban shopping centres, while in South Africa they concentrate more on safety and security. Uniquely, South African CIDs were also found to supplement social services, confronting issues such as homelessness and drug abuse among children. In her research on the implementation of CIDs in Cape Town, Miraftab (2007) reflects on the Cape Town Partnership's (CTP) objective – working through the CIDs (of which the CIDC is one) – of creating a world class, globally competitive city. This objective, she argues, is "fundamental to the CTP's elitist practices in establishing CIDs" (Miraftab, 2007:606). She supports this view by describing how the CTP partnered with major real estate development companies in bringing about a real estate boom in the downtown CIDs, and how it is seeking to emulate New York and London downtown living and their privileged lifestyles by developing upmarket apartment complexes. Further, Miraftab (2007:608) claims that "the CTP uses regulatory practices that socially sanitize public space in the city's CIDs", giving examples of the treatment of informal traders and homeless people, amongst others, to validate this point. In the case of informal traders, Miraftab (2007) found that the CTP is trying to remove them from all CID sidewalks to designated market spaces, commenting "while this may suit big businesses and look orderly to visitors, they are not the busy markets that serve the local low-income clientele" (Miraftab, 2007:610). Furthermore, Miraftab's (2007) research found that bylaws in Cape Town, unchanged from the years of Apartheid, make homelessness and poverty offences under the law. She claims that such bylaws are ignored in the city as a whole, but are expected to be enforced within the CIDs and have resulted in countless homeless people being displaced from CID areas in Cape Town since their inception in 2000. While

homelessness can be regarded as an undesirable characteristic of an urban area, these people also have a right to public space, a view by Miraftab (2007). Finally, Miraftab (2007:613) warns: "...the city centre's real estate boom and the pressing gentrification of adjacent neighbourhoods are aggressively displacing residents with middle and lower incomes." Kotze and van der Merwe (2000) studied six inner city neighbourhoods within 4km of the CTP's area of operation and concluded that the urban renewal processes taking place in two of them could be defined as gentrification, in terms of the gentrification profile they compiled for Cape Town. However, they found that the urban renewal process in the other four areas was not sufficiently advanced for this conclusion to be drawn. Despite Miraftab's (2007) negative observations, CIDs in Cape Town have achieved a number of successes. The Cape Town Partnership (2008) claims that the Central City CID has made a definite impact, which includes successes in the areas of: *Urban regeneration* (crime reduced, new building construction, old building renovation and quality urban management); *Investment* (restored investor confidence in the central city - capital value of current leases, new developments, investment purchases, upgrades and renewals is R11bn<sup>1</sup>); *Economic growth* (CBD has experienced phenomenal economic growth since the introduction of the new urban management scheme, many businesses thriving); *Pedestrian routes and public space upgrades* (upgrade of public spaces and pedestrian areas resulting in increased use); *Poverty reduction and social development* (homeless placed in shelters and offered job opportunities by the CTP). The Claremont CID can also claim some significant successes. Capital investment – worth an estimated R1.8bn (Claremont Clarion, 2006) – in retail, commercial and residential developments mirrors the investment going into the Central City CID. A significant feature of this wave of investment was the R48 million CIDC-City of Cape Town joint venture Claremont Boulevard bypass and taxi/bus interchange, part of which had been on the City's agenda for over 40 years, but had never been implemented due to budgetary constraints (Koblitz, 2007).

The negative proposition adopted for this study was prompted by Hoyt's (2005) suggestion that the property and business owners who initiate and oversee CID organisations are motivated by self-interest and not by the needs of the wider community. Accordingly, their work in revitalising urban commercial areas is for the purpose of protecting or increasing the returns on their investments. They do this by improving "the physical, economic and social conditions within their geographical jurisdiction in a way that serves their own interest and those of their customers" (Hoyt, 2005:26). Lloyd *et al.* (2003) see this as a threat to local government accountability as well as strategic planning institutions, which seek to benefit all groups in society, not merely businesses. Furthermore, because one of a CID's main tasks is to improve service delivery, their establishment is an admission on the part of local government that traditional public service provision has effectively failed (Ward, 2006). Although an increase in land and property values within a CID is considered an advantage to property owners, Catalano (2000) points out that this is indeed a disadvantage for certain groups. One such group are

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<sup>1</sup> 1 South African rand = 0.130061 U.S. dollars

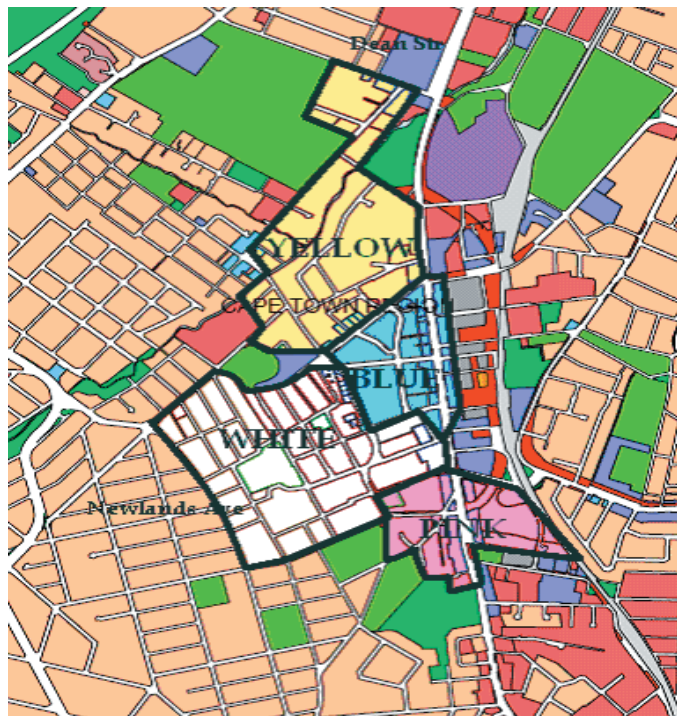
tenants, who are forced to pay higher rentals as a result of urban regeneration. This may lead to their displacement. Linked to this, CIDs are also known to adversely affect homeless people, as the removal of such people is often high on the agenda of CID organizations (Lloyd *et al.*, 2003). Lloyd *et al.* (2003) explain that while CIDs may be effective in removing homeless people from their district, they merely shift them into surrounding areas. Lloyd *et al.* (2003) also suggest that CIDs may be seen as creating an image that is too exclusive for their own good. They argue that the utopian style cleanliness and order that they try to instil may be seen by some as “leading to a degree of sterility and homogeneity”, thus taking away any character or charm that an area may have possessed before the CID was established.

Placing the establishment of CIDs in a theoretical framework, the study views this as gentrification. First coined by Glass (1964), the term referred to the London middle classes moving into working class quarters, upgrading properties, effectively displacing the original occupiers and bringing about a change in the social character of the neighbourhood. Gentrification is not only defined in this restrictive sense, but has also been defined more inclusively to refer to situations where the displacement of the working class has not occurred (Kotze and van der Merwe, 2000, *citing* Bourne, 1993). The definition adopted for this study is the former, more restrictive definition, described by Savannah Metropolitan Planning Commission (2004:2) as “the process whereby relatively affluent homebuyers, renters, and investors move into a neighbourhood thus increasing property values, rents, or taxes resulting in an involuntary displacement of long-term residents and business owners, the loss of neighbourhood diversity, or a change in the overall character of the area.” The ‘rent gap’ theory, introduced by urban economist Neil Smith during the 1980s explains gentrification as the product of investment and disinvestment in the inner-city. Over time, urban development and expansion creates a disparity between ‘capitalised ground rent’ – the value of a property given its current use – and ‘potential ground rent’, the return that could be earned on the land if it were put to its highest and best use. As the gap between the two widens, so does the incentive for land use change and development. The ‘rent gap’ is closed by land developers, landlords and ‘occupier developers’ (people who renovate homes before moving into them) when they reinvest in run down inner-city properties in the hope of achieving healthy profits. This is coupled with a return of professionals to urban areas and their surrounding neighbourhoods to satisfy financial corporations’ need for employees ‘spatial proximity’ to the workplace in order to ‘reduce decision times’. In short, Smith's argument was that gentrification takes place because capital returns to the inner-city, setting up opportunities for residential relocation and profit (Lees *et al.*, 2007; Slater, 2002). Gentrification can be defined in positive terms (such as revitalisation and redevelopment) or negative terms (such as displacement and dislocation) (Savannah Metropolitan Planning Commission, 2004). Sandes (2006) conducted initial research into the Claremont CID and the influence it was having on the gentrification occurring in the area. Semi-structured interviews were undertaken with residents, businesses and informal traders in the area (Sandes, 2006). Follow-up research was undertaken in 2007 by Vorster (2007) to see how the perceptions of the stakeholders had changed over the one year period. Both Sandes (2006) and Vorster (2007) concluded that gentrification was indeed taking place in the neighbourhoods surrounding the Claremont CBD and that the overall perceptions of the

various stakeholders towards the CIDC were negative - despite both studies finding that residents felt the CIDC had had a positive effect on the area.

### 3. The Survey

Previous research on the Claremont CID area by Sandes (2006) and Vorster (2007) involved relatively small samples of 15 and 34 residents, respectively, using purposive sampling. The current study sought to improve the representivity of these by sampling the entire residential population of the immediate CBD area and the neighbourhood within 2km of it. A pre-stamped postcard survey was hand-delivered to the post boxes of 1765 residents in Claremont between 2-9 August 2008. This postcard survey was designed to gain both demographic data pertaining to residents (*i.e.* age, duration living in the area, level of personal income, etc.) as well as information regarding perceptions of gentrification indicators such as displacement of residents and change in the character and diversity of the area. Further, respondents were asked their opinion on whether any changes had been brought about due to the influence of the CIDC and whether they perceived such changes to be positive or negative. The postcard contained a definition of gentrification. An option of providing a telephone number was given for those willing to take part in a follow-up survey. The postcard survey obtained 134 responses (N=1765; n=134) (7.6%), of which 42 provided telephone numbers. Fourteen of these 42 were selected for the follow-up telephonic survey, selected on the basis of nature of their responses to the postcard survey. The sub-zones of the Claremont area are characteristically quite different. Figure 1 below shows these, coded by colour.



*Figure 1: Map of the defined area displaying the different zones*

The Blue zone is the CBD, which has undergone major rejuvenation in recent years. It contains the original 45000m<sup>2</sup> Cavendish Square shopping centre and its new extension Cavendish Connect and three new apartment complexes. The White zone to the west of the CBD contains 667 residential units and is characterised by large blocks of flats and double-storey houses as well as several residential to business conversions. The Yellow zone to the north contains three large blocks of flats, several medium sized blocks of flats as well as single residential units. There is evidence in this zone of business creep and a proliferation of bed and breakfast establishments. The Pink zone, to the south, is dominated by blocks of flats (341 units), with only 25 single residential units, and there is little evidence of new development or redevelopment occurring. Since the residential component of the whole area comprises both single residences and flats, postcards delivered to flats were marked to make them separately identifiable. The breakdown of the postcards distributed in each zone is shown in Table 1 and the number of responses within each zone in Table 2 below.

*Table 1: Breakdown of postcards distributed by unit type*

Unit type	White	Yellow	Pink	Blue	Total
Flats	452	258	341	356	1407
Houses	215	118	25	n/a	358
Total	667	376	366	356	1765

*Table 2: Breakdown of cards distributed by geographical zone*

Zone	Number administered	Number participating	%
White	667	61	9.1
Yellow	376	46	12.2
Pink	366	19	5.2
Blue	356	8	2.2
All	1765	134	7.6

The overall response rate of 7.6% was low, but it does provide an indication of perceptions amongst residents. It is interesting to note the response rates over the four different zones. The highest response rate came from the Yellow zone. This zone was subject to the most aggressive rejuvenation activity of the four zones, with renovations and business creep being particularly noticeable. The Blue zone, on the other hand, attracted the lowest response. This is not surprising as it consists of new upmarket apartment blocks in the heart of the CBD that had only been occupied for two years. The people living in this zone are unlikely to have witnessed all of the changes that have occurred since the establishment of the CIDC, unless they had previously lived elsewhere in Claremont. It is also interesting to note the breakdown of responses between flats and single residential units. It is clearly noticeable from Table 3 that

the response rate was markedly higher from those living in a house. This could be because these people are more affected by the changes than those living in a flat apartment. The research found that 98% of the house dwellers owned their dwelling.

*Table 3: Response rate by type of residence*

Zone	Flats	Response Rate	House	Response Rate	Total	Response Rate
White	30	6.6	31	14.4	61	9.1
Yellow	24	9.3	22	18.6	46	12.2
Pink	16	4.7	3	12.0	19	5.2
Blue	8	2.2	n/a	n/a	8	2.2
Total	78	5.5	56	15.6	134	7.6

### 3.1 Findings and analysis

Questions 1 - 6 were designed to gather personal information in order to profile the population. The average age (55 years) of respondents for the entire area was high. Thirty-two percent (32%) of the respondents were older than 65, with the oldest being 89 years. Eighteen percent (18%) were over the age of 75 and only 18 (14%) of the respondents were under the age of 30, with the youngest being 18. It is noticeable that the Blue zone's average age is significantly younger than the others. On average, respondents had been living in the area for 12 years. Fifty-two percent (52%) had lived in the area for more than 8 years, the duration for which the CIDC had been in existence at the time of the survey. Thus, it is believed that the majority of the respondents were well positioned to comment on the changes taking place. Again, it is clear that those living in the Blue zone were new to the area.

*Table 4: Form of tenure*

Zone	Own	%	Rent	%
White	44	72.1	17	28.3
Yellow	41	89.1	5	10.9
Pink	16	84.2	3	15.8
Blue	0	0.0	8	100.0
All	101	75.4	33	24.6

It is clear from Table 4 that the bulk of the responses were from property owners. A possible reason for this is owners have a vested interest in what affects their property's value, whereas

tenants do not. Interestingly, 100% of the respondents from the Blue zone were tenants. Although the number of respondents from this zone was small, this is probably an indication that there are a limited number of owner-occupiers in the apartment complexes in the Blue zone. Question 4 asked if the property was a residence, or business premises. When the surveys were delivered, business premises were deliberately avoided since the focus of this study was on residents only. However, this question was deemed necessary as it is suspected that many businesses operate illegally in the area, without signage or any other indication of the location being business premises. The intention of the question was to identify and eliminate any data pertaining to business premises. Only one respondent indicated that the premises were used for business purposes. The definition of gentrification used in this study refers to “relatively affluent homebuyers, renters, and investors” (Savannah Metropolitan Planning Commission, 2004:2). Judging from the data in the Table 5, Claremont does not appear to fit this definition, because roughly a third of the respondents (27.6%) were from a relatively lower income bracket. However, closer inspection of the data revealed that 38% of the lower income bracket had moved into the area since the CIDC was established, which is still a relatively high percentage for a gentrifying area. Secondly, 66% of those earning in the highest income bracket and 59% of those in the middle-income bracket had moved into the area since the establishment of the CIDC. Therefore, on the whole, this does represent an influx of wealthier residents into the area.

Table 5: Annual income of respondents

Zone	>R500k	%	R150k- R500k	%	<R150k	%	No entry	%
White	12	19.7	22	36.1	15	24.6	12	19.7
Yellow	15	32.6	12	26.1	14	30.4	5	10.9
Pink	5	26.3	3	15.8	7	36.8	4	21.1
Blue	0	0.0	7	87.5	1	12.5	0	0.0
All	32	23.9	44	32.8	37	27.6	21	15.7

Note: 1 South African rand = 0.130061 U.S. dollars

In the literature review, the theory was introduced that those residing in urban areas choose locations close to their workplace. The table below suggests that this is not the case in Claremont. However, 36% of the respondents who answered that they do not work in Claremont were over the retirement age of 65. Twenty-eight percent (28%) of pre-retirement age respondents were found to work in Claremont. Considering that displacement is one of the major characteristics of a gentrifying area, it is interesting to note that 76.7% of respondents report not noticing the displacement of original residents during their residence in the area. However, the duration of their residence in the area is the key factor in determining displacement caused by gentrification.

Table 6: Do you work in Claremont?

Zone	Yes	%	No	%	No entry	%
White	16	26.2	45	73.8	0	0.0
Yellow	6	13.0	38	82.6	2	4.4
Pink	4	21.1	14	73.7	1	5.2
Blue	3	37.5	5	62.5	0	0.0
All	29	21.6	102	76.1	3	2.2

Table 7: Displacement of original residents

Zone	Yes	%	No	%	No entry	%
White	16	26.2	44	72.1	1	1.6
Yellow	10	21.7	36	78.3	0	0.0
Pink	4	21.1	15	78.9	0	0.0
Blue	0	0.0	7	87.5	1	12.5
All	29	22.4	102	76.1	2	1.5

Of the 70 respondents who have been living in the area for more than 8 years, 47% indicated that they had noticed a displacement of original residents. On the other hand, of the 64 respondents who have been living in the area for less than 8 years, only 25% of them reported noticing the displacement of original residents. These findings are open to interpretation, but almost half of the long-term residents perceive displacement to have occurred. An overwhelming majority of owners (97%) indicated that there has been an increase in their property value during their time living there. This may be misleading, because the vast majority of property owners in Cape Town experienced growth in their property's value during the recent boom in property prices.

Table 8: Have property rents increased?

Zone	Yes	%	No	%	Blank	%
White	7	58.3	4	33.3	1	8.3
Yellow	2	66.7	1	33.3	0	0.0
Pink	2	66.7	1	33.3	0	0.0
Blue	1	16.7	5	83.3	0	0.0
All	12	50.0	11	45.8	1	4.2

Despite the low number of tenants, it appears that rentals have increased. Only 50% of respondents indicated that they had experienced an increase in rental. However, this is somewhat distorted by the fact that 70% of those who indicated that they had not experienced an increase in rental had been living there for less than a year and would not have experienced a rent review yet. Seventy-nine percent (79%) of those who have been living in their place of residence for more than a year have experienced an increase in their rental. In response to a question on whether or not their municipal rates had increased, a large majority (82.1%) of the respondents indicated that there had been an increase in their municipal rates. Rates are derived from property values, so it is expected that this finding would closely follow that in Table 8 above.

*Table 9: Conversion from residential to business units*

Zone	Yes	%	No	%	No entry	%
White	40	65.6	19	31.1	2	3.3
Yellow	30	65.2	15	32.6	1	2.2
Pink	10	52.6	9	47.4	0	0.0
Blue	2	25.0	6	75.0	0	0.0
All	82	61.2	49	36.6	3	2.2

The majority of respondents (61.2%) indicated that they have noticed an increase in the conversion of residential units to business premises. Much of this majority was made up of respondents from the White and Yellow zones (immediately adjacent to the Blue CBD zone). Of the 107 respondents living in these two zones, 65% of them answered that they have noticed such an increase. This is not surprising, given the proximity of these zones to the CBD. The subject of conversions from residential to business units has recently received attention in the local media. Wiese (2008) describes how residents living in proximity to Kildare and Colinton Roads (within the Yellow zone) are becoming increasingly annoyed by the proliferation of businesses in their area and the negative consequences thereof. Residents are concerned about the legality of some of these businesses, claiming that they have not been granted the necessary planning permission to convert their units from residential to business zoning, or that the re-zoning was granted under false pretences. The follow-up interviews provided further evidence of residents' annoyance with the growing number of businesses in the area.

The vast majority of respondents (70.9%) indicated that they were aware of the CIDC's work. Interestingly, 28.4% of the respondents were unaware of it. This is possibly explained by the fact that the Yellow and White zones (where the highest number of negative responses were recorded) are larger and thus contain properties further away from the CBD where the CIDC's presence and activities are probably less evident.

Table 10: Awareness of the work done by the Claremont CIDC.

Zone	Yes	%	No	%	Blank	%
White	45	73.8	16	26.2	0	0.0
Yellow	27	58.7	18	39.1	1	2.2
Pink	16	84.2	3	15.8	0	0.0
Blue	7	87.5	1	12.5	0	0.0
All	95	70.9	38	28.4	1	0.7

Table 11: Change in the character or diversity of the area

Zone	Yes	%	No	%
White	46	75.4	15	24.6
Yellow	31	67.4	15	32.6
Pink	18	94.7	1	5.3
Blue	5	62.5	3	37.5
All	100	74.6	34	25.4

A significantly high 74.6% of respondents indicated that they had noticed a change to the character or diversity of the area. This is in keeping with the definition of a gentrifying area. Of the 100 respondents who felt there has been a change in the character or diversity of the area, 59% felt that this change was due to the influence of the CIDC. This is significant because it confirms that the CIDC, in the eyes of the residents of the area, has been a catalyst for change in Claremont. A few of the respondents indicated that the investor driven market, and not the CIDC, was the catalyst for change. However, it is clearly a goal of the CIDC to attract such investment. To assist the respondents in answering question 9, a list of positive and negative factors were given as prompts.

Table 12: Influence of the CIDC on change

Zone	Positive	%	Negative	%	Both	%	No entry	%
White	24	52.2	18	39.1	4	8.7	0	0.0
Yellow	13	41.9	12	38.7	5	16.1	1	3.2
Pink	10	55.6	4	22.2	4	22.2	0	0.0
Blue	4	80.0	0	0.0	1	20.0	0	0.0
All	51	51.0	34	34.0	14	14.0	1	1.0

The positive factors included revitalisation of the area, cleaner, safer, a better aesthetical environment, more vibrant, and a better shopping experience; the negative factors included displacement of old residents, increased traffic/parking congestion, a loss of the neighbourhood's diversity, and constant redevelopment of the area.

More respondents considered the changes to be positive, but large percentages in the White and Yellow zones perceived the changes to be negative. In summary, the above analysis of the postcard survey indicates that the neighbourhoods surrounding the Claremont CBD fit the definition for gentrification in that relatively affluent homebuyers, renters and investors have moved into the area in recent years, leading to an increase in property values, rents and taxes and resulting in an involuntary displacement of residents (over recent years), the loss of neighbourhood diversity, or a change in the overall character in the area. The majority of respondents attributed the change of neighbourhood character and diversity to the influence of the CIDC. This confirms the perception that the CIDC is having an impact on the residential neighbourhood in and around Claremont CBD. Further, the respondents perceive this change to be positive. The 14 follow-up telephonic interviews provided further insight into residents' perceptions of the changes occurring in Claremont and its surrounding neighbourhoods, their feelings regarding the future of the area, as well as their opinions towards the CIDC and its projects. The composition of these 14 participants was in proportion to the overall response of the particular zones to the postal questionnaire survey (*i.e.* roughly 1 in every 10 respondents from each zone was interviewed). This resulted in 6 participants from the White Zone; 5 from the Yellow Zone; 2 from the Pink Zone and 1 from the Blue Zone. For the purposes of the study, only those respondents who answered in the initial survey that they had noticed a change in the character and diversity of the area and/or whether or not the changes occurring in the area were positive or negative were selected to participate in the telephone interviews. Each interview followed a semi-structured format whereby participants were allowed to answer the questions, without any prompts or options. Respondents were asked to elaborate on the changes they had noticed and what they regarded as positive and negative about them. An increase in cleanliness and visible security, improvements made to shopping facilities and a more pedestrian-friendly infrastructure were mentioned as positive changes. The lack of off-street parking, traffic congestion, business creep and demolitions/renovations were regarded as negative changes. Another complaint was that some owners had obtained zoning rights under false pretences by claiming to be living and operating a business from the premises. Reportedly, some of these premises stand empty at night, making residential neighbours uncomfortable and detracting from their lifestyle. Unhappiness with the extent of demolitions and renovations occurring in the area was also reported, with one respondent claiming that an estimated "20 new houses have gone up around me over the past 5 years." An interesting issue raised by one respondent in the Yellow zone was that she felt that there were more tenants than homeowners in the area and that consequently properties were being neglected. She believed this to be the result of owners leaving the area and letting their properties because they were disenchanted with the results of gentrification, such as lack of parking and an increase in business units.

## 4. Conclusion

The research objective of this study was to establish whether or not gentrification is occurring in the neighbourhoods surrounding the Claremont CBD, and what level of influence the CIDC has had on this gentrification. The analysis above supports the conclusion that gentrification is indeed occurring in the area and that the CIDC has had a significant influence in bringing about this gentrification. This conclusion is based on (i) the reported influx of relatively wealthier residents into the area since the establishment of the CIDC in 2000, (ii) the increases in property values, rentals and municipal rates, (iii) the increase in the conversion from residential units to business units in recent years, (iv) residents' perceptions of a change in the character or diversity of the area. All these factors are signs that gentrification is occurring in an area, as established in the literature review. However, there are certain aspects that contradict the gentrification literature, such as the displacement of long-term residents. The majority of the respondents indicated that they have not noticed a displacement of residents during their time living in the area, although there is evidence to suggest that those who had lived in Claremont prior to the establishment of the CIDC had noticed a degree of displacement. Other interesting findings were the low number of respondents who also work in Claremont, the relatively high percentage of people earning in the relatively lower income bracket still living in Claremont, as well as the high percentage of post-retirement age people living in the area. The overall majority of respondents see the changes occurring in the area as positive. This contradicts the literature that regards gentrification and its consequences as largely negative. This finding also contradicts the research proposition, which stated, "residents living in the neighbourhoods perceive gentrification to be a negative change process." This is not, however, to say that negative aspects (with regard to the changes occurring in these neighbourhoods) do not exist. The follow-up telephone interviews established that there are serious issues affecting the residents of the area (conversions from residential units to business premises resulting in traffic congestion, parking problems and empty premises at night, influx of people, noise and dust). The conclusions drawn above do not allow either for the outright acceptance or rejection of the proposition. This is possibly attributable to several factors. Firstly, the proposition assumed that those respondents still living in the area might representatively comment on the negative aspects of gentrification, where it is more likely that those who no longer live there because they were negatively affected would do so. Secondly, the case study method adopted opens the possibility that the residents of this particular area answered as they did, where those in another area might not have. Finally, the low response rate (7.6%) of the 1765 residences surveyed provides little comfort as to the representivity of the findings.

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