

INTRODUCTION

TRANSIT GUIDE

1938 Redlining Map of Brooklyn Source: https://redhookwaterstories.org

BACKGROUND

New York City's housing landscape has gone through many transformations over the past 50+ years. New York is currently the 4th most segregated city in the country and one of the major contributors to that segregation was the redlining of neighborhoods in the 1930's by the Home Owners' Loan Corporation (HOLC), which led to the newly-formed Federal Housing Administration to almost exclusively provide insured, subsidized loans in suburbs and neighborhoods with homogenous white populations. The effects of this policy are still felt today in New York City and across the United States.

This context is important because for the past 50 plus years these redlined areas have largely been inhabited by communities of color, often without access to essential public services, homeownership opportunities, or any form of public investment. In the same way that investments in the suburbs and other predominantly white areas provided a means to generate capital during population growth spurred by white flight and suburbanization, affluent white individuals returning to urban centers makes these historically black and brown neighborhoods prime areas for politicians, developers, corporate investors, large corporations, and other stakeholders to extract financial benefit without regard to the communities who have called these areas home for decades.

The Fair Housing Act was landmark legislation enacted in 1968 as part of the Civil Rights Act. This legislation was one of the key wins from the Civil Rights era and was at least in part a reaction to widespread protests in response to the assassination of Dr. Martin Luther King. 50 years after the passage of this law, however, entrenched patterns of housing discrimination and segregation remain in New York City. The following chapters of this report will outline examples of these patterns and how they are influenced by land use and zoning actions taken by the City of New York in recent years.



EXECUTIVE SUMMARY

The City of New York famously rezoned nearly 200,000 properties between 2003 and 2007. Typically, research has shown that areas with wealthier white populations were down-zoned to lower residential densities while lower-income, largely minority areas were up-zoned for higher density.

Unfortunately, this trend has continued under the current administration and many advocates, community members, and local business owners, among others, are seeing their communities displaced as a result. This report analyzes two key rezonings from the mid-2000's with the objective of understanding how the zoning changes ultimately affected communities of color in particular. The two rezonings that will be outlined in this report are:

(1) Greenpoint/Williamsburg waterfront rezoning in 2005

(2) Park Slope/4th Avenue rezoning in 2003

After being rezoned, these communities experienced changes that were not anticipated by the City at the time they made the zoning changes. Compared to the predictions contained in city documents related to the rezonings, there was greater population growth as well as higher losses of manufacturing space and rent-stabilized housing units in both of the rezonings studied in this report. Additionally, both neighborhoods also saw drastic decreases in their Black and Latinx populations in the decade that the zoning changes were passed. While displacement trends existed before the zoning changes, they were significantly accelerated during this time, implying the zoning changes exacerbated previous displacement pressures rather than alleviating them. Specifically, some of the significant impacts included:

- Decrease of about 15,000 Latinx residents in Greenpoint & Williamsburg between 2000 and 2015 despite a population increase of over 20,000 during the same time period
- Decrease of about 5,000 Black and Latinx residents in Park Slope between 2000 and 2013 despite overall population growth of over 6,000 during the same period
- Loss of over 5 million square feet of industrial/ manufacturing space in Greenpoint & Williamsburg
- Loss of 942 rent-stabilized units in Greenpoint & Williamsburg and 1,470 such units in Park Slope

Given the shortcomings of the current process and the fact that it results in the widespread displacement of Black and Latinx residents, the de Blasio Administration must make changes to the rezoning process going forward. In particular, there needs to be more accurate anticipation of the effects of the proposed neighborhood rezonings, particularly given the history of zoning and its historical impact on housing segregation in New York City.

One method for doing this is through the City Environmental Quality Review (CEQR) process, in particular the Environmental Impact Statement (EIS). The City should require that the EIS study racial impacts of proposed zoning changes, particularly the predicted demographic changes that will likely occur as a result of the developments likely to come from the proposed zoning. This analysis would inform future affordable housing strategies, improve displacement mitigations, and ultimately help New York City to fulfill its Fair Housing Act obligations.

Adding a Racial Impact Study to the environmental review process would ensure that the racialized displacement that often accompanies rezonings would be brought to the foreground in land use conversations and force the city to take steps to preserve communities of color and provide every New Yorker with real choices about where to live. Being displaced is not a choice, and the city has an obligation under the Fair Housing Act to both provide mobility for residents to move to higher opportunity areas as well as guarantee they have the choice to stay in their communities.



GREENPOINT WILLIAMSBURG REZONING (2005)

"ZONING WITHOUT PLANNING"

The Greenpoint Williamsburg waterfront rezoning in 2005 involved creating zoning capacity for a large amount of housing along the North Brooklyn waterfront. Despite Brooklyn Community Board 1 having developed a 197-A plan less than a decade prior that envisioned the neighborhood as one that retained its mid-rise character with expanded waterfront access for residents, the City implemented a plan that led to the development of numerous high-rise luxury condos along the waterfront that created physical and psychological barriers between existing residents and public space located along the waterfront.

Tom Angotti, a professor of urban planning, author, and former senior planner in the Department of City Planning's Brooklyn Office has described this rezoning as "zoning without planning".

This chapter looks at what has happened over the past decade in Greenpoint and Williamsburg, particularly how the neighborhood has changed as a result of the rezoning.



BACKGROUND

Despite their plan being far outside the scope of Community District 1's existing 197-A plan, the City pushed forward with the rezoning of Greenpoint and Williamsburg's waterfront. As part of the rezoning process, the City completed an Environmental Impact Statement (EIS), which looked at various anticipated impacts generated by the proposed zoning and land use changes.

The graphics below show the predicted outcomes of the rezoning and how they compare with the actual outcomes. This includes estimates of residents expected to be displaced, both directly and indirectly, how many new housing units the new zoning would likely create, and how many of these units would be affordable.

As the graphics below show, the EIS predictions differed from the actual outcomes of the rezoning in that the EIS predicted:

- (a) fewer housing units would be produced
- (b) a much lower loss of manufacturing space
- (c) a similar number of affordable units would be produced, but this prediction did not account for the nearly one thousand estimated rent-stabilized units that were lost

The following sections of this chapter describe in more detail exactly what these discrepancies have meant for residents of Greenpoint and Williamsburg since the rezoning was implemented in 2005.

Predicted

Actual

17,731 22,004

Applies Applies 10,004 10,004



LOSS OF MANUFACTURING SPACE IN REZONING AREA



EIS Predictions vs. Observed Outcomes, 2005-2015*

Measure	EIS (2005)	Actual(2015)
Housing units produced	8,257	10,044
Population increase	17,731	22,004
Affordable units produced	1,398	1,501
Loss of rent-stabilized units*	0	942
Loss of manufacturing (square feet)	1,136,269	5,329,659

*One exception: analysis of rent-stabilized units used data from 2007 to 2017



RACIAL IMPACT

Before the rezoning in 2005, Greenpoint and Williamsburg were already experiencing demographic changes. Between 1990 and 2000, the Latinx population fell from 67,950 residents down to 61,262 residents in Brooklyn Community District 1. During that same period, the Black population also dropped, from 11,244 in 1990 to 8,714 in 2000.

However, this trend accelerated significantly after the 2005 rezoning. Between 2000 and 2010, the Latinx population decreased by nearly a quarter, from 61,262 residents down to 47,008 residents.

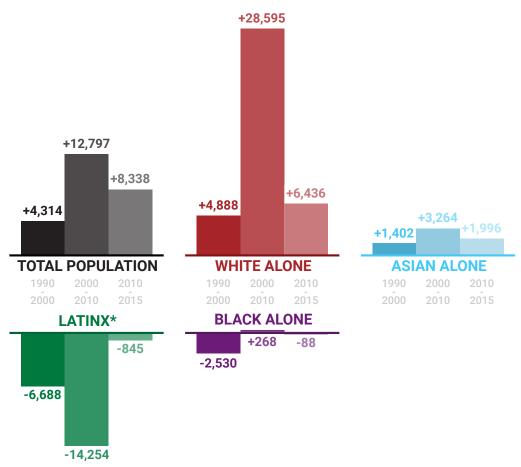
During this same time frame, the community district added roughly 13,000 residents. The white population was the greatest contributor to this growth, increasing by nearly 30,000 residents. By 2015, the Latinx population had decreased by nearly 1,000 more residents while the overall population continued to grow, driven by an influx of White and Asian residents.

The infographic below shows how the population of Brooklyn Community District 1 has changed from 1990-2015, by race/ethnicity. Specifically, the graphic shows the change in population, by race/ethnicity, over three time periods:

- (1) before the rezoning (1990-2000)
- (2) the decade the rezoning was passed (2000-2010)
- (3) after the rezoning (2010-2015)

The decade the rezoning was passed shows the most dramatic shifts in populations. During this period of time, a large influx of white residents moved into the neighborhood, and over ten thousand Latinx residents left the neighborhood.

NOTE: The time periods chosen for this chapter reflect the years in which demographic data was available with the aim of comparing data before the rezoning was passed to data ten years after its passing, which is the timeframe that an EIS/EAS evaluates. 2000 is the year closest to the passing of the rezoning that had demographic data available. There is 2015 data available, which is exactly 10 years after the rezoning.



*Latinx is the description used throughout this report, but the US Census Bureau classification is "Hispanic/Latino"



DEMOGRAPHIC TRENDS

An argument often made when advocates point out these An argument often made when advocates point out these drastic changes in the racial/ethnic makeup is that it is merely part of a larger trend. As mentioned before, there were changes occurring prior to the rezoning, but they also clearly accelerated after the rezoning increased density and created more areas zoned for residential use.

At the City and Borough level the demographic shifts are in stark contrast with the changes after the 2005 waterfront rezoning. Specifically in Brooklyn, the Latinx population has grown by over 10 percent since 1990. Across the entire city, the change is even more drastic with the Latinx population growing by over 35 percent since 1990. The Black population has remained fairly constant between 1990 and 2015, though it peaked in 2000 in both Brooklyn and citywide before declining slightly.

The Asian population has more than doubled in both Brooklyn and citywide since 1990, increasing by just under 200,000 residents in Brooklyn and about 650,000 citywide, making Asians the most rapidly growing racial/

ethnic population in both Brooklyn and New York City during this time.

In terms of the White population, there has been little to no growth overall in Brooklyn (+0.4%) and a double digit decrease in the city overall (-13.4%) between 1990 and 2015. However, the White population did grow slightly in both Brooklyn and the city as a whole between 2010 and 2015.

The total population in New York City and Brooklyn has grown steadily since 1990, with growth of 15.1 percent and 12.9 percent, respectively. These trends are very different than those observed in Brooklyn Community District 1, and the rezoning seems to be a driving factor.

The table below summarizes the demographic changes in Brooklyn and New York City. Additionally, the maps on the following two pages give a visual of how the demographics of Greenpoint and Williamsburg have changed from shortly before the rezoning to the decade after it was passed.

Population Changes in Brooklyn, by Race, 1990-2015

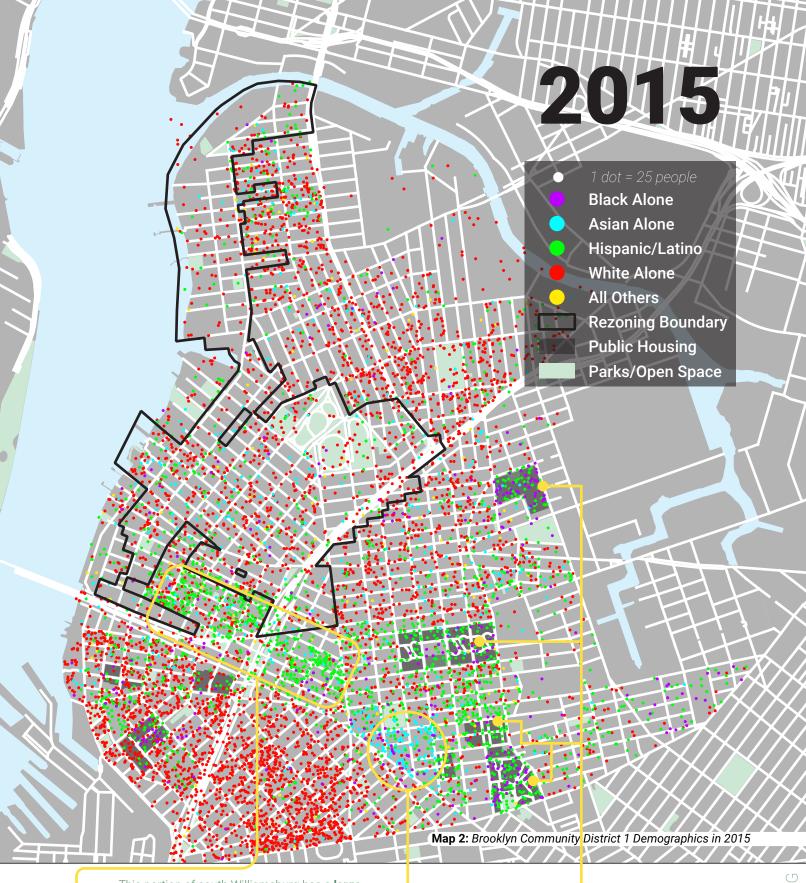
- openation onlying by italical rate and a						
Year	White	Hispanic	Black	Asian	Other	Total
1990	922,938	462,261	797,128	105,929	11,195	2,299,451
2000	854,653	488,163	844,568	184,498	93,444	2,465,326
2010	893,306	496,285	799,066	260,129	55,914	2,504,700
2015	926,945	509,243	809,358	296,003	53,710	2,595,259
% Change, 1990-2015	0.4%	10.2%	1.5%	179.4%	379.8%	12.9%

Population Changes in New York City, by Race, 1990-2015

_				-		
Year	White	Hispanic	Black	Asian	Other	Total
1990	3,162,626	1,783,319	1,846,333	489,749	39,022	7,321,049
2000	2,801,995	2,161,530	1,952,953	781,736	310,064	8,008,278
2010	2,722,904	2,336,076	1,861,295	1,028,119	226,739	8,175,133
2015	2,739,755	2,437,297	1,885,085	1,130,979	233,627	8,426,743
% Change, 1990-2015	-13.4%	36.7%	2.1%	130.9%	498.7%	15.1%

The southern portion of Williamsburg was largely Latinx as of 2000, five years before the Greenpoint Williamsburg waterfront rezoning was passed.





This portion of south Williamsburg has a large number of HDFC and low-income rent-regulated housing units that have helped abate displacement in these areas.

Just south of this area, there are also a large number of **Mitchell Lama housing units** that have also seemed to prevent displacement.

The public housing in Brooklyn Community District 1 has also provided a means for many Latinx and Black residents to remain despite the growing displacement pressures in the neighborhood.



RENT BURDEN

Households spending 30% or more of their gross income on rent are considered to be rent burdened. The map below shows how the proportion of residents that are rent burdened has changed between 2000 and 2015 in Greenpoint and Williamsburg, with racial/ethnic demographics overlaid. The census tracts that are green represent areas where the proportion of rent burdened residents decreased whereas the yellow, orange and red census tracts represent areas where there were increases to the proportion of residents who are rent burdened.

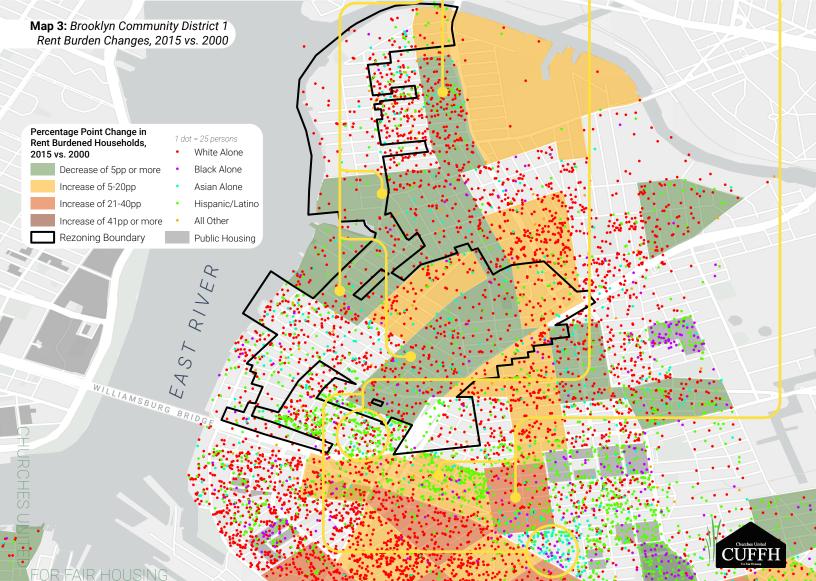
Many of the areas where proportions of rent burdened households decreased were those where large numbers of affluent, white families moved in between 2000 and 2015, effectively shifting the proportion of families facing rent burden. In the southern portion of Williamsburg, rent burden increased across several census tracts. Many of these census tracts still have large numbers of Latinx residents and the increased rent burden may be driven by increased real estate pressure driven by the affluent, white residents moving into the area.

The rezoning area added a lot of luxury housing units and the majority of residents who moved into this previously industrial area were white. Despite the high cost of housing in this area, the proportion of rent burdened households actually decreased.

As you can see on the maps on the last two pages, **between**2000 and 2015, a large number of Latinx residents wereldisplaced from northern portion of Greenpoint while a large number of white residents moved in. As a result, the proportion of rent burdened households also decreased here.

The vast majority of this portion of Williamsburg was Latinx in 2000 and has seen large increases in the proportion of households that are rent burdened as white residents have moved in and rent levels have increased.

Areas with large numbers of HDFC and Mitchell Lama housing units have seen no significant change in the proportion of rent burdened households.



RENT-STABILIZED HOUSING UNITS

As outlined in the Pratt Center for Community
Development's Flawed Findings report, the CEQR
manual has many shortcomings, including the fact that
it does not consider the possibility of displacement of
any residents of buildings that are rent-stabilized. As
noted earlier in this report, rent stabilized units do face
displacement pressures. Following the Greenpoint/
Williamsburg rezoning, the area lost an estimated 942
units of rent stabilized housing between 2007 and 2017.

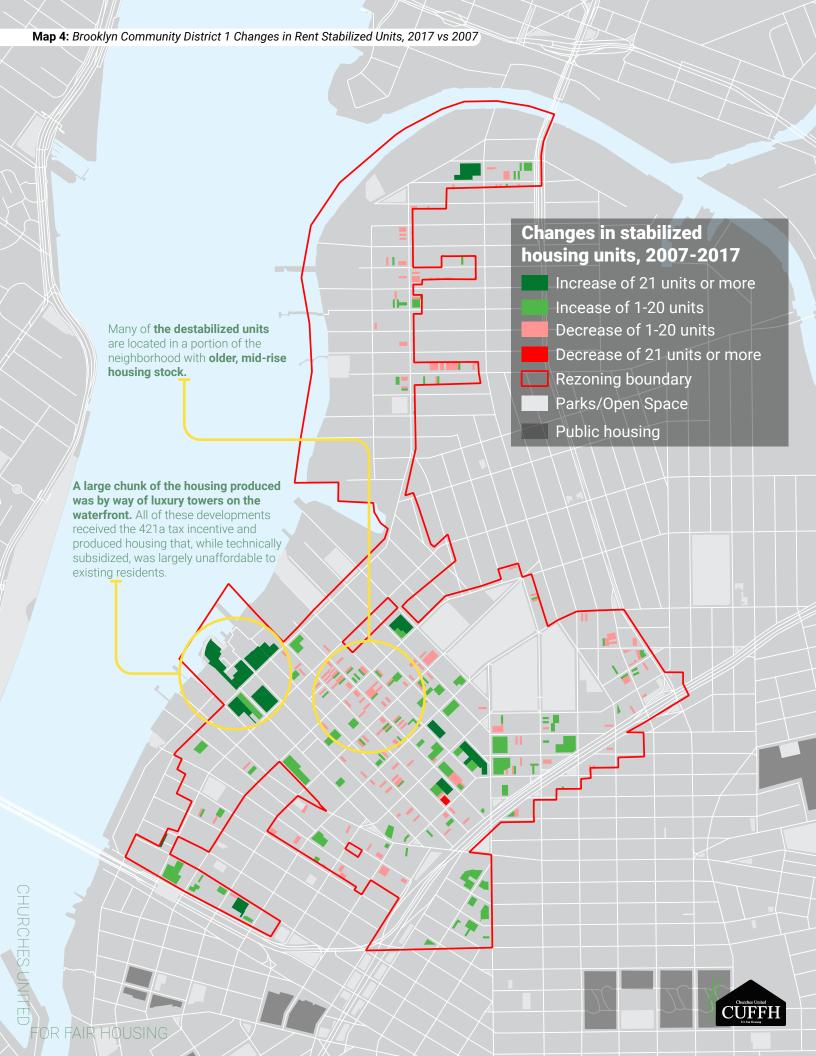
This number is drastic, especially considering the physical characteristics of the neighborhood. Greenpoint and Williamsburg were historically made up of mostly lowrise residential and manufacturing buildings. Citywide, most rent-stabilized housing units are in mid- and highrise pre-war buildings, like those that are concentrated in neighborhoods like Inwood, Manhattan. The fact that so many rent-stabilized units were lost after the rezoning is deeply concerning, especially since rents in older, rent-stabilized units are almost always lower than those in new 80/20 buildings or under subsidy programs like 421a. By our estimates, nearly 900 of the 1,501 rent-stabilized units created were under the 421a program.

The map on the next page shows where stabilized units were lost and gained. Much of the gains have come along the waterfront or consolidated lots with large luxury developments. Unfortunately, the affordability levels are not aligned with the incomes of long-time residents, so the addition of these units does not offer the type of affordable housing needed by the majority of existing residents. In particular, the previously mentioned 421a units can be targeted to income levels as high as 130% of AMI, which is about twice the median household income of the area as of 2017.

The incentive to destabilize units was greatly increased when the housing densities were drastically increased throughout the neighborhood. The loss of historically affordable housing units directly links to the issue of racialized displacement as many residents of color were forced out of older stabilized units and unable to afford the much higher rents in the newly created "affordable" units. It is no coincidence that as these units were lost, the racial/ethnic makeup of the neighborhood changed drastically.

RENT STABILIZED UNITS CREATED IN GREENPOINT WILLIAMSBURG REZONING AREA, 2007-2017





PARK SLOPE & 4TH AVENUE REZONING (2003)

"THE PARK AVENUE OF BROOKLYN"

Since the 1990's, residents of Park Slope have sought relief from out of context development that was occurring throughout the neighborhood. The primary mechanism utilized has been contextual rezonings meant to preserve the historic low-rise character of the neighborhood. There was a contextual rezoning in the early 1990's that was expanded more broadly in the 2003 rezoning.

For the most part, the portions of Park Slope east of 4th Avenue, closer towards Prospect Park, were down-zoned to preserve the historic brownstones. The 4th Avenue corridor, however, was rezoned for much higher density and was touted by developers, Borough President Marty Markowitz, and the Brooklyn Community Board 6 District Manager as having the potential to emulate Manhattan's Park Avenue.

Ultimately, this aspiration was reflected in the 2003 zoning proposal which drastically increased the allowable housing density along 4th Avenue on the western edge of the neighborhood. Unfortunately, this strategy led to the loss of affordable housing units in this corridor and displaced much of the largely Latinx community that lived in that part of Park Slope.



BACKGROUND

The 2003 Park Slope rezoning contextually rezoned much of the neighborhood to prevent out of context development and preserve the historic low-rise character of the neighborhood. In order to relieve development pressures from the historic portions of Park Slope, the City up-zoned the 4th Avenue corridor with the intention of funneling future housing developments to that area

At the time of the rezoning, concerns were raised regarding the lack of requirements for developers to produce units affordable to low- and moderate-income residents. Both then-councilmember Bill de Blasio and then-Director of the Fifth Avenue Committee Brad Lander, who is the current councilmember for the area, pointed out that there was a lack of incentives to create housing affordable to existing residents.

As part of the CEQR process, an Environmental Assessment Statement (EAS) was prepared. This document determines whether or not a full Environmental Impact Statement is required. In the case of this rezoning, the EAS determined that an EIS would not be required,

so a full study on the impacts of the proposed rezoning was never executed. This also means there was no public input during the environmental review process.

Shortly after the rezoning, developments quickly began popping up along 4th Avenue. A single developer, Isaac Katan, had around 400 units in the design phase by the end of 2003, which alone nearly accounted for the entirety of units predicted to be built, per the EAS.

As is shown in the graphics below, the EAS predictions differed from the actual outcomes of the rezoning in that the EAS predicted:

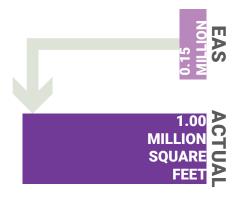
- (a) far fewer housing units would be produced
- (b) a much lower loss of manufacturing space
- (c) no drastic loss of rent-stabilized units

The following sections of this chapter outline how these dramatically different results affected the existing residents along 4th Avenue.

Honesing Predicted Actual Duits Produced 1,519 Actual 3,519 Add 0 1,579



LOSS OF MANUFACTURING SPACE IN REZONING AREA



EAS Predictions vs. Observed Outcomes, 2003-2013*

Measure	EAS (2003)	Actual (2013)
Housing Units Produced	440	1,579
Population Increase	968	3,519
Affordable Units Produced	0	652
Loss of Rent Stabilized Units*	0	1,470
Loss of Manufacturing (Square Feet)	145,800	1,004,899

*One exception: analysis of rent stabilized units used data from 2007 to 2017



RACIAL IMPACT

Even before the rezoning in 2003, Park Slope was experiencing demographic changes. The previously less desirable western portion of the neighborhood near 4th Avenue was seeing increased rents and the displacement of the largely Latinx residents who lived in that area. Between 1990 and 2000, the Latinx population fell from 16,598 residents down to 15,278 residents, a decrease of 8%. During that same period, the black population also dropped, from 6,888 in 1990 to 6,086 in 2000, a decrease of nearly 12%.

Unfortunately, this trend accelerated after the 2003 rezoning. Between 2000 and 2010, the Latinx population decreased by over 30%, from 15,278 residents down to 10,659 residents. The Black population also decreased over 20% over this time period, from 6,086 down to 4,741 residents.

During this same time frame, the neighborhood added almost 1,000 residents overall. The white population

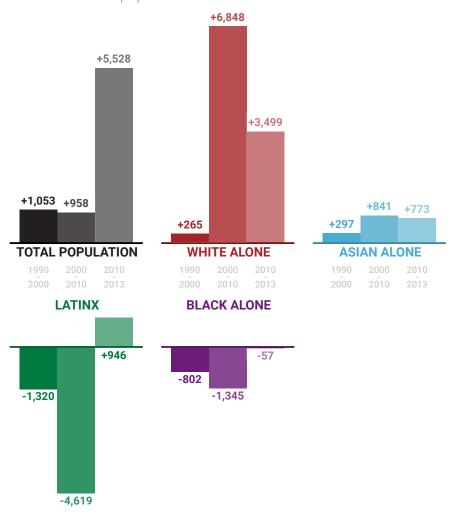
drove this growth, rising by nearly 7,000 residents.

The infographic below shows how the population of Park Slope has changed from 1990-2013, by race/ethnicity. Specifically, the graphic shows the change in population, by race/ethnicity, over three time periods:

- (1) before the rezoning (1990-2000)
- (2) the decade the rezoning was passed (2000-2010)
- (3) after the rezoning (2010-2013)

The decade the rezoning was passed demonstrates the most dramatic shifts in the racial/ethnic makeup of the neighborhood. During this period of time, a large influx of white residents moved into the neighborhood while large numbers of Latinx and Black residents left.

NOTE: The time periods chosen for this chapter reflect the years in which demographic data was available with the aim of comparing data before the rezoning was passed to data ten years after its passing, which is the timeframe that an EIS/EAS evaluates. 2000 is the year closest to the passing of the rezoning that had demographic data available. There is 2013 data available, which is exactly 10 years after the rezoning.



*Latinx is the description used throughout this report, but the US Census Bureau classification is "Hispanic/Latino"



DEMOGRAPHIC TRENDS

An argument often made when advocates point out these drastic changes in the racial/ethnic makeup is that it is merely part of a larger trend. As with Greenpoint/ Williamsburg, there were changes occurring prior to the rezoning, but they also clearly accelerated after the zoning changes were made.

When you look at Brooklyn and New York City as a whole, however, the demographic trends are much different. Across Brooklyn, the Latinx population grew by over 8% between 1990 and 2013, and looking at the entire city, the change is even more drastic with the Latinx population growing by over 30% between 1990 and 2013. The Black population remained fairly constant between 1990 and 2013, though it peaked in 2000 in both Brooklyn and citywide before declining slightly. The Asian population more than doubled in both in Brooklyn and citywide between 1990 and 2013, increasing by just under 170,000 residents in Brooklyn and about 600,000 citywide, making Asians the most rapidly growing racial/ethnic population in both Brooklyn and New York City during this time.

In terms of the White population, there was a slight decrease in Brooklyn (-1.5%) and a double digit decrease in the city overall (-13.5%) between 1990 and 2013. However, the White population did grow slightly in both Brooklyn and the city as a whole between 2010 and 2013. The total population in New York City and Brooklyn grew steadily between 1990 and 2013, with growth of 10.5% and 12.9% respectively. These trends are very different than those observed in Park Slope and the rezoning seems to be a driving factor.

The table below summarizes the demographic changes in Brooklyn and New York City. Additionally, the maps on the following two pages give a visual of how the demographics of Park Slope have changed from shortly before the rezoning to the decade after it was passed.

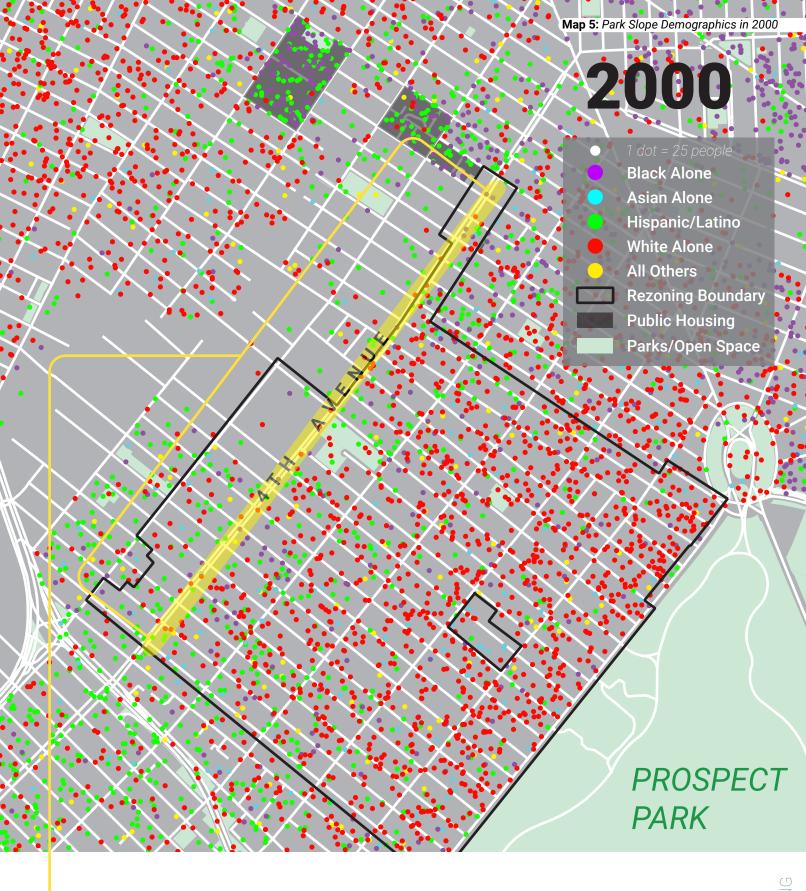
Population Changes in Brooklyn, by Race, 1990-2013

Year	White	Hispanic	Black	Asian	Other	Total
1990	922,938	462,261	797,128	105,929	11,195	2,299,451
2000	854,653	488,163	844,568	184,498	93,444	2,465,326
2010	893,306	496,285	799,066	260,129	55,914	2,504,700
2013	908,829	500,701	809,177	274,509	46,573	2,539,789
% Change, 1990-2013	-1.5%	8.3%	1.5%	159.1%	316.0%	10.5%

Population Changes in New York City, by Race, 1990-2013

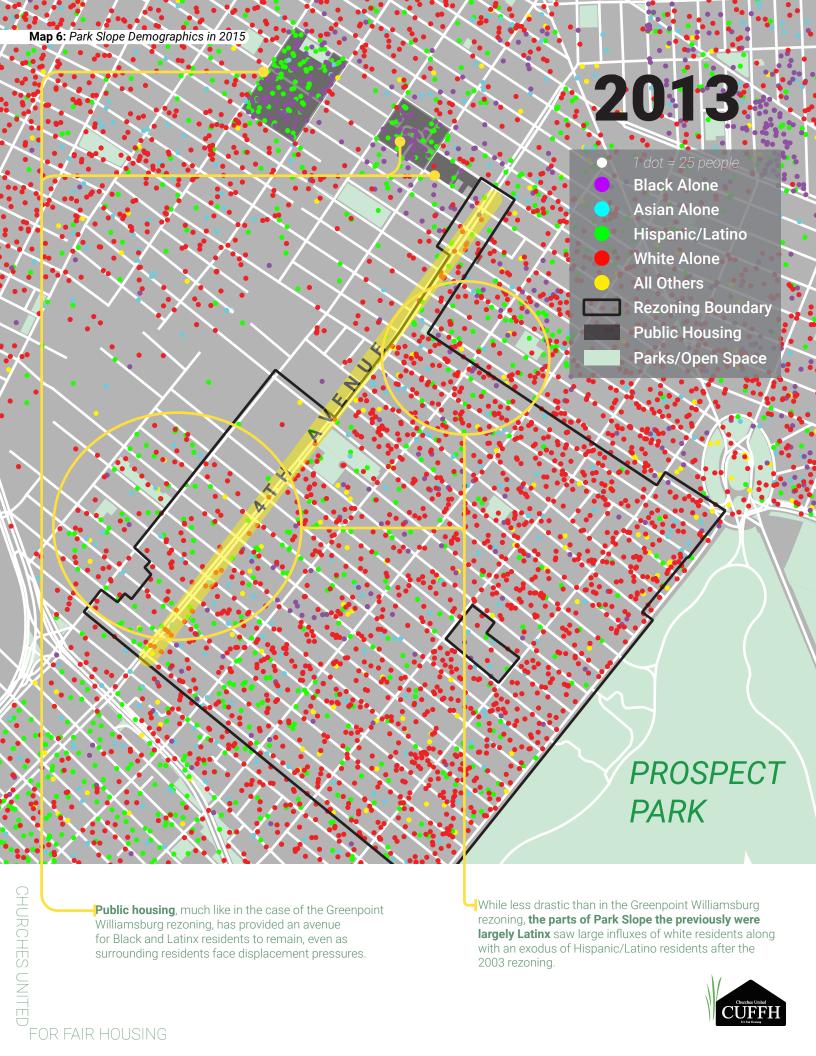
Year	White	Hispanic	Black	Asian	Other	Total
1990	3,162,626	1,783,319	1,846,333	489,749	39,022	7,321,049
2000	2,801,995	2,161,530	1,952,953	781,736	310,064	8,008,278
2010	2,722,904	2,336,076	1,861,295	1,028,119	226,739	8,175,133
2013	2,734,318	2,371,116	1,877,183	1,069,960	216,422	8,268,999
% Change, 1990-2013	-13.5%	33.0%	1.7%	118.5%	454.6%	12.9%





4th Avenue was rezoned to allow for much greater residential densities. As of 2000, three years before the rezoning, much of the neighborhood's Latinx population lived along this corridor. In particular, large clusters of such residents could be found along the northern and southern portions of 4th Avenue.





RENT BURDEN

Households spending 30% or more of their gross income on rent are considered to be rent burdened. The map below shows how the proportion of residents that are rent burdened has changed between 2000 and 2015 in Park Slope with racial/ethnic demographics overlaid. The census tracts that are green represent areas where the proportion of rent burdened residents decreased whereas the yellow, orange and red census tracts represent areas where there were increases to the proportion of residents who are rent burdened.

Many of the areas where proportions of rent burdened households decreased were those where large numbers of affluent, white families moved in between 2000 and 2015. These areas also correspond closely to areas where large proportions of the Black and Latinx populations were displaced.

A couple census tracts along 4th Avenue had the proportion of rent burdened households decrease between 2000 and 2015. As shown in Map 6, these tracts are in the same areas where there was a largel number of Latinx residents that were displaced, meaning the decrease was likely driven by the influx of wealthier, white residents.

On census tracts where there are still high numbers of Black and Latinx residents, but large numbers of white residents moving in, **there are increases in rent burdened households**. In Park Slope, much of this is occurring **in the southern portion of the rezoning area and just south outside of the rezoning area**.



CHC

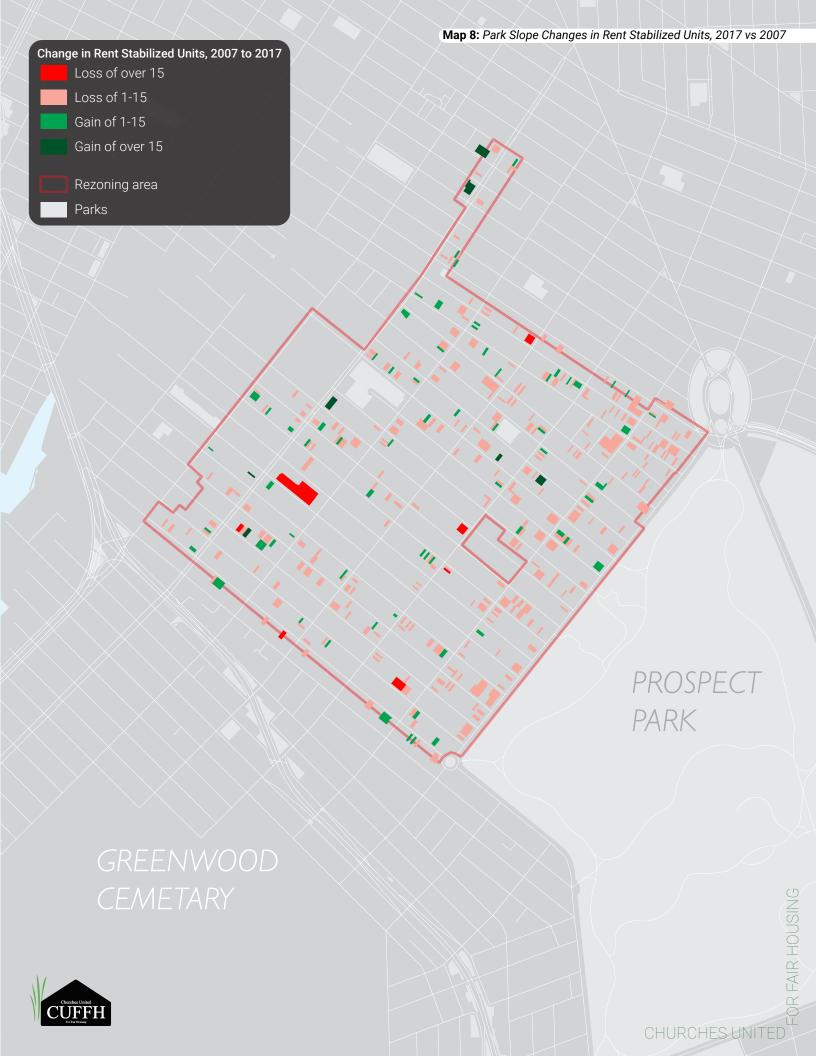
RENT-STABILIZED HOUSING UNITS

As outlined in the Pratt Center for Community
Development's Flawed Findings report, the CEQR manual
has many shortcomings, including the fact that it does
not study displacement for any buildings that are rentstabilized. As noted earlier in this report, the Park Slope
rezoning area lost an estimated 1,470 units of rent
stabilized housing from 2007 to 2017. Over that same
time period, 652 units were added that received some
sort of tax subsidy that requires rent-stabilization. Even
with these newly added rent-stabilized units, the net loss
was still over 800 units.

This number is drastic, especially considering the physical characteristics of the neighborhood, which was made up largely of low-rise residential and manufacturing buildings. Citywide, most rent-stabilized housing units are in mid- and high-rise pre-war buildings, like those that are concentrated in neighborhoods like Inwood, Manhattan. The fact that so many rent-stabilized units were lost after the rezoning is deeply concerning, especially since rents in older, rent- stabilized units are almost always lower than those in new 80/20 buildings or under subsidy programs like 421a.

The map on the next page shows where stabilized units were lost and gained. The gains are relatively scattered throughout the neighborhood, and while the buildings/tax lots with losses in rent-stabilized units were also relatively scattered throughout the neighborhood, they more frequently were lost around the edge of the rezoning area.

Before the rezoning was passed, rents in Park Slope were on the rise, which was already increasing the incentive for landlords to destabilize units. The fact that the City increased real estate pressures in the historically lower-income and Latinx area of the neighborhood with no meaningful mitigation strategy seems to have contributed to the displacement of thousands of Park Slope residents. Additionally, by down-zoning the affluent, white area of the neighborhood, they created a limited-supply housing market that likely pushed out many low-income residents who lived there while further limiting opportunities for low-income people to move into the neighborhood going forward.



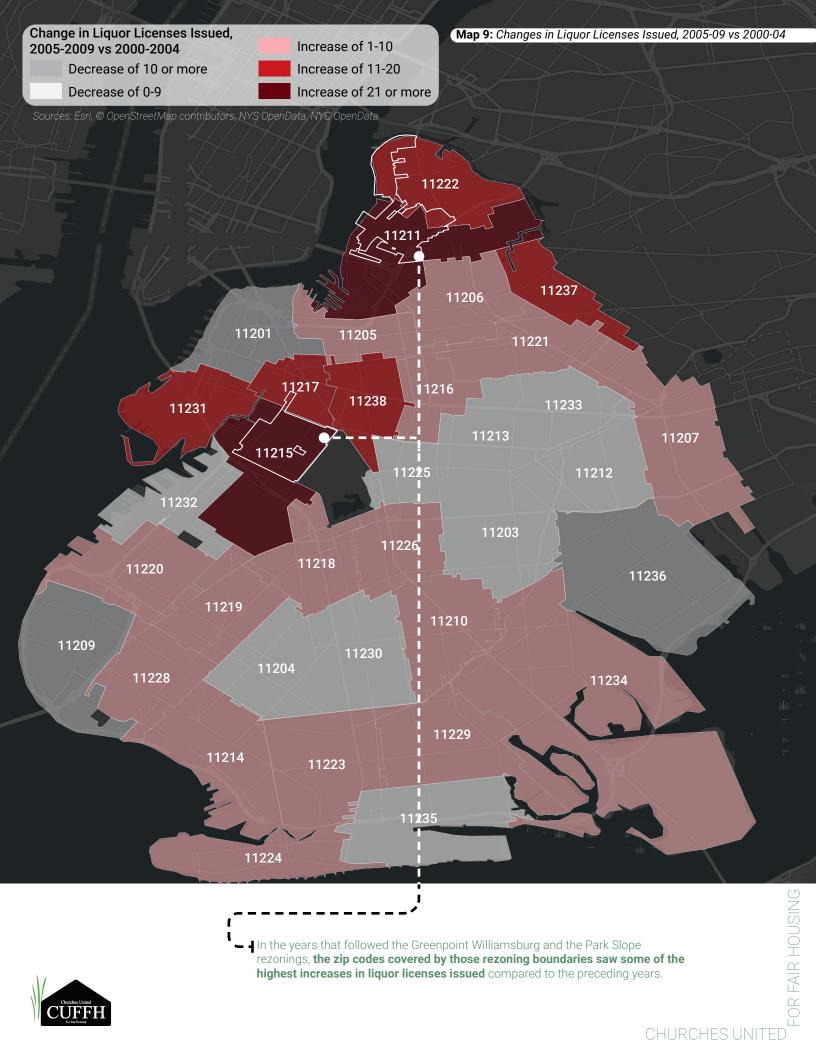
SMALL BUSINESS DISPLACEMENT

While it is very difficult to track the displacement of small businesses, there are some indicators that a neighborhood's small business offerings and community culture are changing along with their demographics. From discussions with community activists and organizations while doing research for this report, one of the indicators of neighborhood change we looked at was the change in liquor licenses issued. Places with large increases in liquor licenses issued could indicate a shift away from locally owned shops and community spaces to a greater number of bars and restaurants that aim to cater to affluent, incoming residents

Using that lived experience as a guideline, analysis was done on the issuance of liquor licenses in Brooklyn zip codes. Comparing the five-year period of 2000-2004 to 2005-2009, the zip codes with the largest increases in liquor license issuances were 11215 and 11211. These zip codes include a large portion of the Park Slope and Greenpoint Williamsburg rezoning areas, respectively. Other zip codes that intersect with the rezoning areas include 11222 in Greenpoint and 11217 on 4th Avenue, which also saw high increases in liquor licenses issued as compared to the years before their rezonings.

While this data does not directly indicate that local businesses are being displaced, it does seem to imply that there are changes occurring to the small business landscape after major zoning changes were implemented in these neighborhoods. For reference, the map includes the outline of both the rezonings described in this report.





CONCLUSIONS & RECOMMENDATIONS

CONCLUSIONS

The intention of this report was to understand a few key aspects of past neighborhood rezonings and how well the City anticipated the effects of the large-scale zoning changes they implemented. In particular, this report identified that:

- the City underestimated the number of housing units that would be created in their EIS/EAS
- the City did not account for the large number of rentstabilized units that would be lost
- the out-migration of Black and Latinx residents drastically increased in the years immediately following neighborhood rezonings
- the anticipated loss of manufacturing/industrial space was drastically underestimated in the EIS/EAS
- while more difficult to track, indicators like liquor license issuances imply that the small business environment is rapidly changing in these rezoned areas as well

Given these shortcomings of the current process and the fact that it results in the widespread displacement of Black and Latinx residents, the City must make changes to the rezoning process going forward.

In particular, there needs to be more accurate anticipation of the effects of the proposed neighborhood rezonings, particularly given the history of zoning and its historical impact on housing segregation in New York City.

RECOMMENDATIONS

Based on this report's findings, there are several actions the City could take to improve outcomes for those who have historically been harmed by neighborhood rezonings. Below is a list of proposed actions:

- (1) Require a Racial Impact Study as part of the Environmental Review process for all future neighborhood rezonings. Specifically, this analysis should look at how environmental impacts are distributed across racial/ethnic groups to better anticipate how rezonings might lead to disparate impacts along racial/ethnic lines. This analysis can better inform changes to a given zoning proposal and/or mitigation strategies.
- (2) Prioritize the retention of communities of color by reinvesting in permanently, deeply affordable housing in areas that are being identified as possible areas to add housing capacity. As is evident in the demographic changes in Greenpoint and Williamsburg, deeply affordable housing provides a means for low-income residents of color to remain in their community. Without this housing, those residents likely would have been displaced as well. Market-driven housing tools like Mandatory Inclusionary Housing (MIH) and 421a are ineffective tools to combat displacement and should be deprioritized.
- (3) Develop a low-income housing strategy and identify how it will affect the future racial demographics of the neighborhood. Much of the new housing added in the rezoning areas in this report were 80/20 programs, many of them 421a. The areas where this housing was added resulted in large influxes of more affluent white households while Black and Latinx households were displaced. Projecting who will move into the "affordable" units being created can help better inform this strategy to ensure the City is meeting its Fair Housing obligations.
- (4) Identify affluent neighborhoods where mixedincome housing can provide increased access to
 low-income New Yorkers. Many of the de Blasio and
 Bloomberg rezonings have been focused on adding
 housing density to low-income communities of color
 but have not made a broad effort to add housing
 density in affluent, white neighborhoods. More affluent
 neighborhoods would be less likely to suffer from the
 displacement pressures that occur in low-income
 communities of color while also being able to add
 housing units that would be affordable to local residents.