



# Gowanus Neighborhood Plan: Racial Equity Report on Housing and Opportunity

July 2021

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# 1. Introduction



In 2021, New York City remains one of the most highly segregated and unequal cities in the United States.<sup>1</sup> Persistent disparities in access to economic opportunity, quality education, healthcare, housing, and open space have been revealed and exacerbated by a pandemic that disproportionately affects Black and Latino communities. From death rates to unemployment, Black and Latino neighborhoods are the hardest hit by COVID-19 and the crisis demands new recognition and determination to directly address racial equity.

The racial disparities afflicting our city are not new and government at every level – local, state, and federal – has been complicit in creating and maintaining patterns of segregation and deep racial inequality, first through explicit practices like redlining, then by failure to acknowledge and meaningfully address this legacy.

Until recently, broad goals of citywide economic growth and housing production without specific regard to racial or socio-economic equity have long dominated the policy-making process. This model of pursuing “color-blind” growth within a vision of New York as a global capital of finance, culture, and tourism continues to influence the City’s overall policy direction and has yet to be fully reckoned with.

To address the underlying forces that perpetuate disparities and inequities, the goal of racial equity must be built into the structures of governmental decision-making processes.

To do this we need to actually recognize, analyze, and discuss it, not pretend we have already solved it.

One practical way to accomplish this is to require governmental agencies to consider and evaluate racial equity at key decision points. In land use policy, one of these critical policy levers are Uniform Land Use Review Procedure (ULURP) applications, the city’s public review process for considering zoning changes and dispositions of city-owned property for affordable housing or economic development projects.

New York City recently took this step with the passage of Intro 1572-B in June 2021. Sponsored by Public Advocate Jumaane Williams and City Council Land Use Committee Chair Rafael Salamanca, this legislation will require the Department of Housing Preservation and Development and the Department of City Planning to create an “Equitable Development Data Tool” with citywide, boroughwide, and community-level data on six categories: demographics, economic security, neighborhood quality of life and access to opportunity, housing security and affordability, housing production, and a displacement risk index comprised of indicators of population vulnerability, housing conditions, and neighborhood change. The bill will require data to be disaggregated by race and ethnicity and include a 20-year look back for trends wherever available. Beginning in June, 2022 applicants for most land use actions will be required to provide the City Planning Commission and public with a report on racial equity in connection with their project.

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# 1. Introduction

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These newly required “Racial Equity Reports on Housing and Opportunity” will include a community data profile drawn from the Equitable Development Data Tool and a narrative statement describing how the proposed project relates to the City’s goals and strategies for affirmatively furthering fair housing and promoting equitable access to opportunity. Projects proposing residential space will have to disclose the projected costs of the proposed housing and the demographics of households that can afford such housing without incurring housing cost burden, and projects proposing non-residential uses will disclose the demographics of the relevant workforce sectors.

This report on the Gowanus proposal is a first attempt at complying with the spirit of this proposed legislation and demonstrating what a racial equity report on housing and opportunity for a significant city-sponsored plan could look like. Analyzing racial equity in planning is a complex task with many potential methodologies and we hope this report helps to advance the discussion.

## Gowanus Neighborhood Plan

Over a decade ago, Department of City Planning (DCP) officials, community stakeholders, elected officials, and residents of the Gowanus canal corridor began planning for development in the neighborhood. The Gowanus Canal Corridor Framework, which DCP proposed in 2009, focused on a smaller area than the current plan and would have facilitated primarily residential development with waterfront access along the northern end of the canal and a small section east to 4th Avenue between Sackett and 1st St.<sup>2</sup> This plan would not have incorporated Mandatory Inclusionary Housing (MIH), which did not become city policy until 2016 when it was also codified pursuant to zoning text amendment, nor would have it included the City’s Certificate of No Harassment (CONH) policy.

In 2010, the United States Environmental Protection Agency (EPA) designated the Gowanus Canal on the National Priorities List for remediation under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) (aka “Superfund”). The initial uncertainty regarding the impact of this designation combined with the economic downturn of the “Great Recession” led the Bloomberg administration to put the 2009 framework on hold.

Council Members Brad Lander, Steve Levin and other local elected officials picked up the planning process in 2013, facilitating the “Bridging Gowanus” community-led plan, which identified goals and priorities for residents and stakeholders, such as a plan for environmental remediation and infrastructure development, sustainability standards, improving open space, promoting a mix of uses and developing and preserving affordable housing.

It was against this backdrop of years of participatory research and planning, that DCP began the study that led to the “Gowanus Neighborhood Plan,” which builds on the previous work to detail a comprehensive framework for land use and development. This rezoning will utilize the de Blasio administration’s Mandatory Inclusionary Housing (MIH) policy to require at least 25% of residential floor area set aside as permanent affordable housing.<sup>3</sup> While there have been dozens of smaller-scale rezoning applications by developers that have applied MIH, to date, only six neighborhoods—East New York, Downtown Far Rockaway, East Harlem, Inwood, the Jerome Avenue corridor in the Bronx, and Bay Street corridor in Staten Island—have completed the city-led MIH rezoning and planning process.

The actions proposed in the Gowanus rezoning are projected to create 8,495 new dwelling units including approximately 2,950 affordable units through MIH and city-sponsored affordable housing development, along with a 1.5-acre new parkland, four acres of new waterfront open space, and significant amounts of non-residential space.<sup>4</sup>

## Note on Authorship of the Report

In response to a groundswell of advocacy, Council Members Lander and Levin committed to supporting the release of an independent racial equity study on the Gowanus Neighborhood Plan. Fifth Avenue Committee (FAC) retained Professor Lance Freeman of Columbia University to work with Council Land Use division staff, whose role is to provide technical and policy development support to the City Council, to develop methodology and undertake the study. This report was written by Brian Paul (Land Use Division) and Lance Freeman with research and editing assistance from Rosa Kelly (Land Use Division). Maps produced by Brian Paul, graphic design by Sam Frommer (Land Use Division).



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## 2. Executive Summary

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**T**his report attempts to understand how we might effectively analyze racial equity in a land use context. For this study, we follow the basic structure of the recently enacted Intro 1572-2019 B, creating a data profile for a local study area to examine existing conditions and racial disparities and using the findings to help inform analysis of the proposal's implications for fair housing and access to opportunity. This report goes further in also seeking to produce an estimate of the projected demographic makeup of the potential future population added by the Gowanus rezoning proposal and by identifying policy levers that could address identified disparities and improve the racial equity outcomes of the proposal. At times, the limitations of current publicly available data inhibit more detailed or precise analysis and this report also includes recommendations on how to improve available data. New York's forthcoming Equitable Development Data Tool required by Intro 1572-2019 B will be a major step forward in this regard.

### Existing Conditions

- Brooklyn Community District 6, at approximately 62% white, 15% Hispanic/Latino, 11% Black, and 7% Asian, is one of only 10 of New York City's 59 community districts that is over 60% white.
- Over the last 15 years (measured from the 2006-2010 ACS to the 2015-2019 ACS), the population of

Brooklyn CDs 2 and 6 has become steadily wealthier and whiter, with increasing inequality.

- Black and Latino share of the population decreased from roughly 38% to 31%
- Median household income rose dramatically but Black and Latino households have been largely left out of this rapid increase in wealth.
  - In CB 2 and 6, the median household income of white households rose from approximately \$115,000 to \$150,000 during this period, while Black and Latino median household incomes stagnated in the \$40,000 to \$50,000 range.
- Median rent and home value rose far faster than in New York City as a whole.
  - In Board 6, which has the highest housing costs in Brooklyn, median gross monthly rent rose from \$1,533 to \$2,229 and median home value rose from \$899,000 to over \$1.25 million.
- The existing racial and economic diversity in the area is dependent on preservation of existing affordable housing, most importantly the large stock of NYCHA apartments
  - The nearly 13,000 NYCHA units in Brooklyn CB 2 and 6 are home to a demographic that is approximately 90% Black or Latino.

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## 2. Executive Summary

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- While over 70% of Black and Latino rental residents live in apartments renting for \$1,500 a month or less only 13% of non-Hispanic white renters do.
- Approximately 80% of residents of color of CDs 2, 6, and 7 live in owner-occupied or protected (non-market rate) housing.
  - Considering the above data points and the already existing high market rents in the area, the risk for any further acceleration of indirect displacement induced by new development appears to be low, especially when combined with recent Certificate of No Harassment and Tenant Right to Counsel legislation along with stronger rent regulation at the State level.
- Under the de Blasio administration (since the start of 2014) new low-income (80 AMI or lower) affordable housing accounts for less than 15% of new housing development in CB 2 and 6.
  - Only 241 new low-income (80 AMI or lower) affordable housing units have been developed in CB 6 out of 1,799 total units of new housing production. In CB 2, there have been 1,603 new low-income affordable housing units, mostly in the Downtown Brooklyn area, out of 11,691 total units of new housing in production.
- Racial disparities in economic opportunity and outcomes (educational attainment, earnings, overall workforce participation, and participation in different economic sectors) are severe with Black and Latino residents disproportionately lacking college degrees, facing unemployment, and experiencing challenges in accessing opportunities in high-wage and growing tech, science, arts, entertainment, and media jobs.
- **Under these current trends, the area will likely continue to grow more expensive, exclusive, wealthier, and less diverse.**

### Gowanus Neighborhood Plan - Housing

The actions proposed in the Gowanus rezoning are projected to create 8,495 new dwelling units including approximately 2,000 affordable units through MIH and 950 city-sponsored affordable housing units at the Gowanus Green development.

5,545 units of market-rate housing developed in a high-amenity area will likely match the exclusivity of the current market in the area, with most apartments renting in excess of \$3,000 a month and home to a majority white demographic.

However, this market rate housing will also be accompanied by nearly 3,000 units of affordable housing, the vast majority of which will be priced for families making a range of incomes between \$30,000 and \$100,000 (40 to 80 AMI).<sup>5</sup> **Adding new low-income affordable housing at this scale within a high-cost, high-opportunity neighborhood, both in regards to the number of units and percentage of the overall projected development (35%), is unprecedented in recent decades in New York City.** None of the prior six neighborhood rezonings under the de Blasio administration (East New York, Jerome, Inwood, Far Rockaway, Bay Street, and East Harlem) took place in high-cost, high-opportunity, majority-white neighborhoods. Prior large-scale rezonings under the Bloomberg administration resulted in much lower percentages of affordable housing (around 15% in Williamsburg-Greenpoint and Downtown Brooklyn, for example) due to the lack of Mandatory Inclusionary Housing.

If the Gowanus Green proposal is built at the currently proposed AMI levels or lower, this analysis indicates the population of these new affordable housing units combined with the projected MIH units will much more closely match the diversity of New York City rather than the population of the local area - a neighborhood that is significantly whiter and wealthier than the City as a whole.

- Using the demographics of income-eligible households or alternatively assuming a similar demographic to prior NYC Department of Housing Preservation and Development (HPD) lotteries in similar neighborhoods, we can estimate that the demographics of the Gowanus Neighborhood Plan affordable housing are likely to range from 25 to 42% white, 20 to 25% Black, 25 to 37% Latino, and 10 to 13% Asian.

Moreover, the diversity of the total population added by the rezoning (including the market-rate units) will also likely be higher than the current Community Board 6 population. And when projected at the Census Tract level, the added population from the Gowanus Neighborhood Plan is likely to meaningfully reduce segregation in Community Board 6 as measured by the dissimilarity index.



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## 2. Executive Summary

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**In sum, because of the scale of the affordable housing proposal as a percentage of overall projected development (35%), the affordability of this housing (nearly all 80 AMI or below), and the location of Gowanus within a high-opportunity neighborhood with low-risk of displacement, the Gowanus Neighborhood Plan as outlined in the rezoning proposal has the clear potential to be a net positive for racial equity, increasing racial integration and countering local exclusionary development trends.**

Policy levers that can further increase the potential diversity of households eligible for housing and positively affect racial equity include:

- Adding units of affordable housing
- Lowering/deepening affordability levels (lower AMI)
  - Black and Latino households are over-represented among households making less than \$60,000, proportionally represented among households making \$60,000 to \$100,000, and vastly under-represented among households making \$125,000 or higher.
- Broadening community preference pool for the affordable housing lottery to include adjacent, more diverse community districts
- Including a lottery preference for NYCHA residents
- Adding additional set-asides for families facing homelessness (adding homeless set-aside to MIH)
- Increasing homeownership opportunities within any potential moderate income tiers of affordable housing

### *Importance of preservation for racial equity and diversity*

Because of the large proportion of Black and Latino residents in CB6 who live in NYCHA (for example, approximately 60% of Black residents of CB 6 live in NYCHA census tracts), unless we improve the conditions of those residences we will have failed to honestly address the existing racial inequities that persist in this neighborhood. Preserving and rehabilitating existing affordable housing resources in the area for the long-term, most importantly NYCHA, is extremely important for both maintaining racial and economic diversity and ensuring a basic right to quality housing.

### **Gowanus Neighborhood Plan - Economic Development**

The Gowanus Neighborhood Plan will transform an area of Brooklyn currently zoned for industrial and limited commercial development to a much higher density mixed-use, mixed-income neighborhood. The redevelopment of this part of Gowanus is forecast by the Draft Environmental Impact Statement (DEIS) to result in a loss of space for industrial businesses and jobs, and a gain in local retail and most predominantly office employment. The DEIS analysis does not consider the indirect effect on the adjacent Southwest Brooklyn Industrial Business Zone (IBZ) which may also feel more pressure for commercial redevelopment of currently industrial sites.

The temporary construction and permanent building maintenance jobs that are created alongside any major development project have the potential to benefit a workforce that is majority Black and Latino, especially if robust workforce development, local hiring, and M/WBE participation policies are in effect. In construction, efforts to increase Black participation in the sector have been a policy focus of recent years and should continue, with additional investment in programs specifically targeting local NYCHA residents such as the NYCHA Resident Training Academy and an intensive local application of the de Blasio administration's newly expanded community hiring programs.<sup>6</sup> Despite all these recent efforts, Black participation in construction continues to be disproportionately low, with Black workers comprising 16% of the sector compared to 21% of the overall NYC workforce<sup>7</sup>.

In regards to the effects of the proposal on the types of businesses and broader employment in the area, the economic sectors likely to be most directly negatively affected by the new development in Gowanus – the industrial and auto-repair sectors – provide employment to a New York City workforce that is over 80% people of color and offer higher average wages than retail and hospitality and common types of lower-level healthcare sector work (like home health aides) in Brooklyn.

Citywide, 35% of Latino workers and 29% of Black workers have jobs in industrial, maintenance, repair, and protective service jobs compared to 12% of white New Yorkers. The sectors that are likely to occupy high-end new construction office space – finance, technology, and media – are high-wage but very disproportionately white. While 29% of white New Yorkers are employed in management, business,

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financial, legal, architectural, and engineering jobs and 15% are employed in tech, science, arts, entertainment, and media jobs, Black and Latino New Yorkers are employed in these sectors at only 11% at 4% respectively.

**From an economic development standpoint unless we do more to support the jobs in the industrial sector and create very strong workforce development, adult education and bridge opportunities for the jobs that are created, we will not be directly tackling these staggering divides in income and economic opportunity that exist.** Although the affordable housing components of the proposal attempt to address the racial equity gap, it's clear that the economic development elements of the rezoning currently fall short.

Policy levers that can potentially address these disparities include:

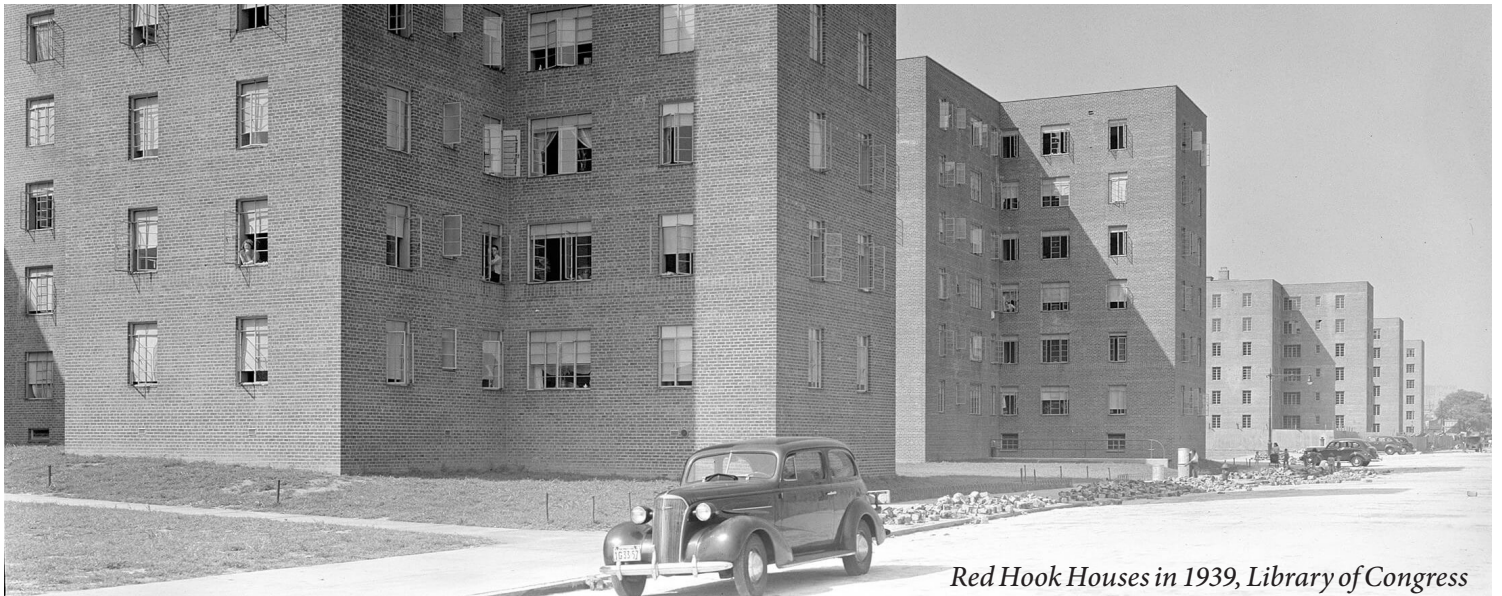
- Intensive local application of community hiring and M/WBE participation policies in construction, with focus on NYCHA residents.
- Economic development plan to support and grow the industrial and manufacturing sectors in the Southwest Brooklyn IBZ
- Workforce development plan and investments focused on both adults and young adults to increase diversity and equity in the sectors likely to occupy newly developed office and residential space (finance, building and professional services, technology, media, and arts) including targeted bridge programming combining adult education and sector-based workforce training such as the *Stronger Together* and NYCHA Resident Training Academy (NRTA) efforts led by local nonprofits, job training, apprenticeships, internships, job placement and expanding Summer Youth Employment Program (SYEP) and college access programs.
- Programs to increase M/WBE entrepreneurship through access to capital and procurement opportunities
- Further physical investments in the infrastructure of opportunity such as accelerating provision of free broadband to NYCHA campuses and potential additional targeted job training and adult education centers or small business incubators.

**The hope of this analysis is that by explicitly identifying the racial equity implications of policy choices, we can adjust our policies and priorities to finally make progress in closing the racial equity gap.**

**We look forward to feedback on this document and strategies for strengthening this framework to further help provide policymakers a new and better set of strategies for examining race in our land use policy.**



### 3. Background and History on Fair Housing in NYC



Like most American cities, New York’s neighborhoods have long been segregated by race. In the late 19th and early 20th centuries this segregation was a result of overt discrimination on the part of white landlords who refused to rent or sell housing to Black New Yorkers, terrorism in the form of violence against Black residents who attempted to move into white neighborhoods, and the actions of Black households who often sought out housing close to kinfolk and institutions (e.g. churches) that served the community.<sup>8</sup> Prior to the Great Migration, most Black New Yorkers resided in small residential pockets such as the Tenderloin near the present-day Penn Station and San Juan Hill in what is now the area around Lincoln Center. These pockets typically comprised a few city blocks and often were among the worst slums in the city.<sup>9</sup>

Blacks began migrating to the city in large numbers in the second decade of the 20th century and discrimination intensified with their increased numbers and visibility. Blacks were increasingly confined to large segregated neighborhoods, such as Harlem and later Bedford Stuyvesant.<sup>10</sup> Instead of pockets of a few city blocks, as characterized earlier Black settlements, neighborhoods like Harlem were almost cities unto themselves housing tens and even hundreds of thousands of people. Blacks, especially recent migrants, continued to be drawn to these neighborhoods to take advantage of social ties. But whereas white immigrants from Europe who also initially settled in ethnic enclaves were later able to disperse into a wide variety of white neighborhoods as part of the assimilation process, such an option was not open to Blacks.

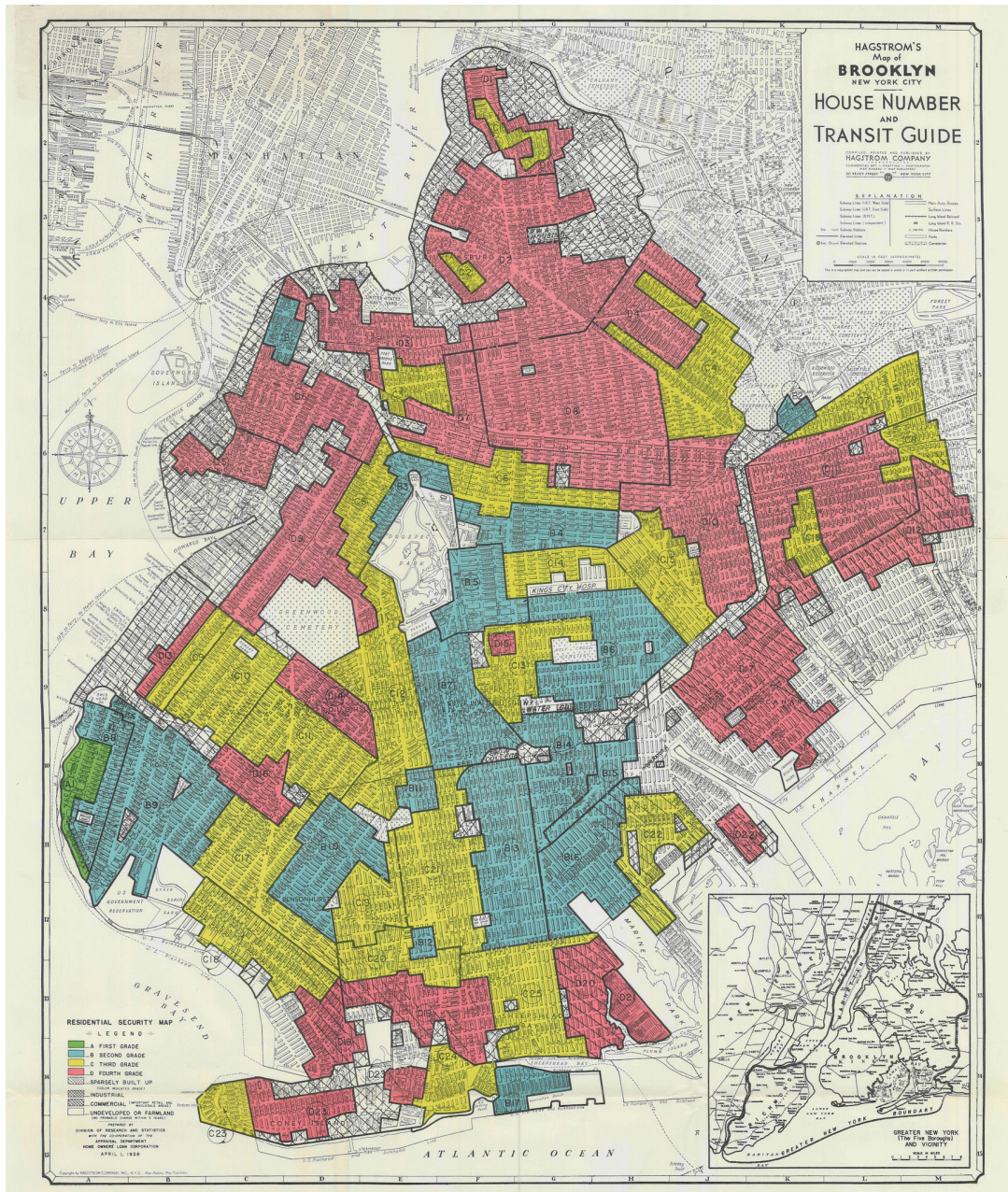
As large numbers of Blacks continued to come to New York, areas of predominantly Black population in Upper Manhattan and Brooklyn expanded. Aided by real estate practices that preyed on racism and fear such as “blockbusting,” the shift from a white area to a predominantly Black neighborhood could happen rapidly within a course of a single decade. Once a community became predominantly Black, the finance and real estate industries engaged in a variety of predatory and discriminatory practices that starved these areas of access to capital, opportunity, and quality housing conditions. When large numbers of Puerto Ricans also began to settle in New York starting in the 1930’s and 40’s they faced many of these same challenges.<sup>11</sup>

*Once a community became predominantly Black, the finance and real estate industries engaged in a variety of predatory and discriminatory practices that starved these areas of access to capital, opportunity, and quality housing conditions.*

Segregation and inequality was further reinforced through the 1930’s era of New Deal policies, in which the Federal Housing Administration (FHA) and Home Owners’ Loan Corporation (HOLC) institutionalized the real estate industry’s practice of “redlining” Black communities as poor investments and cutting off access to capital. The agencies also openly endorsed exclusionary racial covenants as a condition of financing new private development – a double blow trapping Black and Latino families in deteriorating city neighborhoods.<sup>12</sup> Large,



### 3. Background and History on Fair Housing in NYC



Hagstrom's 1938 Home Owners' Loan Corporation (HOLC) "Residential Security Map" for Brooklyn, one of a series of maps produced across the nation that displayed four categories of lending risk sanctioned by the Federal government. The racial composition of a neighborhood was an explicit factor in where the lowest grade ("Hazardous") was mapped in red, leading to the term "redlining."



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### 3. Background and History on Fair Housing in NYC

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*Children from the nursery school at Red Hook Houses in 1942 (Library of Congress).*



privately owned developments, such as Parkchester in the Bronx and Stuyvesant Town in Manhattan, both financed by the Metropolitan Life Insurance Company, were built with public support while excluding Blacks from tenancy. Metropolitan Life Insurance also built Riverton Houses in Harlem specifically for Black occupancy.

Public-led development was no better. Federally funded public housing was originally explicitly segregated by the so-called “neighborhood composition rule”: public housing built in majority-white neighborhoods was open only to white families, and vice versa.<sup>13</sup> The Red Hook Houses, for example, was originally a predominantly white development and white New Yorkers initially comprised the majority of NYCHA residents citywide. In the 1950’s, NYCHA stopped explicitly segregating public housing and the developments rapidly flipped to majority Black and Puerto Rican families as part of the larger pattern of “white flight” shaping the region.<sup>14</sup>

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Land use regulation has also been used as an instrument to divide cities by class and race. Although initially conceived in Germany in the late 19th century as a way to make cities more efficient, when translated to the United States at the beginning of the 20th century, zoning was quickly adapted as a tool to separate the middle and upper classes from undesirable persons including poor Blacks and recent immigrants from southern Europe.<sup>15</sup> In the 1910’s, several southern cities had adopted explicit racial zoning codes that forbade Blacks from moving into predominantly white city blocks and vice versa.<sup>16</sup> This type of explicit racial zoning would be ruled unconstitutional by the Supreme Court in the *Buchanan v. Warley* case of 1917.<sup>17</sup>

New York City did not go as far as implementing racial zoning. But a desire to keep “undesirable” persons at bay was surely one of the motives behind the adoption of the 1916 zoning resolution. Preceding the resolution’s adoption, garment factories along with their “vicious” workers were spreading east from Midtown and threatening to encroach upon the tony shopping districts of the East Side. The then novel zoning regulation was one way to blunt this spread. The 1916 zoning act divided the city into three types of districts, residential, commercial, and unrestricted. Manufacturing uses such as garment factories with their menacing “hordes” of factory workers would be confined to the unrestricted areas, and thus excluded from fashionable shopping districts like Fifth Avenue.

The 1916 zoning act would continue to shape the city in ways that perpetuated and reinforced segregation by class and race. The unrestricted areas permitted and often included residential areas. But it was residences of the type that would house workers of these industrial areas—low rent apartment buildings. Indeed, in choosing siting criteria for public housing developments in the early years of the program, proximity to industrial areas to facilitate pedestrian access to manufacturing jobs was an explicit criteria.<sup>18</sup>

Elsewhere around the US, other cities also adopted zoning, in part, as a means of segregating the poor and disadvantaged from the middle and upper classes. For

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### 3. Background and History on Fair Housing in NYC

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example, the City of Pittsburgh when debating their zoning ordinance reasoned that to protect the city's tax base there could be "no more public garages, factories or apartments in splendid residential neighborhoods."<sup>19</sup> Indeed, in *Euclid v. Ambler*, the 1926 Supreme Court decision that sanctioned zoning, apartment buildings (and presumably their unwashed occupants) were described as "parasites" in the midst of single-family residential districts.

The period of intensive post-war urban renewal enabled by Title I of the 1949 Housing Act, which empowered and provided funding to demolish "slums" to facilitate redevelopment, was also imbued with racial bias. Nationwide, many if not most of the so-called "slums" targeted for clearance were communities of color where the "blight" was largely a result of the government's policy of redlining and its associated disinvestment. So many Black communities were targeted for clearance during the height of the urban renewal area that James Baldwin famously referred to it as "negro removal." In New York, Black and Latino communities close to valuable downtown real estate like San Juan Hill and Columbus Circle were targeted for demolition and redevelopment as a "higher and better use" like the Lincoln Center arts complex, while tenement areas in further out, less desirable parts of the city like East Harlem, the South Bronx, and Brownsville were demolished and replaced by highly segregated NYCHA complexes. Hundreds of thousands were directly displaced by urban renewal in New York City and these uprooted families often found NYCHA to be the only accessible housing opportunity.<sup>20</sup>

*Hundreds of thousands were directly displaced by urban renewal in New York City and these uprooted families often found NYCHA to be the only accessible housing opportunity.*

Also a product of the urban renewal era, the 1961 zoning resolution in many ways served to reinforce zoning's use as an instrument of segregation. The 1961 zoning resolution reduced the maximum allowable density in large swaths of the outer boroughs. This would make it more difficult to build housing in those areas. Because class and race are strongly correlated in New York City, zoning which produces class divisions will also tend to create racial and ethnic divisions as well. Thus, zoning has played an integral role in shaping the segregated residential patterns witnessed in New York City today.

#### Fair Housing Act

The elimination of state sanctioned housing discrimination has followed a slow and tortuous path starting with the 1948 *Shelley v Kraemer* Supreme Court ruling when restrictive covenants were ruled unenforceable. Fair housing as a cause for racial justice was championed by civil rights activists during this era and in 1958 New York City became one of the first jurisdictions to pass a Fair Housing Law which forbade discrimination in private housing.<sup>21</sup> New York State followed in 1961 passing a fair housing law that also forbade discrimination in housing<sup>22</sup>. Finally, in the wake of the assassination of Martin Luther King Jr. the federal government passed the Fair Housing Act of 1968, which ended explicit discrimination in the rental or sale of housing nation-wide.

The federal Fair Housing Act forbade discrimination but also included a mandate for HUD to "affirmatively further fair housing." This mandate was initially interpreted as meaning for HUD to take steps to make sure localities actively sought to make housing available to nonwhites in segregated white communities. Under HUD Secretary George Romney, HUD actually withheld infrastructure funds from cities that refused to build subsidized housing. This tactic proved unpopular, however, and President Nixon put a halt to such actions precipitating Secretary Romney's resignation.<sup>23</sup>

*President Nixon's halting of enforcement of the affirmatively furthering fair housing mandate was part of a broader federal retreat from involvement in affordable housing policy or efforts to promote housing desegregation.*

President Nixon's halting of enforcement of the affirmatively furthering fair housing mandate was part of a broader federal retreat from involvement in affordable housing policy or efforts to promote housing desegregation. In 1973, President Nixon had declared a moratorium on Urban Renewal funding, and the 1974 Housing and Community Development Act created the Community Development Block Grant (CDBG) and the Section 8 Housing Choice Voucher programs, representing a devolution of planning to the local level and a new approach to address housing affordability through private market vouchers<sup>24</sup>. In the early 1980's, President Reagan further withdrew the federal government from these issues with the HUD budget falling from \$33 billion in 1980 to \$14 billion in 1984<sup>25</sup>.



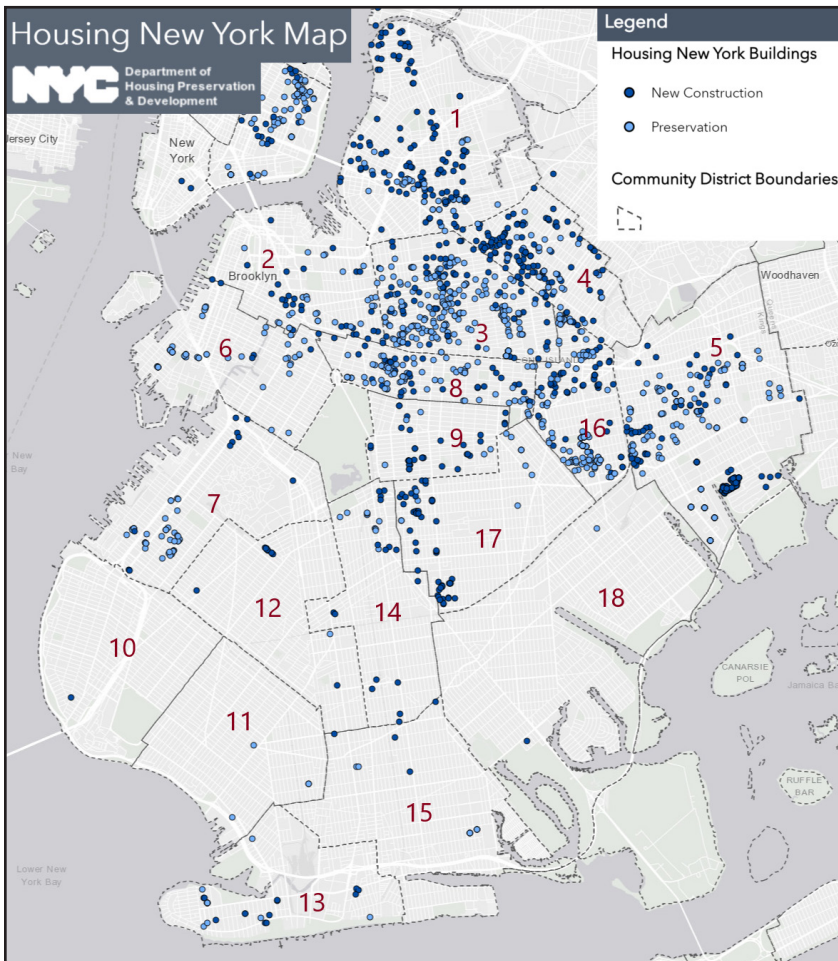
### 3. Background and History on Fair Housing in NYC

Without enforcement of the affirmatively furthering fair housing mandate, many communities remained segregated by less explicit policy tools. From zoning to prevent multi-family housing construction to real estate “steering,” these strategies produced the same result: maintaining the status quo of highly segregated communities and inequality of opportunity. After being neutered under President Nixon, the affirmatively furthering fair housing mandate would remain dormant for another 40 years. The AFFH mandate was not reintroduced until 2015 under the Obama administration, when local governments were asked to take steps to increase housing opportunities for the poor and those living in segregated communities.<sup>26</sup>

The reintroduction of the AFFH mandate would prove short lived, however, as during the Trump administration the mandate was suspended. Early signals from the Biden administration suggest the AFFH mandate will be introduced in some form, but it remains to be seen what the latest incarnation of the AFFH will look like.

#### Cities Shift to Race-Neutral Policy Making

In New York, the passage of the Fair Housing Act in 1968 was followed by rapidly deteriorating economic and fiscal conditions caused by the ongoing flight of middle class residents and capital to the suburbs (especially the industrial sector), and the withdrawal of the federal government from investment in cities.<sup>27</sup> This crisis culminated in 1975 when the City government only barely averted bankruptcy by empowering a state-created Financial Control Board and Municipal Assistance Corporation to cut spending, balance the budget, and issue new bonds.<sup>28</sup> In planning and development policy this manifested as a withdrawal from ambitious public-sector initiatives in favor of neighborhood-based stabilization and revitalization efforts in the outer boroughs and real estate-led market development proposals in Manhattan<sup>29</sup>. Following the federal government’s retreat from directly addressing racial inequality, New York and many cities across the nation also shifted to largely



*As shown on this map of recent affordable housing production in Brooklyn, most production occurs in majority Black and Latino neighborhoods, with areas like Brooklyn Community Board 6 largely left out. Just two of Brooklyn’s eighteen Community Districts – Board 5 in East New York and Board 16 in Brownsville – together account for 35% of new affordable housing production in Brooklyn since 2013.*

### 3. Background and History on Fair Housing in NYC

race-neutral policymaking that prioritized economic growth with the assumption that “a rising tide would lift all boats.”

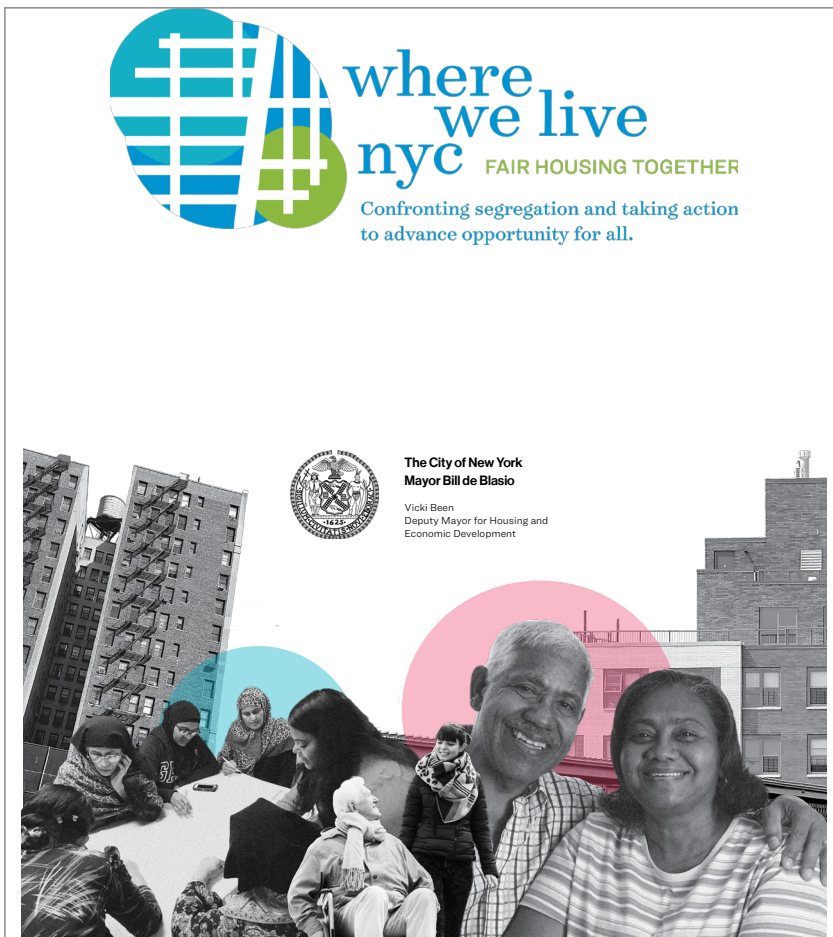
But without the goal of racial equity guiding decision making and with planning occurring on a mostly neighborhood-by-neighborhood and project-by-project basis, policies can inadvertently reinforce patterns of inequality over time. Many neighborhoods, often with good schools, access to transit, open space, and other indicators of access to opportunities and quality living conditions, have secured exclusionary land use policy that makes it difficult to build new affordable housing.

These barriers often do not exist in lower-income communities of color such as the south and central Bronx and central and eastern Brooklyn, a factor contributing to most new affordable housing production concentrating in these areas.<sup>30</sup> Due to the ongoing legacy of structural racism, these areas of the city are also the most disadvantaged in regards to access to opportunity, quality education, and a safe environment.

#### “Where We Live NYC” and Renewed Focus On Fair Housing

The racial disparities of the impacts of the COVID-19 pandemic combined with the growing movement for criminal justice and police reform have led to a renewed focus on racial equity.

In New York and across the country, this energy dovetails with work on Fair Housing that city agencies began to undertake to fulfill the Obama administration’s 2015 Affirmatively Furthering Fair Housing (AFFH) rule. This rule, repealed by the Trump administration but likely to be reinstated by the Biden administration, was to require communities participating in HUD programs to compile an “Assessment of Fair Housing” examining racial disparities in access to opportunity and local patterns of integration and segregation.<sup>31</sup>



*In October 2020, the de Blasio administration released “Where We Live NYC: Confronting Segregation and Taking Action to Advance Opportunity for All.” The report represents a shift in New York’s approach to housing and planning with extensive analysis of disparities between racial/ethnic groups across a wide range of indicators and new commitments to build the goal of racial equity into the policymaking process.*



### 3. Background and History on Fair Housing in NYC

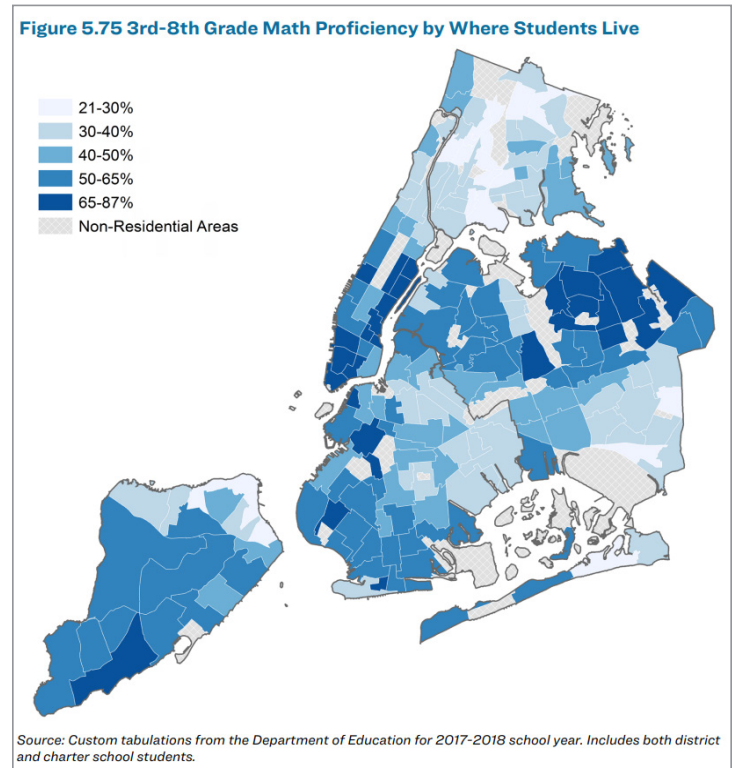
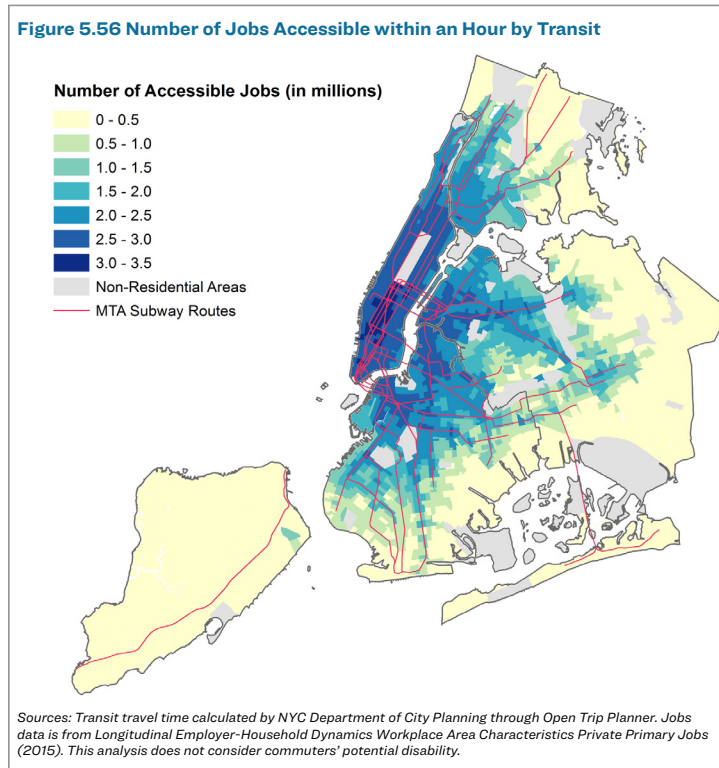
In October 2020, the de Blasio administration released the “Where We Live NYC: Fair Housing Together” plan that was originally developed in response to the AFFH rule, including extensive analysis of disparities between racial/ethnic groups across a wide range of indicators including housing, health, social, and economic data points. The report also advanced many specific policy recommendations, including ones to “include a description of racial characteristics of the project area into the analyses that accompany and underpin the environmental review for proposed land use changes” and to “increase housing opportunities, particularly for low-income New Yorkers, in amenity-rich neighborhoods.”

*Increasing production of affordable housing in neighborhoods with high access to opportunity, as measured by indicators such as access to jobs and school performance, has become a focus of initiatives to fight for greater racial equity and fair housing.*

This policy goal of increasing affordable housing development in “amenity rich” or “high opportunity” areas has become a focus of initiatives to combat racial inequity and further fair housing.<sup>32</sup> High access to opportunity is defined by indicators relating to education (e.g. high school performance and educational attainment), transportation (e.g. good access to transit), employment (e.g. labor force participation rates, proximity to employment opportunities), health (e.g. access to healthcare, health outcomes in the local population), and environment (e.g. housing quality, access to open space). A 2015 study by Harvard economists found that moving to a high-opportunity neighborhood significantly increased childrens’ future earnings, educational attainment, and health outcomes.<sup>33</sup>

By all these measures – from performance in reading and math in local schools to the local life expectancy, from the length of the average commute to participation in the labor force – Brooklyn Community Board 6 is considered a “high opportunity” area within New York City.

Maps are excerpted from the “Where We Live NYC” report.



## 4. Background on Racial Equity Tools in Policymaking



Community members participate in "Undesign the Red Line" workshops held by Fifth Avenue Committee

The Affirmatively Furthering Fair Housing rule and the growing movement to look at policy through a “racial equity lens” is rooted in the recognition that color-blind decision making has failed to address the legacy of de jure segregation and discrimination. Throughout the nation, increasing numbers of organizations of all types, from private corporations, to non-profit organizations and local governments, are seeking to address structural racism by institutionalizing practices that directly confront this legacy and advance the goals of racial equity.<sup>34</sup>

The National League of Cities’ most recent Municipal Action Guide for advancing racial equity broadly recommends examining data by race/ethnicity to help inform policy making.<sup>35</sup> The New School Institute on Race and Political Economy, led by Professor Darrick Hamilton, recently released a report on equitable recovery from COVID-19 that more specifically recommends implementing tools that measure how policy decisions impact racial equity.<sup>36</sup>

Reforms that seek to institutionalize these approaches can vary and seek to target particular types and levels of decision-making. These can include the level of the individual policy or ruling, practices and structures at the scale of an individual agency, and citywide, inter-agency decision making processes that affect resource allocation, such as the city’s budget or a citywide comprehensive plan.

At the scale of the individual policy or ruling, many cities have begun to direct agencies to design and implement “Racial Equity Tools” in the form of required evaluations of the proposed policy or ruling with the lens

of racial equity to identify potential disparities early in the policymaking process.<sup>37</sup> Proponents of Racial Equity Tools argue that their routine use over time will help institutionalize the goal of racial equity into governmental operations. Examples of existing tools of this nature include:

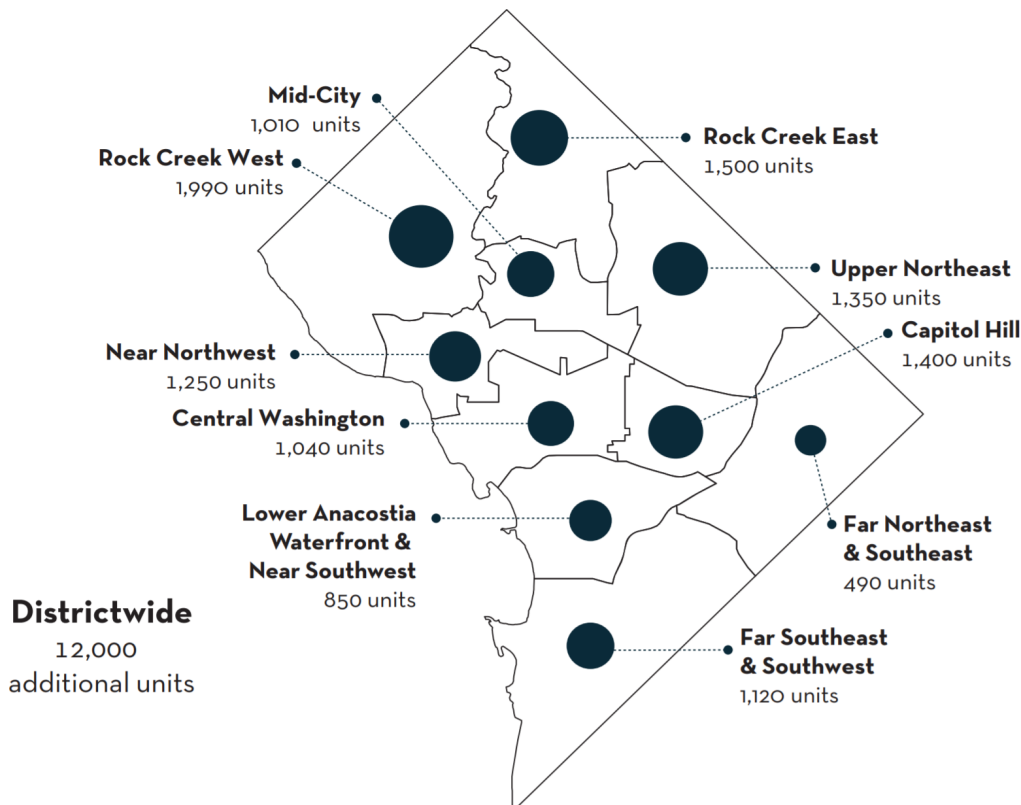
- The Federal Transportation Administration’s requirement for Metropolitan Planning Organizations (MPOs) to undertake racial equity studies as part of regional transportation plans and to analyze the equity implications of any proposed significant changes in service or fares<sup>38</sup>.
- As part of Seattle’s comprehensive plan, the city has used a “Growth and Equity Analysis” to inform the citywide growth strategy and the implications of planning for additional density in particular neighborhoods and evaluate whether or not and to what extent impacts could disproportionately harm or benefit historically marginalized populations.<sup>39</sup>
- Boston’s Fair Housing Assessment Tool, instituted in 2020, requires prospective developers undergoing Large Project Review or Planning Development Area Review to complete a detailed assessment of displacement risk, a narrative about how the proposed project will support city goals of affirmatively furthering fair housing and “enable the residents of the surrounding area to remain in their community, afford housing, and find pathways to economic opportunity, and describe any historical exclusion pressures that exist in the surrounding community.”<sup>40</sup>



## 4. Background on Racial Equity Tools in Policymaking

- Washington DC’s Department of Housing and Community Development is conducting an analysis of impediments to fair housing choice and is working on a series of reports to comprise the Housing Framework for Equity and Growth. One goal is to distribute affordable housing more equitably, and the district has targeted a requirement for 15% affordable units within each planning area by 2050.<sup>41</sup>
- Chicago recently released a draft of the city’s first Racial Equity Impact Assessment (REIA) of the Qualified Allocation Plan, the city’s process and criteria for allocating Low Income Housing Tax Credits to fund new affordable housing development. The study represents a new commitment to incorporate a racial equity lens into city policymaking and includes findings on disparities in the distribution of this housing throughout the city , recommendations to increase production in areas of high opportunity, and other recommendations for new agency policies and procedures to address racial equity<sup>42</sup>.

And in New York, the recently enacted Intro 1572-2019B will create a new requirement for applicants for most land use actions to submit “Racial Equity Reports on Housing and Opportunity” as well as require HPD and DCP to produce an online “Equitable Development Data Tool” to make the relevant data on racial inequality and displacement risk widely available to all. In this way, New York’s recent legislation both creates a specific racial equity tool for land use policy making and makes the relevant data readily available for city agencies, the public, and elected officials to use more broadly.



*Washington DC’s Housing Framework for Equity and Growth calls for affordable housing production to be equitably distributed across the district with new focus on areas with high access to opportunity but few existing affordable housing units.*

## 5. Existing Conditions and Trends in the Gowanus Area

### 5.1 Background on Local Zoning/Land Use Policy

The area covered by Community District 2 and 6 represents the historic core of the City of Brooklyn as it developed in the 19th century. Beginning as “America’s First Suburb” with the Fulton Ferry connecting residential development at Brooklyn Heights with Manhattan, development in the area rapidly accelerated in the late 19th century with the completion of the Brooklyn Bridge and the first subway lines in the early 20th century.<sup>43</sup> From Sunset Park to Greenpoint, the Brooklyn waterfront became a hub of shipping and industry, with the Gowanus Canal just one small part of a vast industrial ecosystem that powered the local economy. While the shoreline itself was

*Brooklyn Waterfront 1948 (NYPL)*



regulated by the City Department of Docks beginning in 1870, development in 19th and early 20th century Brooklyn was led by the private sector.

This changed drastically beginning in the 1930’s with the New Deal spurring massive public infrastructure and housing investment in New York. Located at the convergence of multiple subway lines and the Brooklyn and Manhattan Bridges, Downtown Brooklyn and its surrounding neighborhoods were radically transformed by Robert Moses-era urban renewal, which demolished large swathes of the 19th century fabric to make way for high-rise middle-class cooperatives, NYCHA developments, further development of the civic center at Cadman Plaza around

Borough Hall, and the expansion of Long Island University among other projects.<sup>44</sup> Moses also carved the path of the Brooklyn-Queens Expressway along the perimeter of the area just inland from the East River which cut off the Red Hook peninsula from its neighbors to the east.

*Downtown Brooklyn and its surrounding neighborhoods were radically transformed by Robert Moses-era urban renewal*

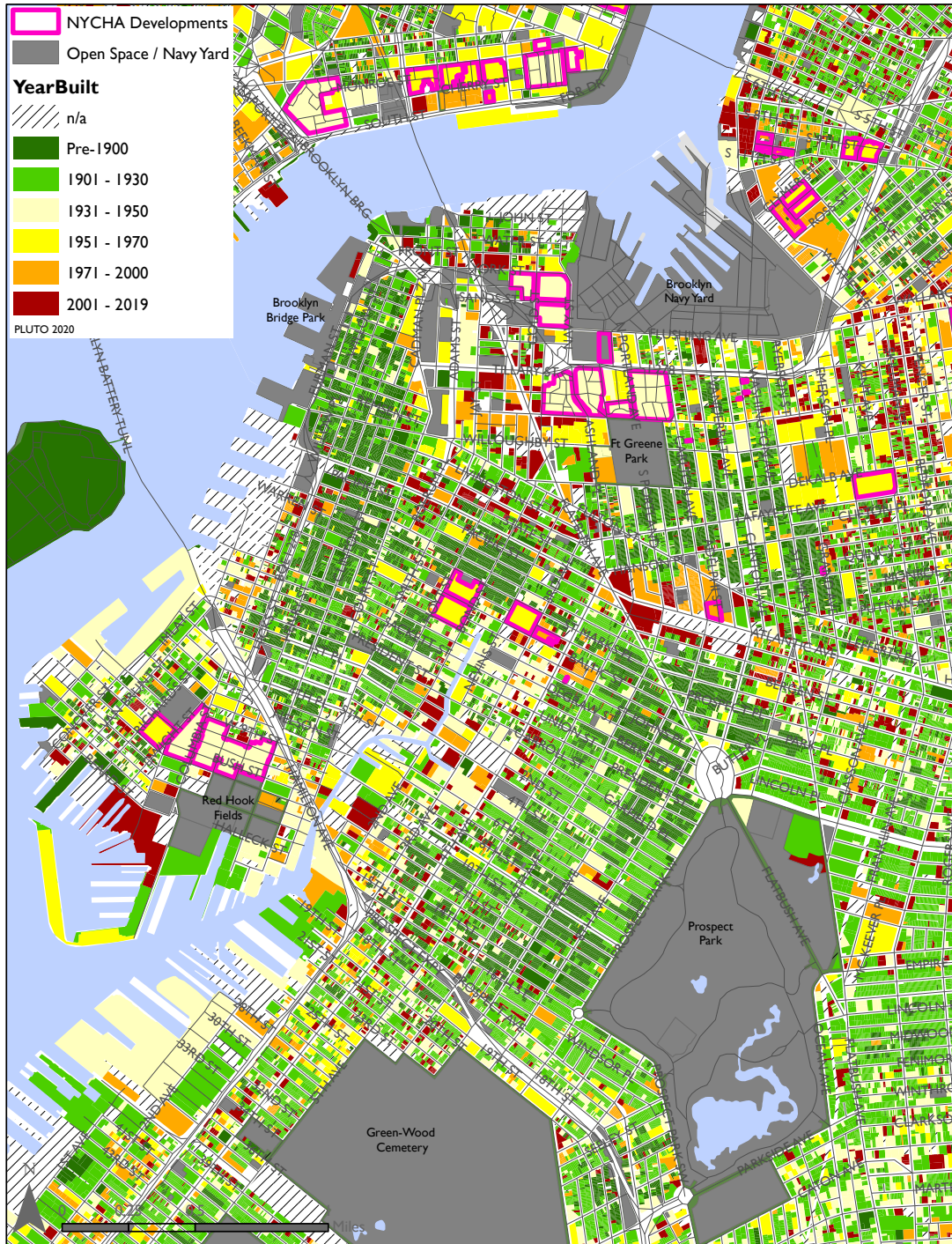
The public housing developments of Brooklyn Community Boards 2 and 6 range from nearly the full period of NYCHA construction – from the Red Hook Houses of the 1930’s, to the Gowanus, Ingersoll, and Whitman Houses of the 1940’s, Wyckoff Gardens in 1966, and Warren Street in 1972 – and continue to provide nearly 13,000 units of deeply affordable housing.

*Brooklyn Borough President Abe Stark looks over a model of the Downtown Brooklyn urban renewal plan in 1963 (Library of Congress)*





## 5. Existing Conditions and Trends in the Gowanus Area



*Property Lots by Year of Construction: Mapping properties by year of construction shows the contrast between the pre-war historic fabric in shades of green, urban-renewal era construction, and the more recent development of the past twenty years.*

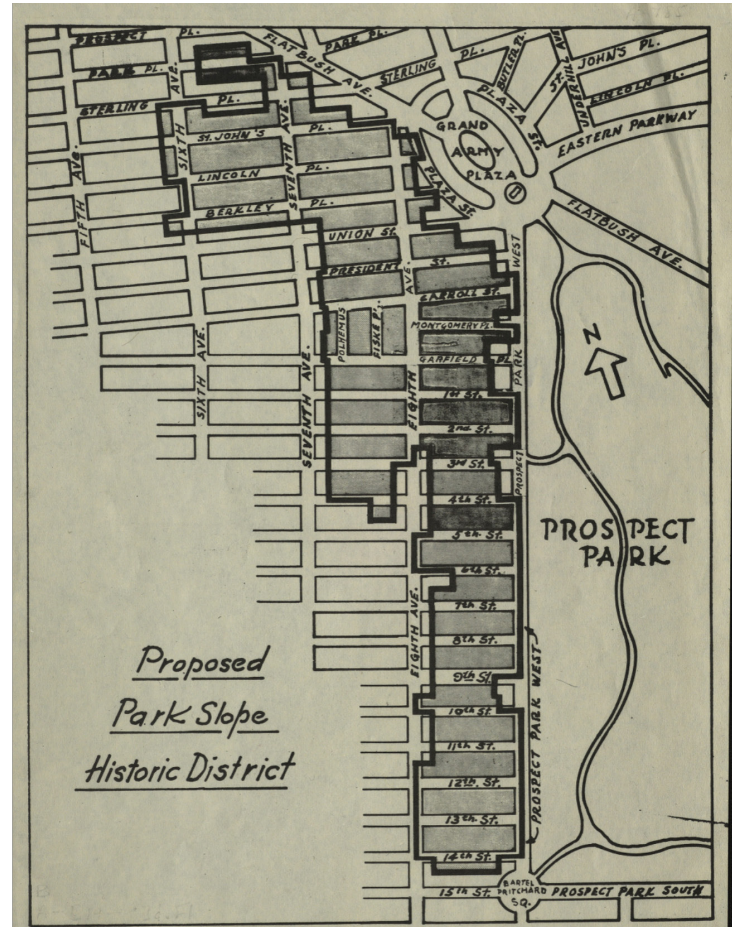


## 5. Existing Conditions and Trends in the Gowanus Area

While the wrecking balls and piledrivers of urban renewal were reshaping much of the area, the brownstone housing stock of Brooklyn Heights, Cobble Hill, Boerum Hill, and Park Slope began to attract a new population of middle-class, highly educated, mostly white families drawn by the inexpensive real estate and historic character.<sup>45</sup> Concerned by the threat of further urban renewal, these residents successfully advocated for the establishment of one of the city's first Historic Districts covering Brooklyn Heights and Cobble Hill, paired with a unique zoning tool, the "Limited Height District" that restricted height of any development to 50 feet.<sup>46</sup>

After the reshaping of the area through urban renewal, followed by the protection of Brooklyn Heights and Cobble Hill through restrictive zoning and historic districts, followed by the expansion of historic districts throughout much of the other brownstone neighborhoods, government-led planning activity in the area dramatically decreased as New York struggled through the period of fiscal crisis and austerity. With government retrenchment, many communities took the reins of leadership locally, forming organizations to fight for city resources and preservation of the existing housing stock. In the Gowanus area, the Fifth Avenue Committee (FAC) was founded in 1978 and helped lead many local initiatives to rehabilitate and preserve affordable housing and economic opportunities and build new affordable housing and community amenities following the destructive era of urban renewal.

The Park Slope Historic District designated in 1973 (NYPL)



1984 New York Times article covering the Fifth Avenue Committee's work in restoring abandoned housing and storefronts in the area.

### Along Brooklyn's Fifth Ave., a Transition

But Some in Area Say Revitalization Has Been Delayed

By MARCUS W. BRAUCHLI

**A**CROSS the street from the green canopy of a new fruitstand and the steel gates of empty storefronts, three American flags mark the entrance to Al Cabbad's variety store.

Inside, under a glass counter, Mr. Cabbad keeps a photo album of the lower Park Slope neighborhood, of the brick buildings and scattered shops, many of them abandoned, that line Brooklyn's Fifth Avenue near his store at the corner of Baltic Avenue.

The photographs depict a neighborhood in slow transition. One shows a squat, windowless building that Mr. Cabbad said was being converted to a lighting store. Another shows the former Revelation Church of Christ — a deserted, gray structure that has been replaced by the fruitstand.

"Every day, I look across at that store and I don't believe it," said the 58-year-old shopkeeper, who has lived in the neighborhood since he emigrated from Syria 27 years ago. "For a while, we were in such bad shape here. We still don't see very prominent changes, but we see changes. I am confident it will be for the better."

To other neighborhood residents, however, the early signs of progress are merely that

Street. "Much of the abandonment and arson in the neighborhood can be tied to the demolition of that lot," said Rebecca Reich of the Fifth Avenue Committee.

By 1978, the year the Fifth Avenue Committee was started, the storefronts along Fifth Avenue were about 40 percent vacant and crime, particularly drug trafficking, was common, according to the community-affairs office of the 78th Precinct. While the office says the crime rate has declined, the vacant stores remain in the same numbers.

To lure low-income people back to the neighborhood, Miss Reich said, the committee and the National Training and Information Center, a Chicago-based community service agency, obtained private financing for the town houses and brownstones they were renovating and building. Each of the buildings is to be sold to a middle-income buyer, who will offset his monthly housing costs by the income from one or two subsidized rental apartments.

The committee had hoped to complete the homes by 1982. Since then, according to Al Sheen, a director, "a long planning process" has delayed construction and driven up costs. Despite the availability of mortgage money from the Aetna Insurance Company and the city's Participation Loan Program — at 10.75 percent for the town houses and 6.75 percent for the brownstones — and the promise of 12-year city tax abatements to purchasers, the homes will cost from \$137,000 to \$160,000, requiring a 10 percent down payment.

"Our original intention was to deal only with people in the lowest income bracket possible," said Gale Cincotta of the National Training and Information Center. "If we could have put it all together in 1978, we could have brought in the lower-income people we



neighborhoods throughout the city. He said the city would offer 14 vacant buildings on Fifth Avenue between Dean and Union Street at cut-rate prices of \$28,000 to \$30,000 to prospective merchants. Despite more than 120 responses to the first and second offerings, the program has produced no new stores.

"We make them face reality," Mr. Schnur said. "There are plenty of instances where we don't allow people to do what they want to do scope-wise because it may not be in their best interests and the city's best interests."

Roy D. Maynard, one of two people to have gained a building title through the program, said the offering was beyond the committee



The New York Times/William E. Scaro

Brooklyn's Fifth Avenue between Park Place and Baltic Street; renovation area is shaded on map.

family has run the market since 1917. "I've got loads and loads of paper, but no bricks." For many prospective businessmen, Mr. Maynard said, starting a store is simpler if it is done with aid from the Park Slope-Fifth Avenue Local Development Corporation, of which his wife, Mary Byrd, is chairman. Although its history has been scarred by



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## 5. Existing Conditions and Trends in the Gowanus Area

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*Government-led planning activity in the area dramatically decreased as New York struggled through the period of fiscal crisis and austerity*

The efforts of local community organizations like the Fifth Avenue Committee to stabilize neighborhoods during the worst years of the late 70's and early 80's laid the groundwork for dramatic economic growth in later years. The housing challenge of brownstone Brooklyn began to rapidly shift from disinvestment to gentrification and displacement as new, wealthier investors converted multi-family row houses to single family homes, upgraded formerly rent-stabilized apartments for a new higher-end market, and sought development opportunities for new luxury housing.

*City-led planning for the area resurged during the Bloomberg administration when Brooklyn Community Boards 2 and 6 were the subject of numerous neighborhood rezoning initiatives*

City-led planning for the area resurged during the Bloomberg administration when Brooklyn Community Boards 2 and 6 were the subject of numerous neighborhood rezoning initiatives, heavily influencing the course of housing development in the area. Downtown Brooklyn was rezoned in 2004 with the public policy objective of growing the business district through new office tower development. However, the commercial zoning districts that were applied also permit high-rise residential development and the rezoning led to an unforeseen boom in residential construction, with over 10,000 housing units added, and relatively little office construction.<sup>47</sup> At the border of Community Boards 2, 6, and 8, the long-stalled redevelopment of the Atlantic Yards also proceeded under Bloomberg under a state-led General Project Plan to facilitate the construction of a new arena and over 6,000 units of housing, although progress has been halting with several changes in ownership and plan details.<sup>48</sup>

In the neighborhoods surrounding Downtown Brooklyn, the Bloomberg administration undertook several neighborhood contextual rezonings in North Park Slope (2003), South Park Slope (2005), Fort Greene/Clinton Hill (2007), Carroll Gardens (2009), Sunset Park (2009) and Boerum Hill (2011), applying strict height and bulk limits to protect the historic brownstone character of these areas from out-of-context development that had begun to proliferate.<sup>49</sup>

While most of these changes acted to restrict new development, the 4th Avenue corridor on the border of Park Slope and Gowanus where rent stabilized housing was

concentrated was rezoned to permit mid-rise housing. This action to concentrate new development in the historically more lower-income, Latino part of the community while restricting development in the wealthier, whiter areas drew criticism at the time, especially since the early Bloomberg-era rezonings included no requirements for affordable housing and the latter ones included only the limited application of the Voluntary Inclusionary Housing program (instead of MIH which was not enacted until 2016).<sup>50</sup> Within Community Board 6, Voluntary Inclusionary Housing currently exists only at the Lightstone development site on the Gowanus Canal, and Mandatory Inclusionary Housing exists only at a very small development site on Summit Street.

Gowanus itself was subject to a Bloomberg administration Department of City Planning study in 2007-2009 with a proposed rezoning of a more limited area than currently proposed, but this was shelved after the US EPA designation of the Gowanus Canal as a Superfund site, the economic downturn in the wake of the 2008-2009 "Great Recession" and other factors.<sup>51</sup> Just prior to these decisions, developer Toll Brothers proceeded with a private application to rezone a site on the west side of the canal between Carroll Street and 2nd Street for housing development.<sup>52</sup> This private rezoning, approved by the City Planning Commission and then Council Member Bill de Blasio in the spring of 2009, facilitated the eventual development of two 12-story buildings with 700 units (140 of which are affordable at 60% AMI) and a publicly-accessible esplanade on the canal by the Lightstone Group. In 2012, the Board of Standards and Appeals approved a variance to facilitate development of a large Whole Foods store and parking lot on the block at the intersection of 3rd Street and 3rd Avenue on the eastern side of the canal.<sup>53</sup>

This complex layering of decades of land use policy has heavily influenced the built environment, housing stock, real estate prices, local economic opportunities, and demographic makeup of the area as it exists today. From redlining to the segregation of public housing, to the designation of which neighborhoods constituted "slums" appropriate for urban renewal demolition, to decisions on where to upzone and downzone during the Bloomberg administration and failure during this era to prioritize deeply affordable housing development and preservation, to the weakening of the rent laws for decades, many of these policy choices were imbued with racial bias that resonates to our present day.

*Many of these policy choices were imbued with racial bias that resonates to our present day*



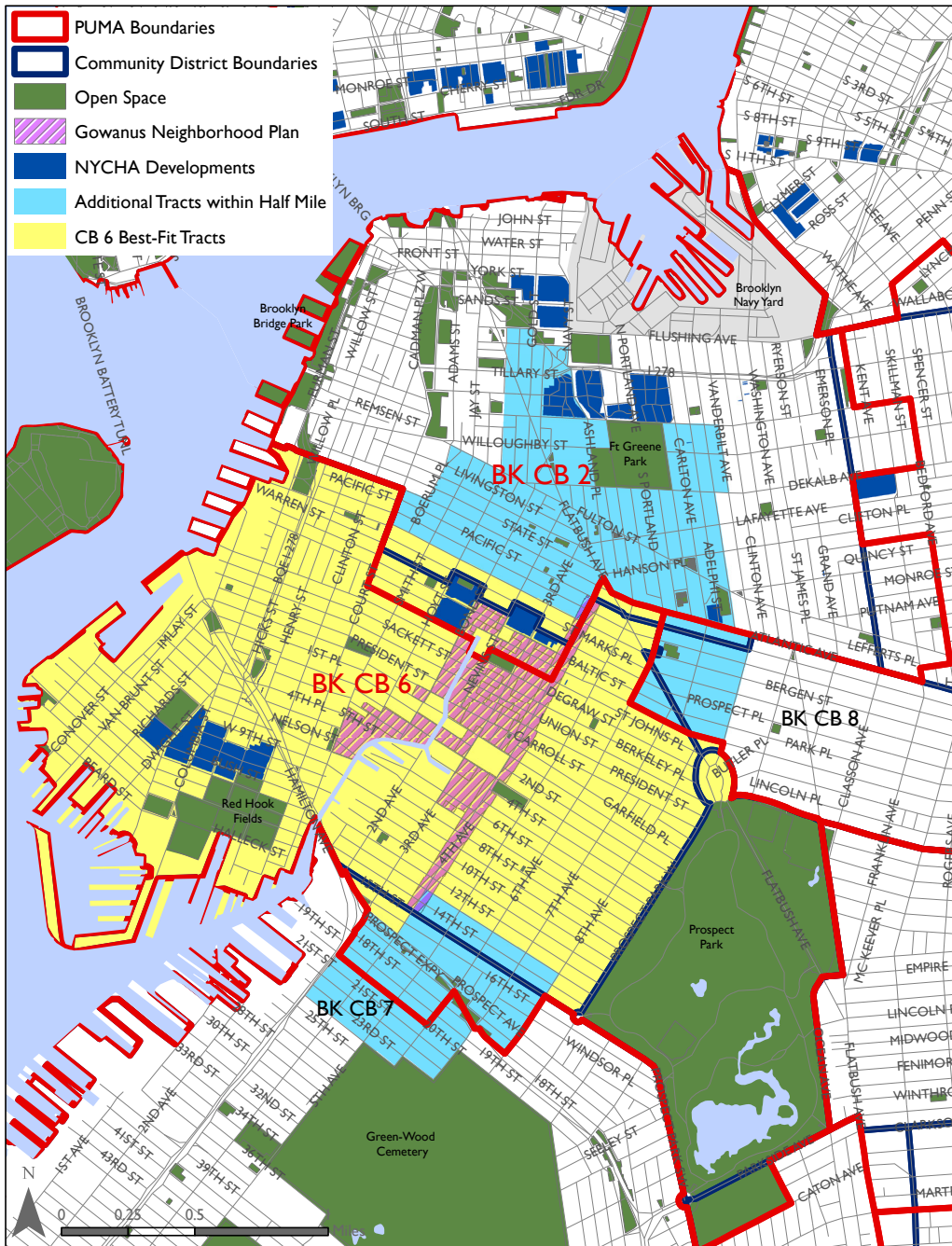


# 5. Existing Conditions and Trends in the Gowanus Area

## 5.2 Existing Conditions and Trends Analysis

Understanding the current demographic makeup of the local area and the trends in population, housing stock, and local economic opportunities is the essential foundation for any attempt at understanding racial disparities of a proposed policy change.

In attempting to define a local study area of approximately one half mile radius, considering the quality of the present available data from either the American Community Survey or the Housing and Vacancy Survey, detailed and accurate analysis of data points disaggregated by race/ethnicity is often not possible at the level of any geography smaller than Public Use Microdata Areas (PUMAs, which roughly approximate New York City Community Districts).



*Due to limitations with existing data disaggregated by race and ethnicity, this study uses a study area comprised of the PUMAs for Community District 2 and 6 for most of the existing conditions analysis.*

## 5. Existing Conditions and Trends in the Gowanus Area

In the case of Gowanus, the area covered by PUMAs Community District 6 and 2 is the closest match to the geography that could be covered by a half mile radius from the project area. Although nearly the entire rezoning area (except four blocks on the western side of 4th Avenue between Prospect Place and Pacific Street) is within Community Board 6 rather than Board 2, the majority of the proposed area is within a half mile of Board 2.

### 5.2.1 Demographics and Housing

Data for this existing conditions analysis is primarily from American Community Survey five-year samples, with the most recent available data pre-dating the impacts of the COVID-19 pandemic. Census 2020 is set to be released in September 2021 and will tell us more about recent changes in the city and its neighborhoods.

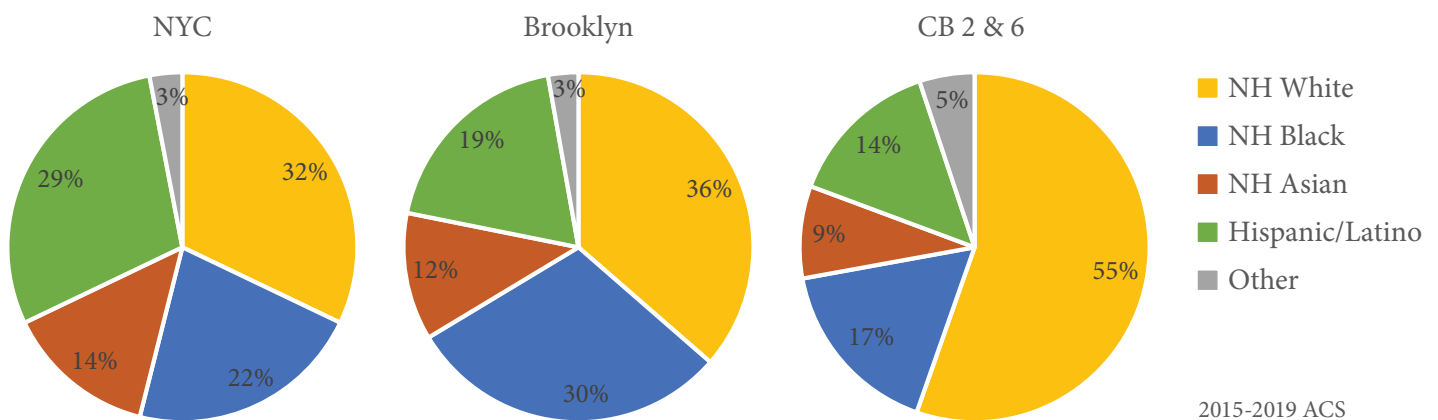
Although non-Hispanic whites remain the plurality racial/ethnic group at approximately 32% of the citywide population, the majority of New Yorkers are not white. Latinos account for 29% and non-Hispanic Blacks account for 22% of the total population. The city’s Asian population, rapidly growing in recent decades, is currently about 14% of the population.

*Brooklyn Community Board 6, covering the neighborhoods of Carroll Gardens, Cobble Hill, Columbia Waterfront, Red Hook, Gowanus, and Park Slope, is 62% non-Hispanic white, one of only 10 of New York City’s 59 community districts where the population is more than 60% white.*

**A note on diversity and categories:** This study analyzes population characteristics and trends based on the four broad overarching categories used by the Census Bureau – Hispanic/Latino, non-Hispanic white, Black, and Asian. We use the language of the Census Bureau with “Hispanic” and “Latino” used interchangeably.

Within each of these four broad categories of Hispanic/Latino, non-Hispanic white, Black, and Asian, there is wide-ranging diversity especially in New York City: from Puerto Ricans and Dominicans to Mexicans and Ecuadorians among the Hispanic/Latino category, from African Americans to Haitians, Jamaicans, and African immigrants among the Black category, from Chinese to Koreans and Bangladeshis among the Asian category, and from first-generation immigrants from Russia to recent arrivals from the Midwest among the non-Hispanic white category. **Analysis by the broad categories is not intended to conflate the diverse experiences and histories of New York’s myriad ethnic communities, but rather shed light on the ongoing legacy and effects of structural racism and inequity.**

For parts of the existing conditions analysis undertaken using American Community Survey data tables, data points on Black and Asian populations include those who also identify as Hispanic/Latino. In publicly available tables that are disaggregated by race/ethnicity, the ACS offers tables on the non-Hispanic white population but does not offer other categories distinguished by Hispanic/Latino ethnicity. Where data is available fully disaggregated by Hispanic/Latino status, such as in total population estimates, or when data is from IPUMS microdata analysis rather than readily available ACS tables, this is noted.





## 5. Existing Conditions and Trends in the Gowanus Area

Brooklyn Community Board 6, covering the neighborhoods of Carroll Gardens, Cobble Hill, Columbia Waterfront, Red Hook, Gowanus, and Park Slope, is 62% non-Hispanic white, one of only 10 of New York City's 59 community districts where the population is more than 60% white. Hispanic/Latino residents account for approximately 14% of the Board's population, non-Hispanic Black 11%, and Asians 7%.<sup>54</sup>

Brooklyn Community Board 2, covering Brooklyn Heights, Boerum Hill, DUMBO, Vinegar Hill, Downtown Brooklyn, and the historically Black neighborhoods of Fort Greene and Clinton Hill, is approximately 48% non-Hispanic white, 24% non-Hispanic Black, 14% Hispanic/Latino, and 9% Asian.

Taken together, Boards 2 and 6 are 55% NH white, 17% NH Black, 14% Hispanic/Latino, and 9% Asian.

Neighboring Brooklyn Community Board 7 to the southeast of the Gowanus area, covering Sunset Park and Windsor Terrace, has a very different demographic make-up, home to large first and second generation immigrant communities of Latinos (39%) and Asians (31%) (predominantly Chinese), with a substantial white population (25%) mostly in Windsor Terrace and the northern fringe of Sunset Park and very few Black residents (3%).

Within Community Board 6, roughly 60% of non-Hispanic Black residents and nearly 30% of all Latino residents live within the three census tracts home to the area's large NYCHA campuses (Gowanus Houses, Wyckoff Gardens, and Red Hook Houses). In contrast, 25 of 32 Census Tracts comprising Brooklyn Community Board 6 are home to populations that are less than 10% Black.

Outside of NYCHA, within Board 6 the areas that are more highly diverse than the overall Board population are the northernmost portion just south of Atlantic Terminal between 4th and 6th Avenue where a significant stock of preserved affordable housing (including buildings owned by Fifth Avenue Committee) is present, and the southwestern portion of Park Slope and the area adjacent to the Gowanus Industrial Business Zone between 3rd and 6th Avenues which is home to a significant (over 20%) Latino population. In Board 2, Fort Greene and Clinton Hill remain home to a large Black community. Visualizing the population by dot density also illustrates the relative lack of population currently living in the Gowanus industrial area.

*The share of Black and Latino population in Boards 2 and 6 declined from roughly 38% to 31%, while the white and Asian populations increased*

*Gowanus Houses NYCHA campus looking south from Wyckoff Street.*





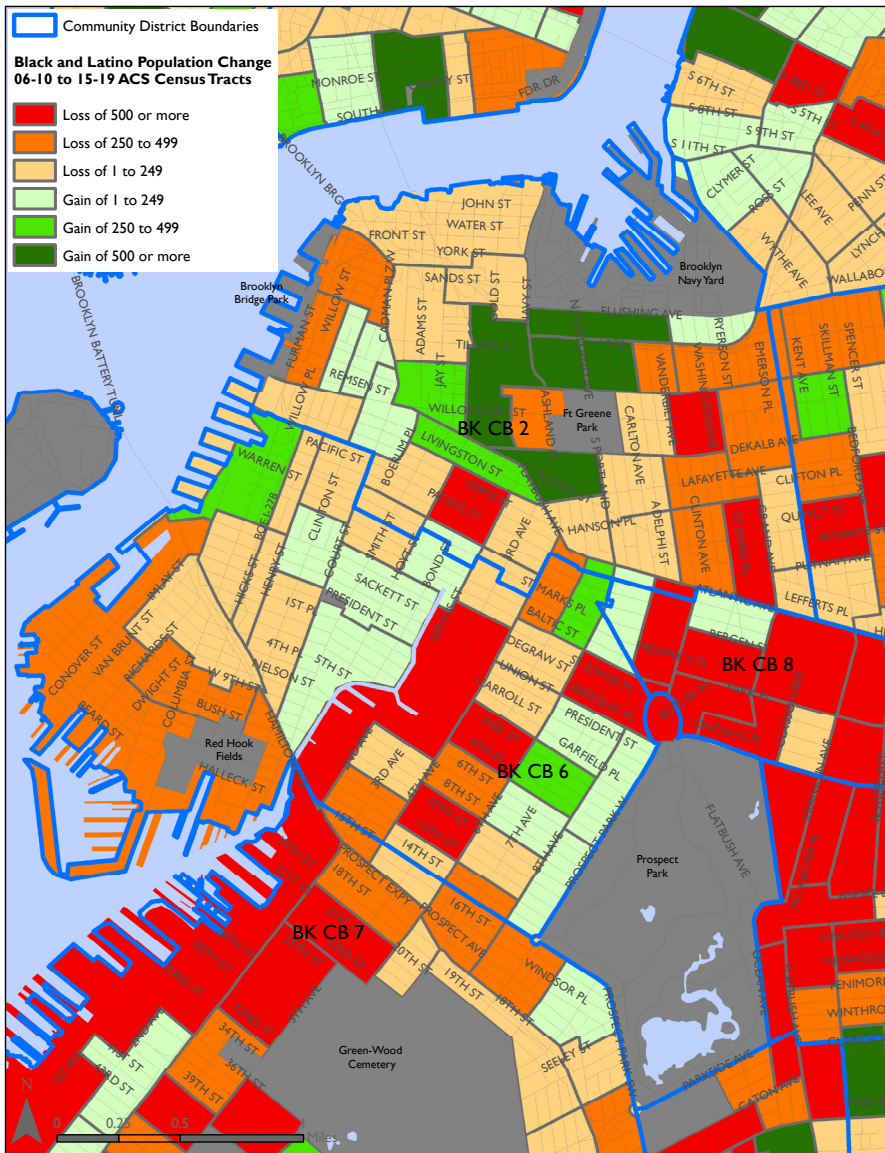
## 5. Existing Conditions and Trends in the Gowanus Area



*Dot density maps of the population by race/ethnicity reveal the importance of NYCHA housing to the existing diversity in the area.*



## 5. Existing Conditions and Trends in the Gowanus Area



From the 2006-2010 American Community Survey to the most recent 2015-2019 sample, the combined population of Boards 2 and 6 increased from approximately 228,000 to 260,000, an increase of 14%.

While the overall population increased during this period, the share of Black and Latino population in Boards 2 and 6 declined from roughly 38% to 31%, while the white and Asian populations increased. In Board 6 alone, the decline was especially heavy among the Hispanic/Latino population which declined by 20%, while the Black population was essentially flat.

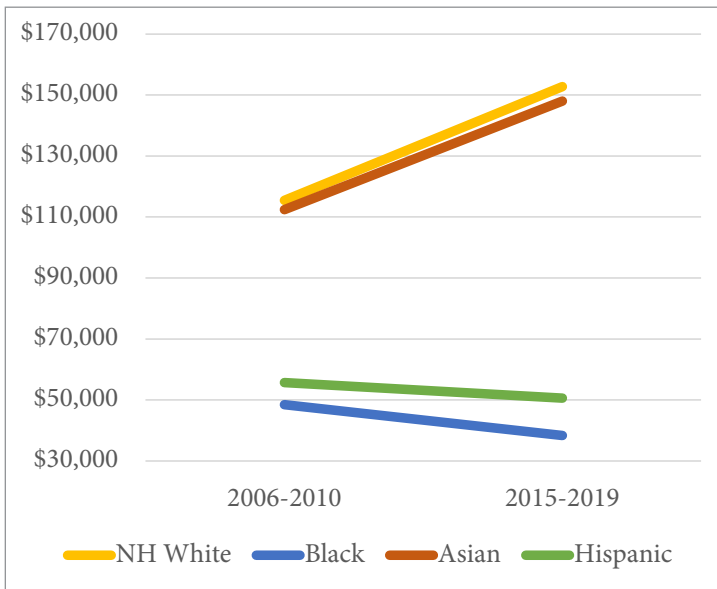
Looking more closely at the census tract level<sup>64</sup>, areas where Black and Latino population declined strongly while white population increased include the neighborhoods surrounding Grand Army Plaza, southwest Park Slope adjacent to the Gowanus IBZ and 4th Avenue in Board 6, and Clinton Hill in Board 2. Black and Latino population increased in numbers in the Downtown Brooklyn vicinity alongside an overall increase of population with new development.

**PUMAs CB 2 and 6 – Population Change ACS 2006-2010 vs ACS 2015-2019**  
**ACS Table B03002 – Hispanic/Latino by Race**

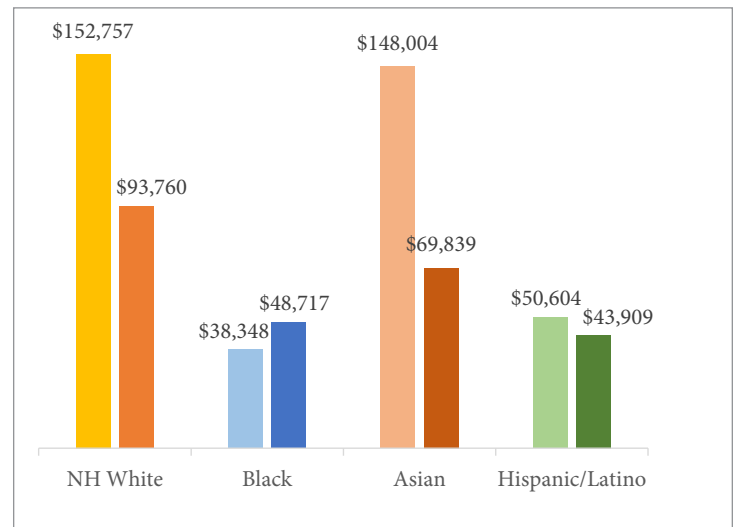
Population	CB 2 2010	CB 2 2019	CB 6 2010	CB 6 2019	CB 2 + 6 2010	CB 2+6 2019
Total	115,725	142,235 (+22.9%)	111,916	117,784 (+5.2%)	227,641	260,019 (+14.2%)
NH White	48,731	68,049 (+39.6%)	70,101	75,931 (+8.3%)	118,832	143,980 (+21.2%)
NH Black	35,310	34,097 (-3.4%)	9,871	9,491 (-3.8%)	45,181	43,588 (-3.5%)
NH Asian	8,323	13,533 (+62.6%)	7,021	8,665 (+23.4%)	15,344	22,198 (+44.7%)
Hispanic/Latino	19,112	19,725 (+3.2%)	21,629	17,273 (-20.1%)	40,741	36,998 (-9.2%)

## 5. Existing Conditions and Trends in the Gowanus Area

**Median Household Income by Race / Ethnicity  
(PUMA CB 6; ACS 06-10, 15-19)**



**Median Household Income by Race / Ethnicity  
(PUMA CB 6 vs NYC; ACS 15-19)**



Comparing the 2006-10 to 2015-19 ACS sample periods, median household income in Community Board 6 increased from approximately \$96,000 to \$130,000 – the largest increase of any Community District in New York City. CB 6 is now the second wealthiest district in New York City by this measure (second only to the combined Manhattan CB’s 1&2 as they are measured as a PUMA). In Board 2, median household income also rose sharply from \$76,000 to \$98,000.

*Median household income in Community Board 6 increased from approximately \$96,000 to \$130,000 – the largest increase of any Community District in New York City*

The Black and Latino households of Community Board 2 and 6 were largely left out of this rapid increase in wealth. In CB 2 and 6, the median household income of white households rose from approximately \$115,000 to \$150,000 during this period, while Black and Latino median household incomes stagnated in the \$40,000 to \$50,000 range. Black households' median income even showed a statistically significant decline. The racial and ethnic disparity between Black and Latino incomes and white incomes in CB 2 and 6 is far more severe than the disparity across New York City, primarily due to the higher incomes of white households. This pattern of economic gains going disproportionately to white households is one that occurred across the city, but even more sharply in this area.

*The Black and Latino households of Community Board 2 and 6 were largely left out of this rapid increase in wealth*



## 5. Existing Conditions and Trends in the Gowanus Area

### How Does Racial Inequality in Income Affect Access to Affordable Housing?

While certain types of affordable housing, such as NYCHA or Section 8 vouchers, do not require specific income ranges for eligibility (rents are pegged to 30% of whatever the households income is with maximum income eligibility requirements), most newly developed affordable housing is open only to particular income ranges based the Area Median Income set by HUD each year.

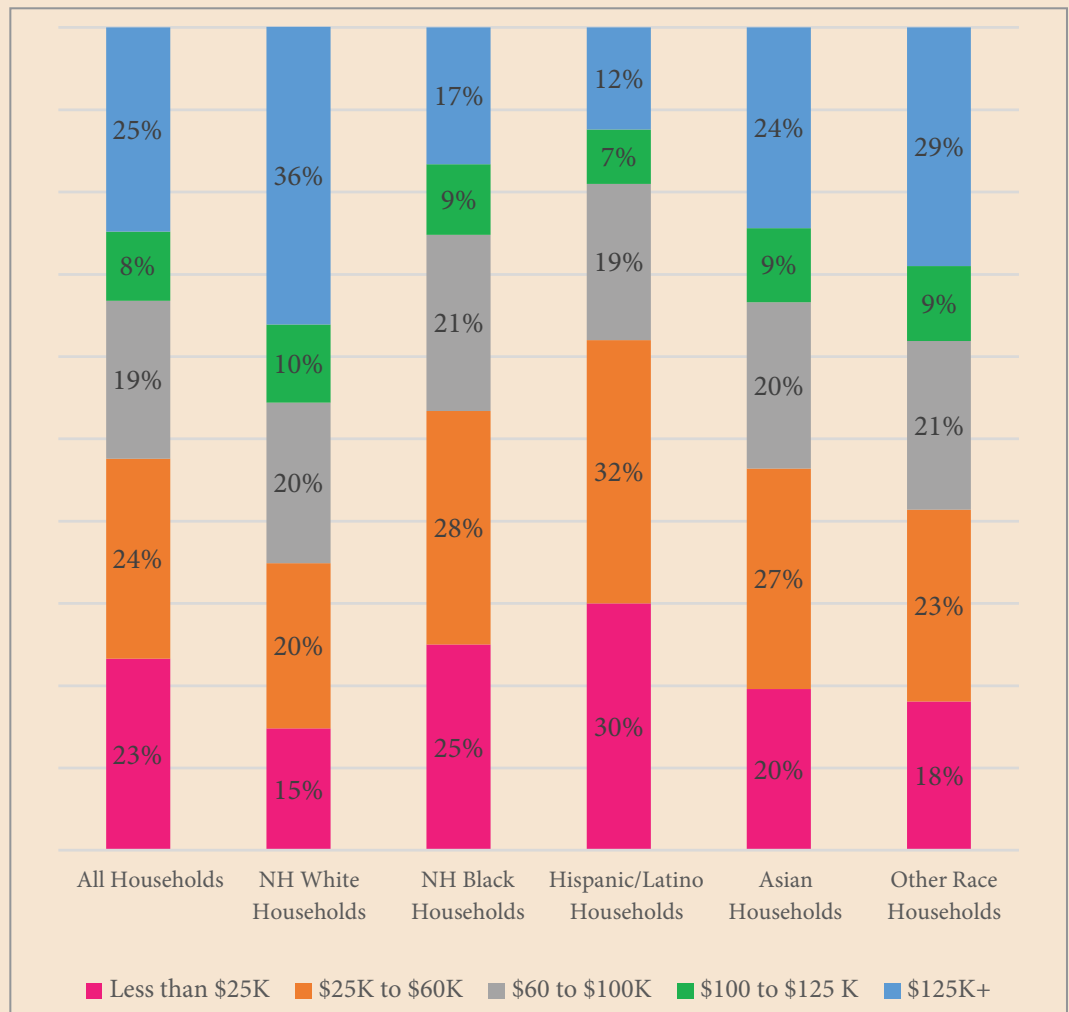
New York City's stark inequality in household income by race/ethnicity is reflected in disparities in eligibility for affordable housing at particular income levels. Black and Latino households make up a disproportionate share of households with less than \$25,000 income – these incomes are generally too low to qualify for lottery affordable housing but could be served by supportive housing, Section 8 vouchers, other rental subsidies, or NYCHA.

Of the incomes covered by the range of “low income” housing in the lottery (30% to 80% AMI), which includes housing at the levels required by MIH Option 1<sup>65</sup>, Black and Latino households are also over-represented – 50% of Black households and 51% of Latino households fall within these income ranges compared to 40% of white households and 47% of Asian households. This disparity is especially evident at the lower range of incomes from \$25,000 to \$60,000. At the upper range, from incomes of \$60,000 to \$100,000, NYC households are close to proportionally represented across race/ethnicity categories.

At incomes from \$100,000 to \$125,000, representing the upper range of incomes typically eligible for income restricted housing at 100% to 120% AMI, Black households are proportionally represented but Latino households are not.

#### Household Income by Race (IPUMS ACS 2015-2019) for NYC

See Appendix Table 13 for underlying data.



## 5. Existing Conditions and Trends in the Gowanus Area

### How Does Racial Inequality in Income Affect Access to Affordable Housing?

And at incomes above \$125,000 (generally able to find and afford market-rate housing without great difficulty), the household mix skews heavily non-Hispanic white, reflective of the overall wealth inequities in NYC. Asian households are proportionally represented but Black and especially Latino households are far underrepresented.

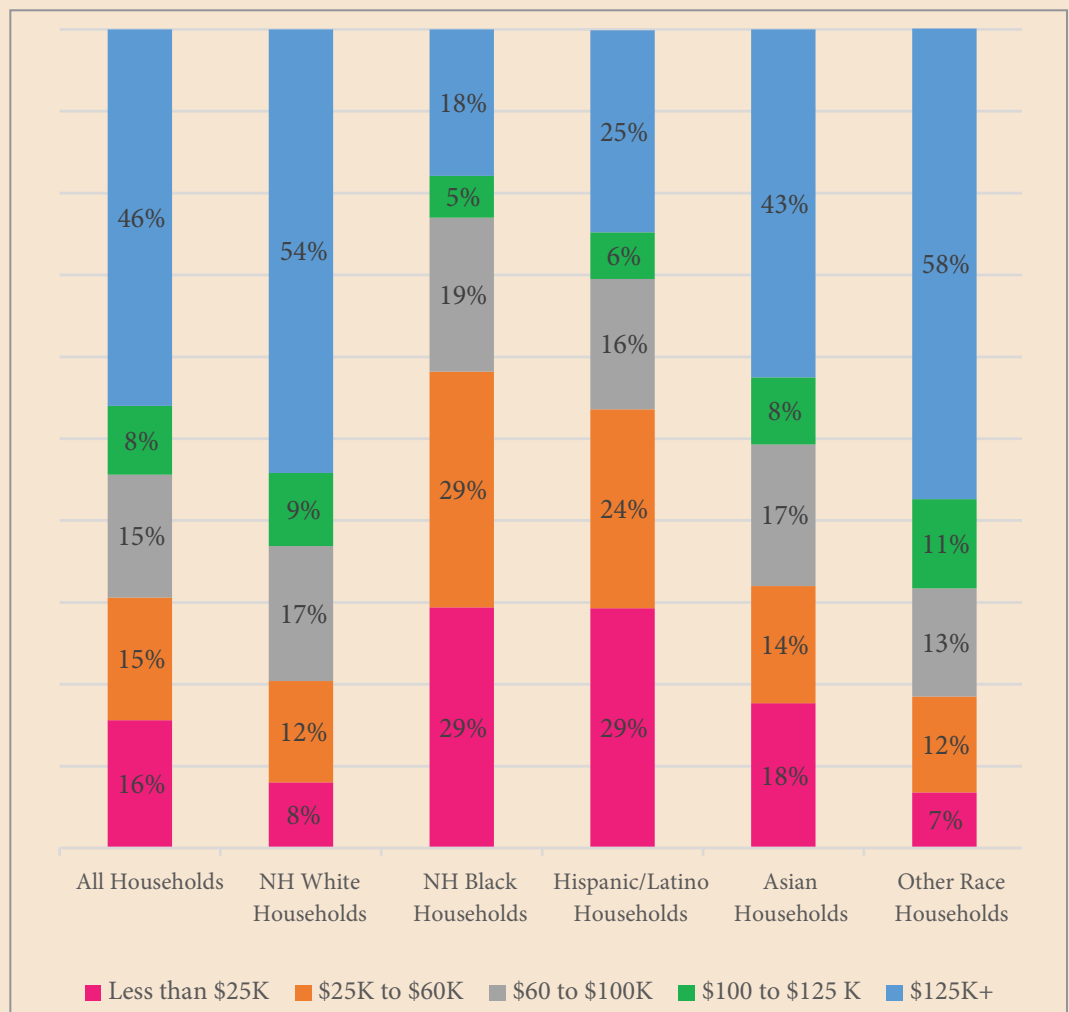
Within Brooklyn Community Boards 2 and 6, these disparities are even stronger, reflecting the higher incomes of white and Asian households in this particular area. 48% of non-Hispanic Black and 40% of Latino households fall within the ranges covered by low-income housing (and MIH Option 1) in the HPD Lottery, compared to 28% of white and 31% of Asian households. The racial disparity at the band of incomes between \$100,000 and \$125,000 is also more pronounced in CB 2 and 6 than it is New York

City-wide. And while the majority of white households make over \$125,000, only 18% of Black and 25% of Latino households do.

*Viewing these figures with a racial equity lens, it is broadly clear that the deeper the affordability of the housing, the more accessible it is to Black and Latino households. Conversely, any “affordable” units pegged above the 80% AMI level disproportionately exclude these households from eligibility.*

#### Household Income by Race (IPUMS ACS 2015-2019) for PUMAS CB 2 & 6

See Appendix Table 13 for underlying data.

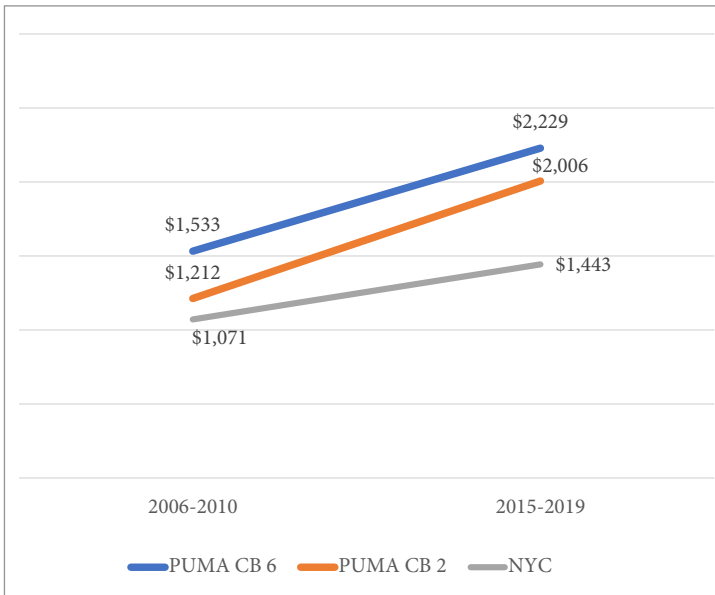




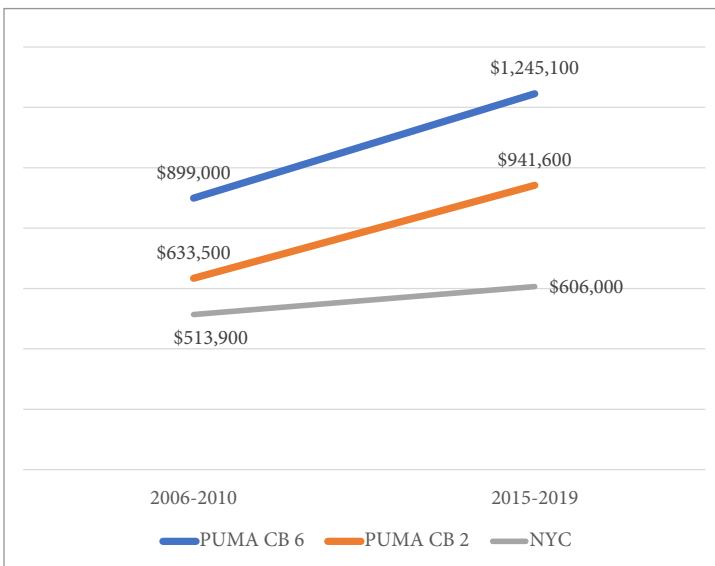
## 5. Existing Conditions and Trends in the Gowanus Area

*Brooklyn CB 2 and 6 are also among the New York City neighborhoods with the most rapidly rising housing costs.*

### Median Gross Monthly Rent (PUMA CB 6, 2 & NYC; ACS 06-10, 15-19)



### Median Home Value (PUMA CB 6, 2 & NYC; ACS 06-10, 15-19)



Brooklyn CB 2 and 6 are also among the New York City neighborhoods with the most rapidly rising housing costs. In Board 6, which has the highest housing costs in Brooklyn, median gross monthly rent rose from \$1,533 to \$2,229 and median home value rose from \$899,000 to over \$1.25 million. In Board 2, median rent and home value rose even faster beginning at a lower base: from \$1,212 to \$2,006 and from \$633,000 to \$942,000. Both boards greatly outpaced the rises in New York City overall during this period.

The median rent figures from the American Community Survey include all rental housing stock in the area, regulated and unregulated. Looking only at market-rate units, according to StreetEasy the median asking rent for a 2-bedroom apartment in Carroll Gardens or Park Slope remains nearly \$3,000/month despite the impacts of COVID-19.

With market-rate housing costs so high, the importance of the existing affordable housing stock – rent-stabilized housing, NYCHA, and other regulated units – to maintaining racial and socio-economic diversity is readily apparent considering the racial disparities in household income.

Table 1: Housing Type

Housing Type – PUMA CB 2 and 6	Units	Percent
Total Units (ACS 15-19)	121,129	
Vacant Units (ACS 15-19)	10,205	8.4%
Occupied Owner Units (ACS 15-19)	38,192	31.5%
Occupied Rental Units (ACS 15-19)	72,732	60.0%
NYCHA Units (NYCHA Dev Data Book)	12,729	
Other HUD Units (Furman CORE)	6,202	
Other HPD Units (Furman CORE)	1,205	
Rent-Stabilized Units (ANHD DAP)	25,724	35%
Non-Rent Stabilized Occupied Rentals	47,008	65%
Housing and Vacancy Survey: Total Proportion of “Protected” Units (owner-occupied, rent-regulated, NYCHA, HUD, Mitchell Lama, In Rem)	95% Confidence Interval .632 to .738	est. 69%
“Unprotected” Rental Units (unregulated market-rate)	95% Confidence Interval .262 to .368	est. 31%

## 5. Existing Conditions and Trends in the Gowanus Area

Citywide, the percentage of rent-stabilized rental units is approximately 45%.<sup>55</sup> In CB 6 and 2, roughly 35% of the rental housing units are likely rent-stabilized, although it is not clear how many of these are high-rent apartments from recent construction that are stabilized in connection with the 421a tax exemption.

*The largest source of subsidized housing in CB 2 and CB 6 is NYCHA, accounting for close to 11% of all the residential units across both Community Boards*

The largest source of subsidized housing in CB 2 and CB 6 is NYCHA, accounting for close to 11% of all the residential units across both Community Boards. There are eleven NYCHA developments with a total of 12,839 units and a population of over 28,000 people in CB 2 and CB 6. According to Census 2010 block-level demographic data, the population of the NYCHA developments in CB 2 and 6 was 52% non-Hispanic Black, 38% Hispanic/Latino, 6% non-Hispanic Asian, and 2% non-Hispanic white.

Other types of subsidized housing in CB 2 and 6 include approximately 6,200 units of HUD-subsidized housing (primarily Low-Income Housing Tax Credit units, the HUD Multi-Family Program, and Section 8), most of which are in CB 2, and about 1,200 NYC HPD regulated units which are also mostly in CB 2.

About 31% of all housing units in CB 2 and 6 are owner-occupied units.

Looking at the Housing and Vacancy Survey to try to estimate the full scope of the regulated housing stock from one source, it is estimated that approximately 31% of all housing units in CB 2 and 6 are unregulated market-rate rentals.

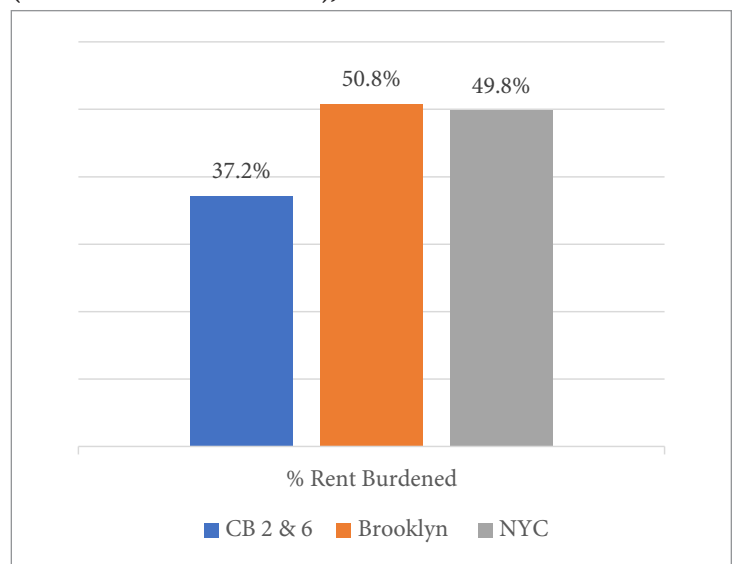
*It is estimated that approximately 31% of all housing units in CB 2 and 6 are unregulated market-rate rentals*

Disparities in homeownership in CB 2 and 6 are similar to the disparities that exist throughout NYC – while 41% of non-Hispanic white households own their homes, only 24% of Black and 21% of Latino households do.

Disparities in homeownership track with disparities in the typical size of buildings households live in. A higher proportion of white households live in small buildings of 4 units or less, while Black and Latino households are much more likely to live in large buildings of 20 or more units.

Despite the very high housing costs in the area, a lower proportion of households in CBs 2 & 6 are rent-burdened compared to Brooklyn-wide or NYC-wide. In CBs 2 and 6, fewer lower-income households making \$50,000 or less are rent-burdened than citywide, likely reflecting the larger percentage of these households who live in regulated housing in this area. Conversely, a higher percentage of moderate income households are rent burdened compared to citywide, indicative of the area's high market rents.

**Percent Rent Burdened Households  
(PUMA CB 2 & 6 and NYC); ACS 2015-2019**





## 5. Existing Conditions and Trends in the Gowanus Area

### Displacement Risk

The possibility of displacement is a common concern for residents of neighborhoods experiencing new development. The fear is that new development will serve as a signal that the neighborhood is on the upswing, thereby encouraging landlords to raise rents and attract more higher income residents whose spending power will in turn attract more investment and higher end stores. The end result, according to this line of thinking, is a neighborhood with higher rents and other amenities and services that are now unaffordable to long-term residents.

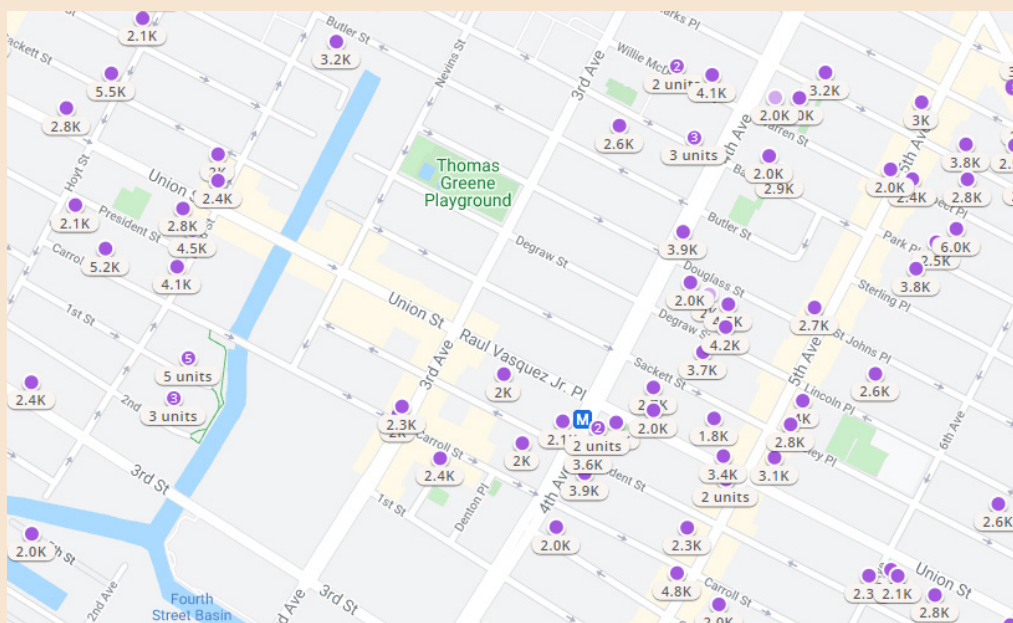
An alternative perspective is that the attractiveness of a neighborhood is more closely tied to macroeconomic factors and proximity to amenities and jobs, along with the relative availability of housing units. According to this perspective, adding additional units to a neighborhood, even if high-end units, will tend to lower (even if only relatively) rent levels. Absent these new units, households drawn to the area would have competed for other available units in the neighborhood, driving up rents there.

The evidence of a causal relationship between indirect displacement and new development is sparse. Much of the most concrete evidence on displacement suggests inadequate and irregular incomes, combined with lack of protection for tenants, is the prime mover of displacement.<sup>66</sup> On the other hand, the relationship between market-rate rents in a particular highly desirable locality like Brooklyn

Community Board 6 (rather than regionally) and increase in supply also remains murky.<sup>67</sup>

In the New York City context, vacancy decontrol under prior rent regulation regimes would often be a catalyst for displacement.<sup>68</sup> Under prior rent regulations, landlords in many situations could significantly raise rents once the tenant of a regulated unit moved. This gave landlords a strong incentive to “encourage” tenants to move through buyouts or a spectrum of harassment tactics. New York State and City have recently taken several steps to blunt the incentives and tools landlords have to push tenants out of rent regulated units. Vacancy decontrol has been severely limited.<sup>69</sup> Tenants also have more access to legal counsel to contest unwarranted evictions and harassment by landlords.<sup>70</sup> The Certificate of No Harassment law also provides additional protections and significant penalties for tenant harassment, notably requiring a ‘cure’ of required affordable housing.<sup>71</sup>

Given the concerns that have been expressed around displacement, this analysis examines the risk of displacement from the new development. We do this by analyzing two indicators, including prevailing rent levels for market rate units, and the proportion of white and nonwhite households residing in unprotected (aka non-regulated) units. Understanding whether prevailing rent levels are currently affordable will help us to gauge if new



*Despite the impacts of COVID-19, most apartments currently on the market in the Gowanus area, including both historic buildings and newer construction, already rent for over \$2,500 per month. (Screen capture from Zillow, June 2021.)*

## 5. Existing Conditions and Trends in the Gowanus Area

### Displacement Risk

market rate development will be very different from current rent levels. Studying the extent to which residents reside in protected units will shed light on their vulnerability to displacement as it is these households who may experience rising rents that makes their homes unaffordable.

We first consider prevailing rent levels for market rate units. The NYCHVS allows us to exclude those units that are public housing, rent regulated, or otherwise subsidized. The small size of the NYCHVS sample size, however, makes it difficult to produce precise estimates at the community board level. However, if we combine Community Boards 2, 6 and 7 in Brooklyn we can obtain estimates that are useful.

The median rent for unregulated, unsubsidized units in Community Boards 2, 6 and 7 according to the 2017 NYCHVS is \$2,117 with a margin of error of \$283. Zillow, an online real estate portal, lists the median rent for the zip codes that roughly comprise Community Boards 2, 6 and 7 as \$2,979 in February 2020, the last period for which data is available prior to pandemic-related stay-at-home orders were introduced. One shortcoming of Zillow data, is that it does not account for the regulatory status of apartments. Nevertheless, because many subsidized units (e.g. public housing) are not typically marketed on Zillow and rent regulated units tend to become available more slowly than market rate units, it still provides an approximation of market-rate rent.

The data from the NYCHVS and Zillow show most market rate units are well beyond the range that would be affordable for low income households in Community Boards 2, 6 and 7. A \$2,500 apartment correlates as affordable to a household income of \$100,000 or higher. Consequently, the introduction of new market rate units through the Gowanus neighborhood plan will be unlikely to disrupt existing rental market patterns. High end apartments already exist in the neighborhood and the new development would not appear to signal a significant change in the socioeconomic trajectory of the neighborhood.

The second set of indicators we consider is the vulnerability of households based on their tenure status. We define unprotected households as those who are renters, and residing in either unregulated and/or unsubsidized units. These households are most vulnerable to the variations of rent levels in a changing neighborhood.

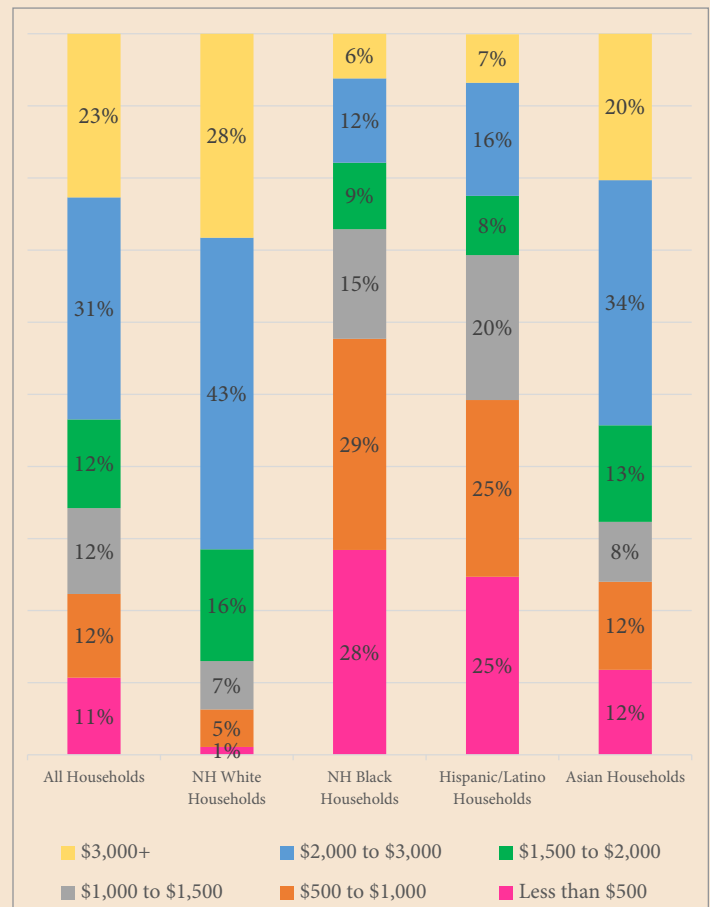
Table 2 illustrates the proportion of nonwhites and whites, respectively, in protected units in Community Boards 2, 6 and 7. The second row shows nonwhites in Community Boards 2, 6 and 7 overwhelmingly reside in protected units.

Table 2: Residence in "Protected" Units (PUMA CB 2 & 6 and NYC)

NYC HVS Residence in "Protected" Units CB's 2,6,7	Percent	95% Confidence Interval
Non-Hispanic White	61.9%	54.8% to 68.5%
All other residents	80.5%	73.1% to 86.2%

### Rent Levels by Race/Ethnicity (IPUMS ACS 2015-2019), PUMA CB 6 & 2

(See Appendix Table 14 for underlying data)





## 5. Existing Conditions and Trends in the Gowanus Area

### Displacement Risk

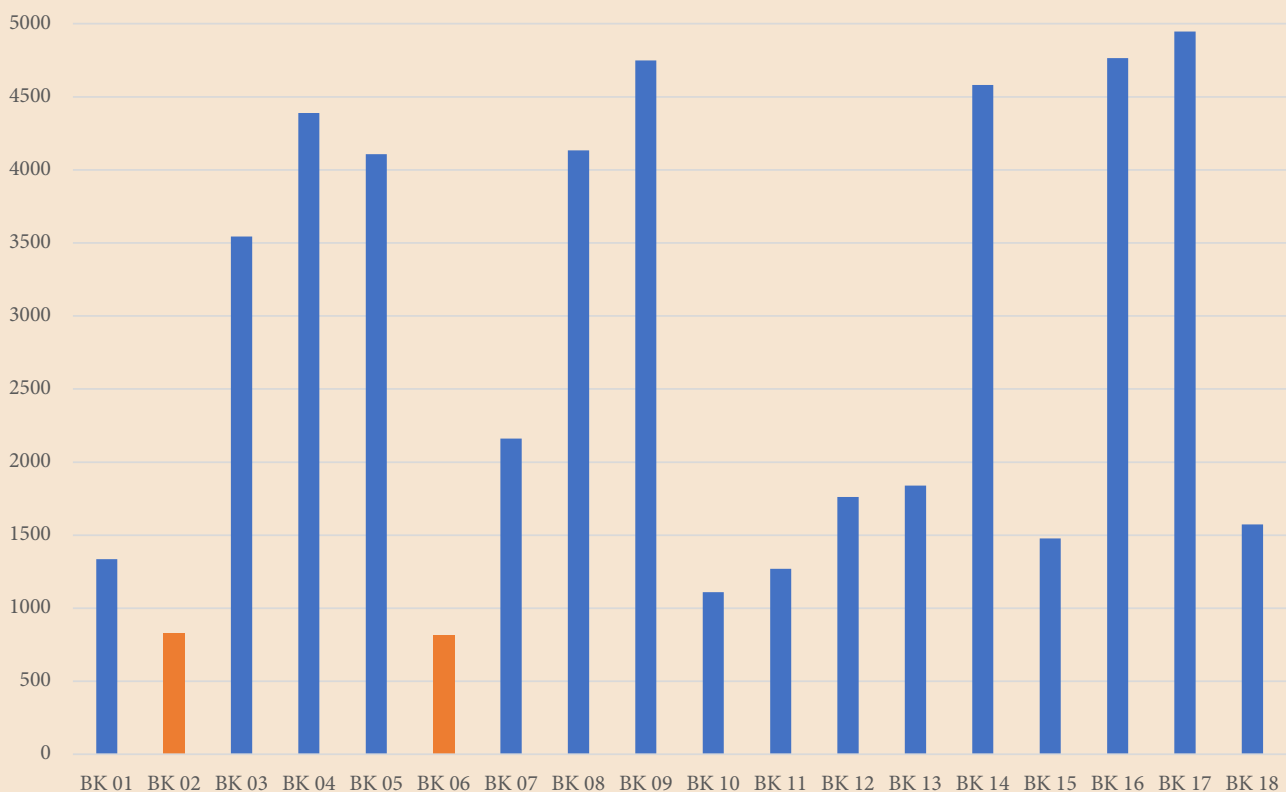
Put another way, from the NYCHVS we estimate 80.5% of nonwhite households in Community Boards 2, 6 and 7 either own their homes or reside in rent regulated or subsidized housing. The majority of whites, too, live in protected units. The preponderance of residents in protected units at 61.9% for whites, however, is not as great as that for nonwhites.

The extent to which Black and Latino households in CB 2 and 6 disproportionately reside in regulated affordable housing becomes clearer when looking at IPUMS ACS data on rent disaggregated by race/ethnicity. Median rent for Black and Latino households in the area is less than \$1,000 a month, while the median rent for non-Hispanic white households is approximately \$2,500 a month. While over 70% of Black and Latino rental residents live in apartments renting for \$1,500 a month or less, only 13% of non-Hispanic white renters do. As noted earlier, the nearly 13,000 NYCHA units in the area are home to a demographic that is approximately 90% Black or Latino.

One final point of data that is often included as a measure of displacement risk are housing code violations, which indicate potential instability and neglect that is sometimes associated with displacement pressure.<sup>72</sup> From 2010 through 2019, community districts 2 and 6 have the lowest number of cumulative HPD housing violations out of all eighteen community districts in Brooklyn. This data also shows a strong correlation between cumulative housing violations in a community district and Black and Latino population, yet another indicator of the broader racial inequity in New York City.

In Brooklyn CB 2 and 6, these data points all suggest that the risk of displacement by rising market-rate rents for Black and Latino families in the area is low since rents are already so high and the vast majority of low-income families reside in regulated affordable housing. It also indicates once again the importance of the existing affordable housing stock for maintaining racial and socio-economic diversity in the area.

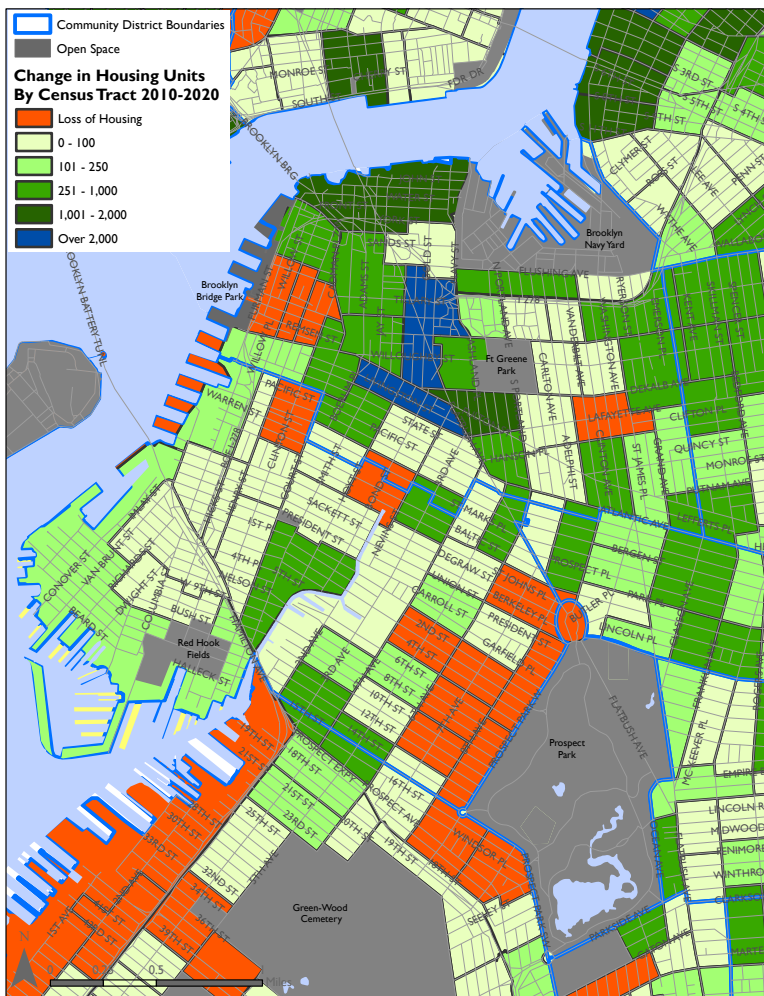
*HPD Housing Code Violations (per 1,000 privately owned rental units) 2010-2019*



## 5. Existing Conditions and Trends in the Gowanus Area

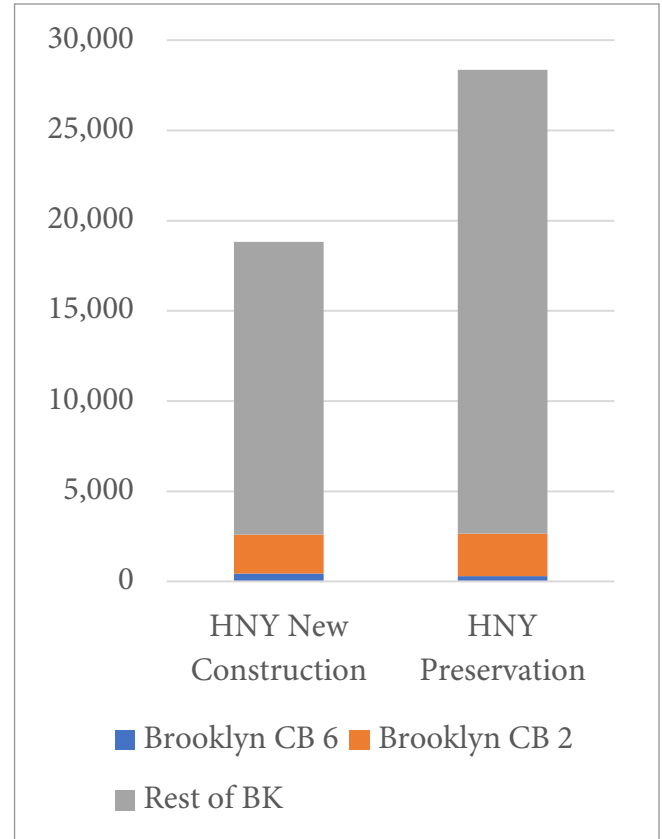
According to the DCP Housing Database, which compiles data from the NYC Department of Buildings on construction permits, there have been 15,888 new residential units completed in CB 2 since 2010. This represents the second highest net gain in number of units of all the Community Districts in Brooklyn, and the third highest net gain of units in all of NYC. By contrast, CB 6 only gained 3,553 units<sup>56</sup>.

*Brooklyn CB 2 has experienced significant housing growth (nearly 16,000 units) since 2010 due primarily to the Bloomberg-era Downtown Brooklyn rezoning plan, while Brooklyn CB 6 has seen much less growth (only about 3,500 units).*



Some of the area's wealthiest areas, including Brooklyn Heights and upper Park Slope, experienced a decline in housing stock as previously multi-family row houses were converted to single family homes and little new development occurred.

**de Blasio administration "Housing New York" affordable housing production.**



The de Blasio "Housing New York" plan to create or preserve 300,000 units of affordable housing by 2026 is one of the administration's signature policy efforts but has faced some criticism from the fair housing perspective for failing to adequately consider the geographic distribution of units across the city in different types of neighborhoods." The administration's Where We Live NYC report acknowledges the need to increase affordable housing production in "high-amenity" areas.<sup>57</sup>

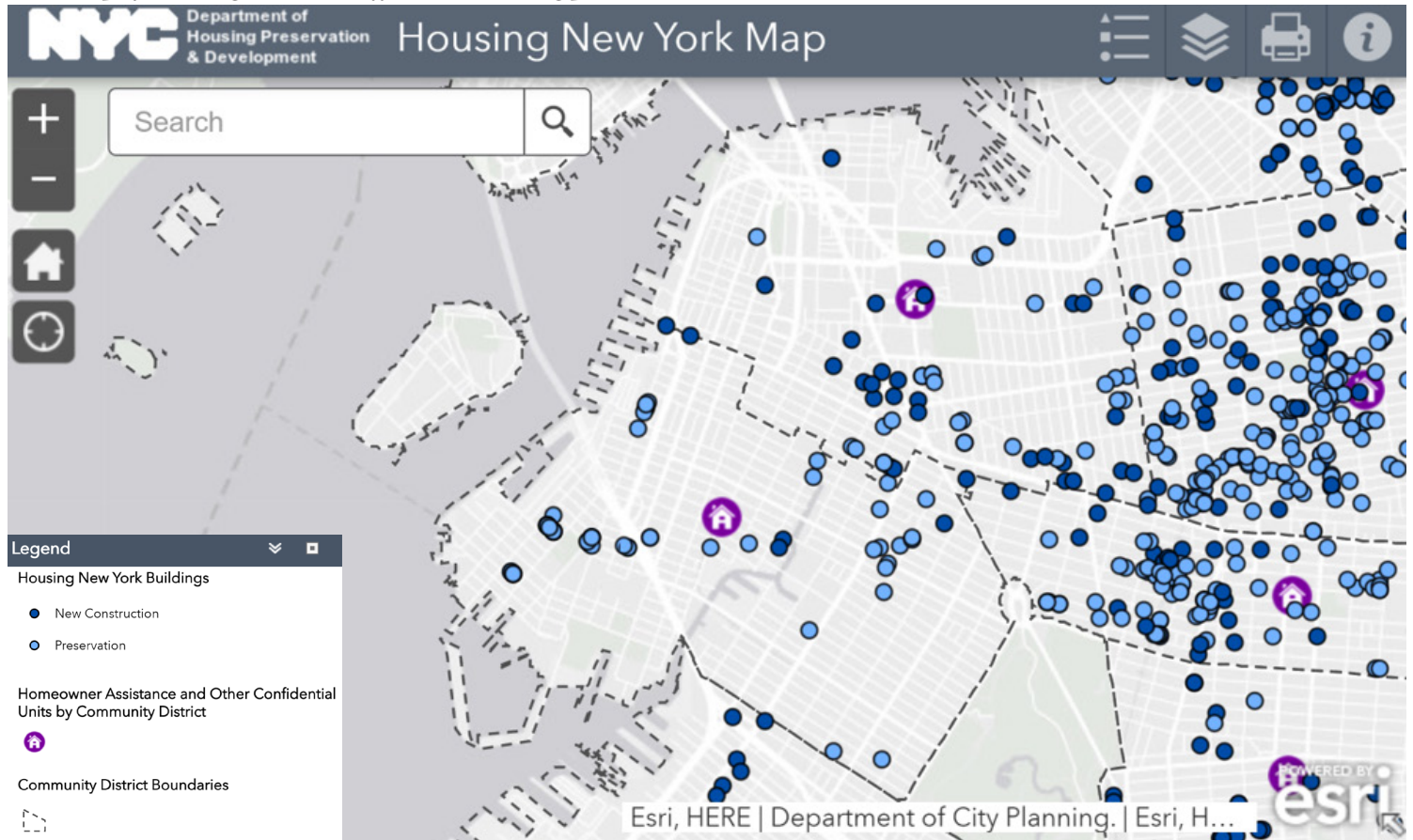
*In CB 6 – perhaps the highest "access to opportunity" area of Brooklyn – only 453 new construction affordable housing units have been built under Housing New York, less than 3% of new construction in the borough*

Housing development in the area from 2010-2020 was concentrated in Downtown Brooklyn (resulting from the 2004 rezoning during the Bloomberg Administration) with additional growth taking place in DUMBO and Clinton Hill, the lower 4th Avenue corridor in southern Park Slope, and the Lightstone Development along the Gowanus Canal.



## 5. Existing Conditions and Trends in the Gowanus Area

HPD map of Housing New York affordable housing production in the CB 2 and 6 area.



In CB 6 – perhaps the highest “access to opportunity” area of Brooklyn – only 453 new construction affordable housing units have been built under Housing New York, less than 3% of new construction in the borough. These new affordable housing units are almost entirely represented by just two projects, the 140 low-income units at Lightstone on the Gowanus Canal achieved through the older Voluntary Inclusionary Housing program, and the 303 units at Atlantic Yards Site B3, 198 of which were pegged at “middle income” affordability (121 to 165% of AMI) and are priced only marginally below market-rate levels if at all.<sup>58</sup>

Brooklyn CB 2 has contributed significantly more affordable housing than CB 6 at 2,154 new units, most of which (1,603) have been low-income, with an additional 226 moderate income and 318 middle income units. These projects, mostly concentrated near Flatbush Ave in Downtown Brooklyn and Atlantic Avenue, include a few large 100% affordable

projects like 90 Sands, and numerous low-income units from voluntary inclusionary housing programs. Brooklyn CB 2 has produced the fourth highest number of new low-income units among Brooklyn community boards during Housing New York.<sup>59</sup>

Although overall output of both market-rate and affordable housing in CB 2 has far outpaced CB 6, both boards have produced similarly low percentages of low-income affordable housing as a percentage of total production. In CB 6 since 2014, 241 units out of 1,799 (13%) have been affordable at 80% AMI or below while in CB 2 the figure is 1,603 units out of 11,691 (14%).

*In CB 6 since 2014, 241 units out of 1,799 (13%) have been affordable at 80% AMI or below while in CB 2 the figure is 1,603 units out of 11,691 (14%)*

## 5. Existing Conditions and Trends in the Gowanus Area

### 5.2.2 Economic

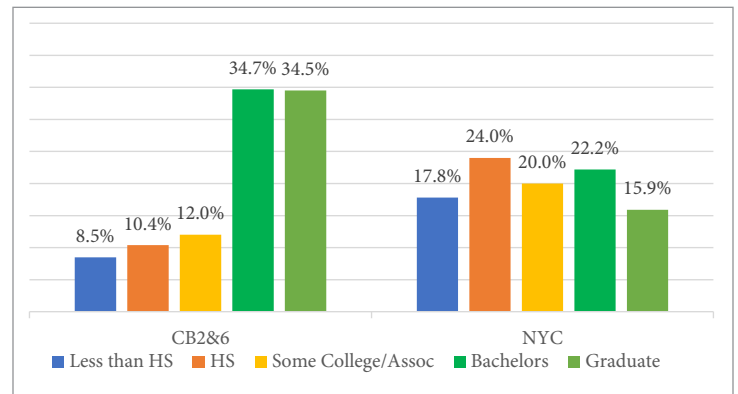
While much of the advocacy around racial equity reports has naturally focused on fair housing, disparities in access to economic opportunity are deeply intertwined with disparities in access to housing. Disparities in educational attainment, earnings, overall workforce participation, and participation in different economic sectors continue to be influenced by the legacy of explicit racial policies that excluded Black and Latino communities from opportunities to build wealth and access quality education.

The overall population in Brooklyn CB 2 and 6 has significantly higher educational attainment than the New York City population at large. Nearly 70% of CB 2 & 6 residents aged 25 or older have a bachelor's degree – almost double the proportion of the full city population.

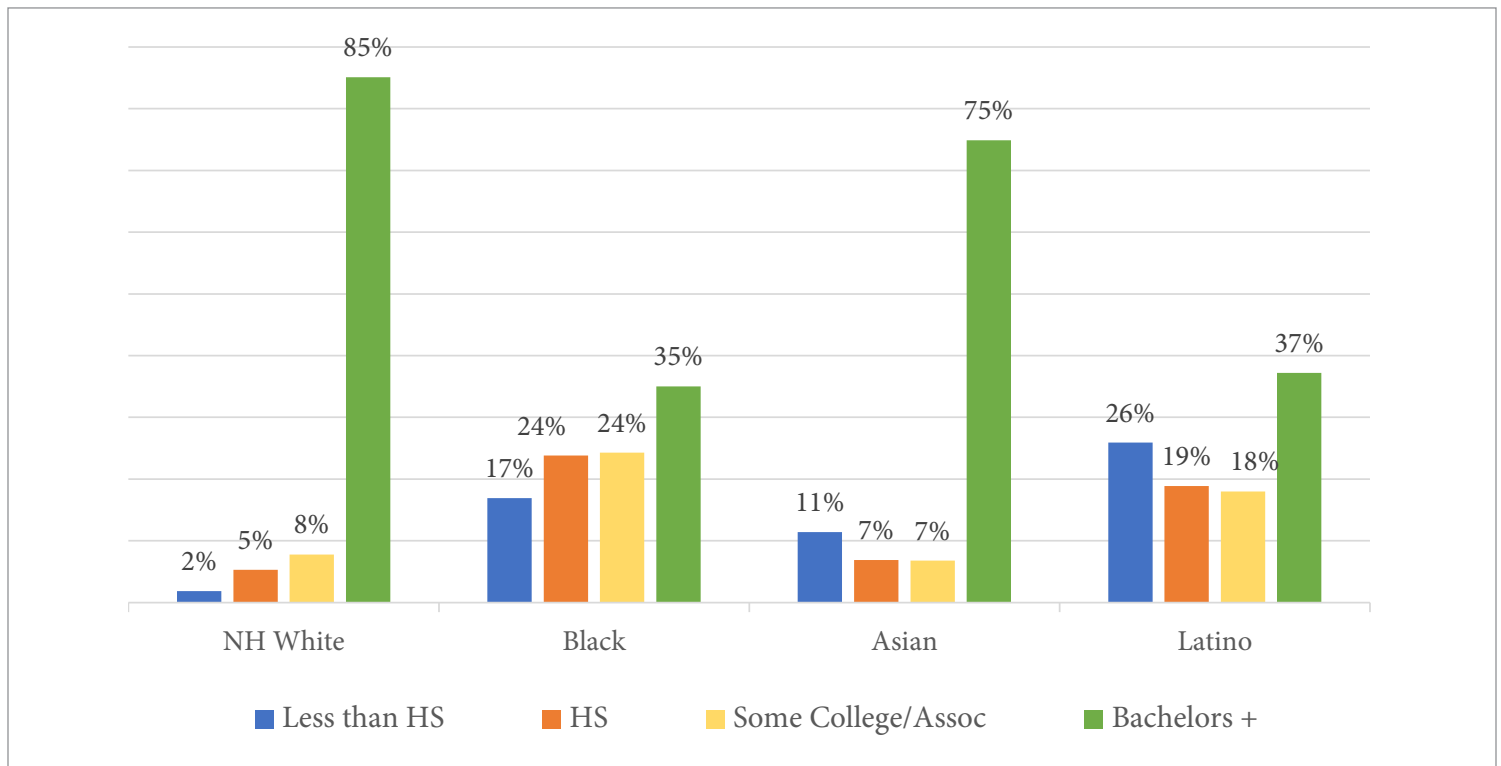
*While 85% of non-Hispanic white residents have a bachelor's degree, only 35% of Black and 37% of Latino residents do*

However, the racial disparity within the area is stark – while 85% of non-Hispanic white residents have a bachelor's degree, only 35% of Black and 37% of Latino residents do. Educational attainment among each group is higher than throughout NYC, where 60% of white residents have a bachelor's degree compared to 24% of Black residents and only 19% of Latino residents. Educational attainment among the local population has increased over the last 15 years – in the 2006-2010 ACS, 79% of white, 31% of Black and 26% of Latino residents had bachelor's degrees.

**Educational Attainment**  
(PUMA CB 2 & 6 and NYC; ACS 2015-2019)



**Educational Attainment by Race/Ethnicity (PUMA CB 2 & 6; ACS 2015-2019)**





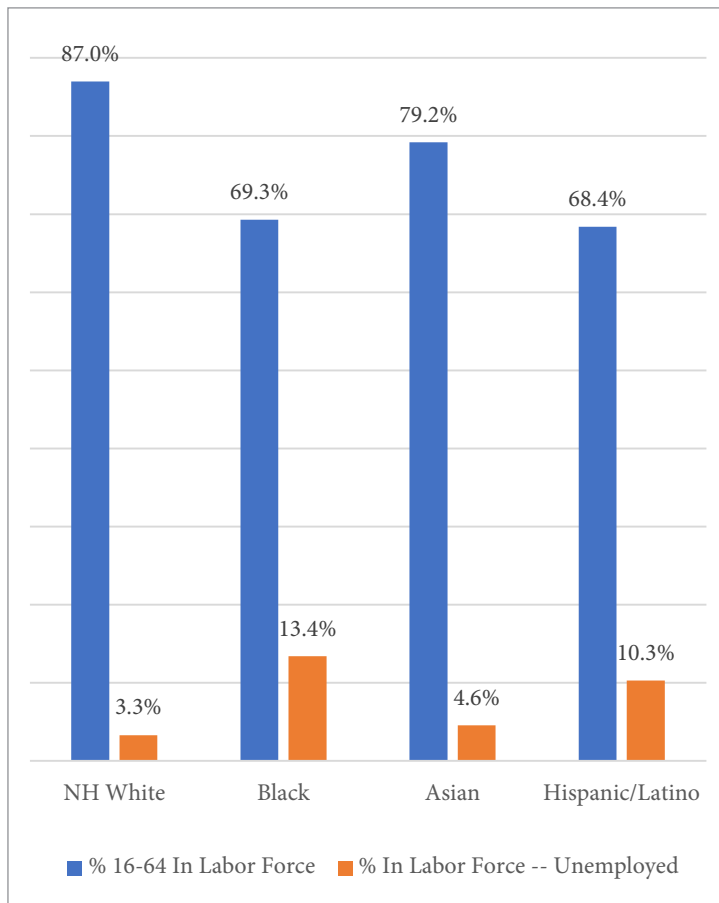
## 5. Existing Conditions and Trends in the Gowanus Area

Disparities are also present in labor force participation rates – while 87% of non-Hispanic white residents aged 16 or older are in the labor force, 69% of Black and Latino residents are in the labor force. Unemployment in the pre-COVID economic period was also much higher among Black and Latino residents than white residents – over 13% for Black residents of CB 2 & 6 and 10% for Latino residents compared to only 3% for whites. Rates of labor force participation in CB 2 & 6 by Black and Latino residents roughly match citywide figures, although unemployment is higher (13.4% and 10.3% compared to 9.6% and 7.8%)

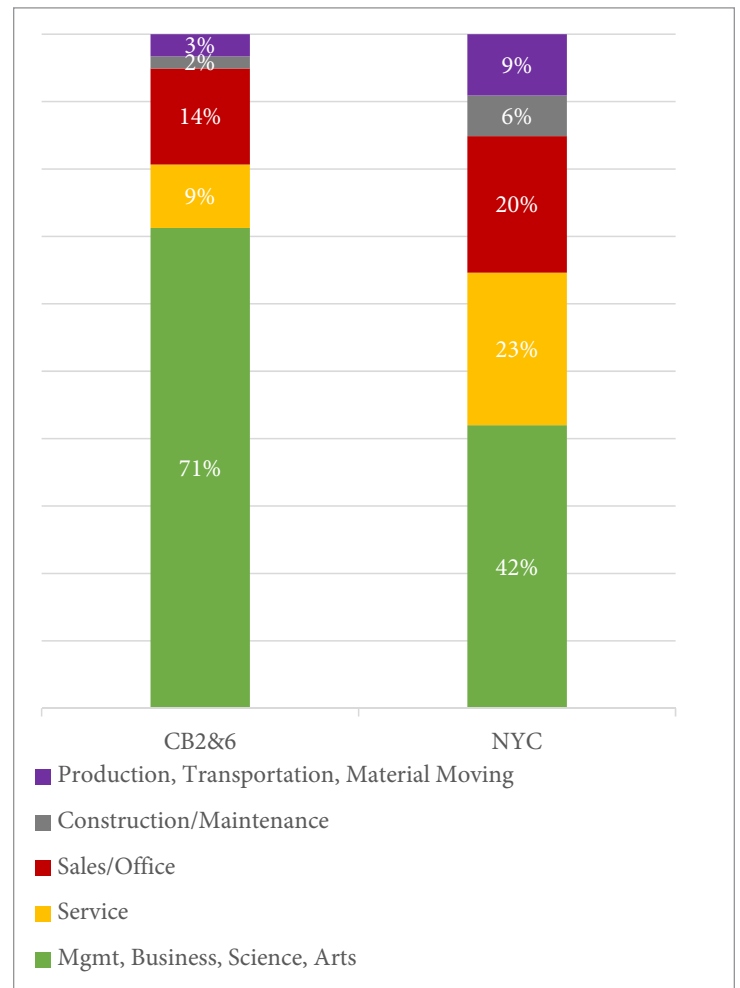
*CB 2 & 6 has a disproportionately high number of high-level professional, business, tech and creative sector workers compared to the city overall*

Tracking with the relatively high educational attainment overall, CB 2 & 6 has a disproportionately high number of high-level professional, business, tech and creative sector workers compared to the city overall with 71% of local workers in management, business, science, and arts occupations compared to 42% citywide. Looking back to 2006-10, the share of these workers in CB 2 & 6 increased to 71% from 64% while the number of sales and office workers declined from 19% to the current 14%.

**Labor Force Participation by Race/Ethnicity**  
(PUMA CB 2 & 6; ACS 2015-2019)



**Occupation Type**  
(PUMA CB 2 & 6 and NYC; ACS 2015-2019)



## 5. Existing Conditions and Trends in the Gowanus Area

*While nearly 80% of white residents have jobs in management, business, science, and arts occupations, only about 47% of Black and Latino residents do.*

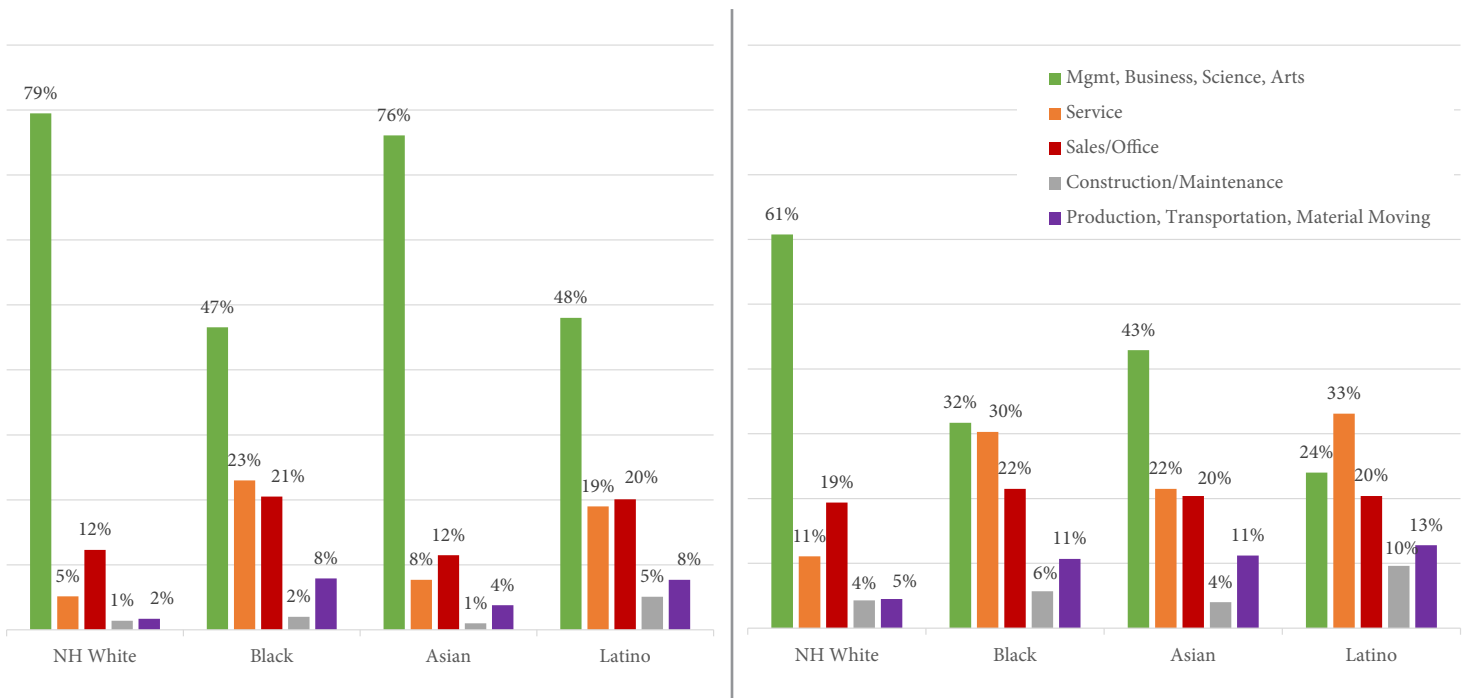
However, as with educational attainment there are major racial and ethnic disparities. While nearly 80% of white residents have jobs in management, business, science, and arts occupations, only about 47% of Black and Latino residents do. Despite this disparity within the local area, this is a much higher percentage than Black and Latino residents citywide, who are only 32% and 24% employed in these sectors respectively, perhaps reflecting the greater access to these opportunities in the area. The share of CB 2 & 6 residents employed in these sectors increased across the board since the 2006-2010 data, including significantly among Black and Latino residents.

While fewer Black and Latino residents in the local area are employed in industrial, construction, and maintenance jobs than are citywide, they are still much more likely to be employed in these sectors than white residents.

The American Community Survey offers more detailed workforce sector data at the citywide level. Citywide, a disproportionate number of non-Hispanic whites are employed in the highest-wage, highest-barrier to entry sectors of management, business, financial, and tech/media/arts occupations while Hispanic/Latino and Black New Yorkers are severely underrepresented. While 29% of white New Yorkers are employed in management, business, financial, legal, architectural, and engineering jobs and 15% are employed in tech, science, arts, entertainment, and media jobs. Black and Latino New Yorkers are employed in these sectors at only 11% at 4% respectively.

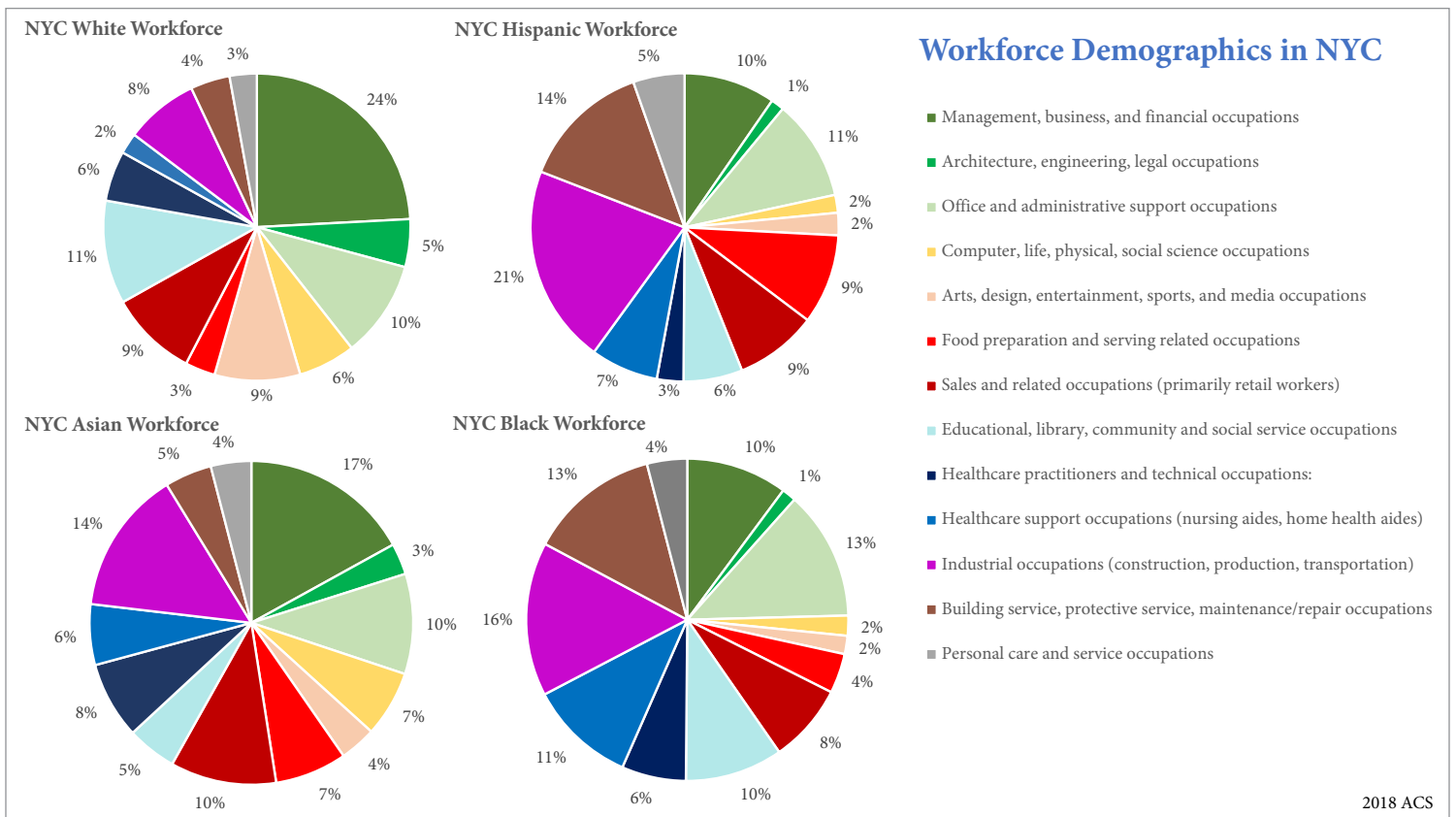
*While 29% of white New Yorkers are employed in management, business, financial, legal, architectural, and engineering jobs and 15% are employed in tech, science, arts, entertainment, and media jobs. Black and Latino New Yorkers are employed in these sectors at only 11% at 4% respectively.*

**Occupation by Race/Ethnicity: PUMA CB 2 & 6 (left) and NYC (right)**





## 5. Existing Conditions and Trends in the Gowanus Area

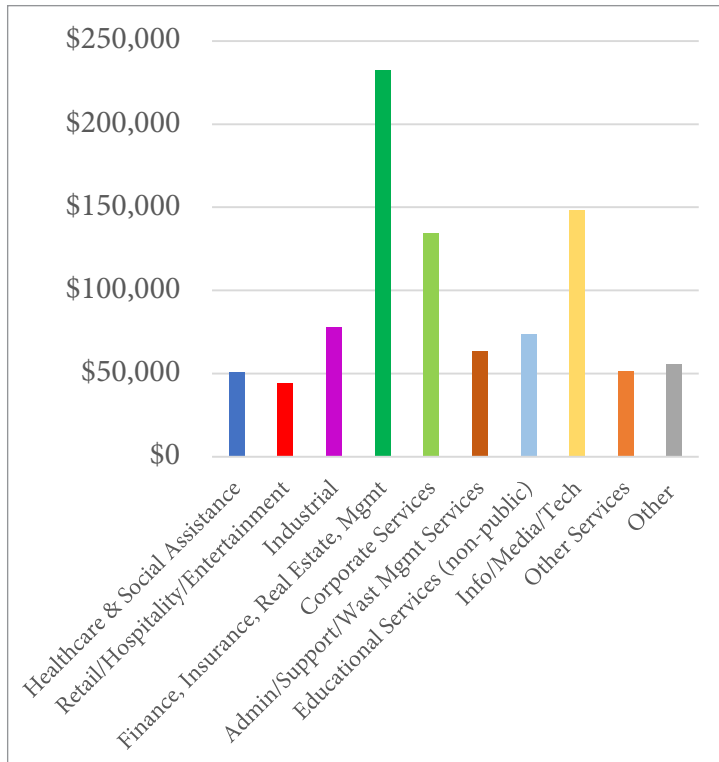


Both the Black and Hispanic/Latino workforce in NYC are disproportionately employed in industrial and service/repair jobs, as well as healthcare support occupations (e.g. home health aides). At a finer grain of analysis, Latinos in particular are heavily employed in construction, building services, and food manufacturing – subsectors which Blacks are relatively underrepresented – while Black New Yorkers are heavily employed in transportation and warehousing<sup>60</sup>. The Latino and Asian workforce is also disproportionately dependent on the restaurant sector.

Two categories of occupation have a relatively equal proportion of workers by race/ethnicity: “sales and related occupations,” which is predominantly made up of retail workers, and “office and administrative support occupations” which is a particularly important sector for middle-wage employment across numerous white-collar industries.<sup>61</sup>

## 5. Existing Conditions and Trends in the Gowanus Area

NYC average annual wages by sector (QCEW 2018)



Data from the Quarterly Census on Employment and Wages (QCEW) offers a closer look at the average wages by sector, one of the major drivers of disparity in income between white, Black, and Latino New Yorkers. Unlike the American Community Survey which is tied to individuals' place of residence, QCEW is based on the location of the place of employment. Due to privacy concerns, this data is not readily available to the public at geographies below the county/borough-wide level.

Citywide, average annual earnings in finance, insurance, real estate, and management of companies is roughly \$232,000, far ahead of the second tier of media/technology (\$148,000) and corporate services (\$134,000). No other sector has median earnings above \$80,000. Industrial (\$78,000), educational services (\$74,000), and administrative, supportive, and waste management services (\$63,000) form the middle tier, and the retail/hospitality/entertainment sector is the lowest at \$44,000.

Some of these larger categories are influenced by wage levels in particular subsectors. In the healthcare and social assistance sector, the large categories of home healthcare and social assistance have exceptionally low average annual wages of only \$27,600 and \$32,700 respectively, while jobs at hospitals pay a much higher average of \$88,600.

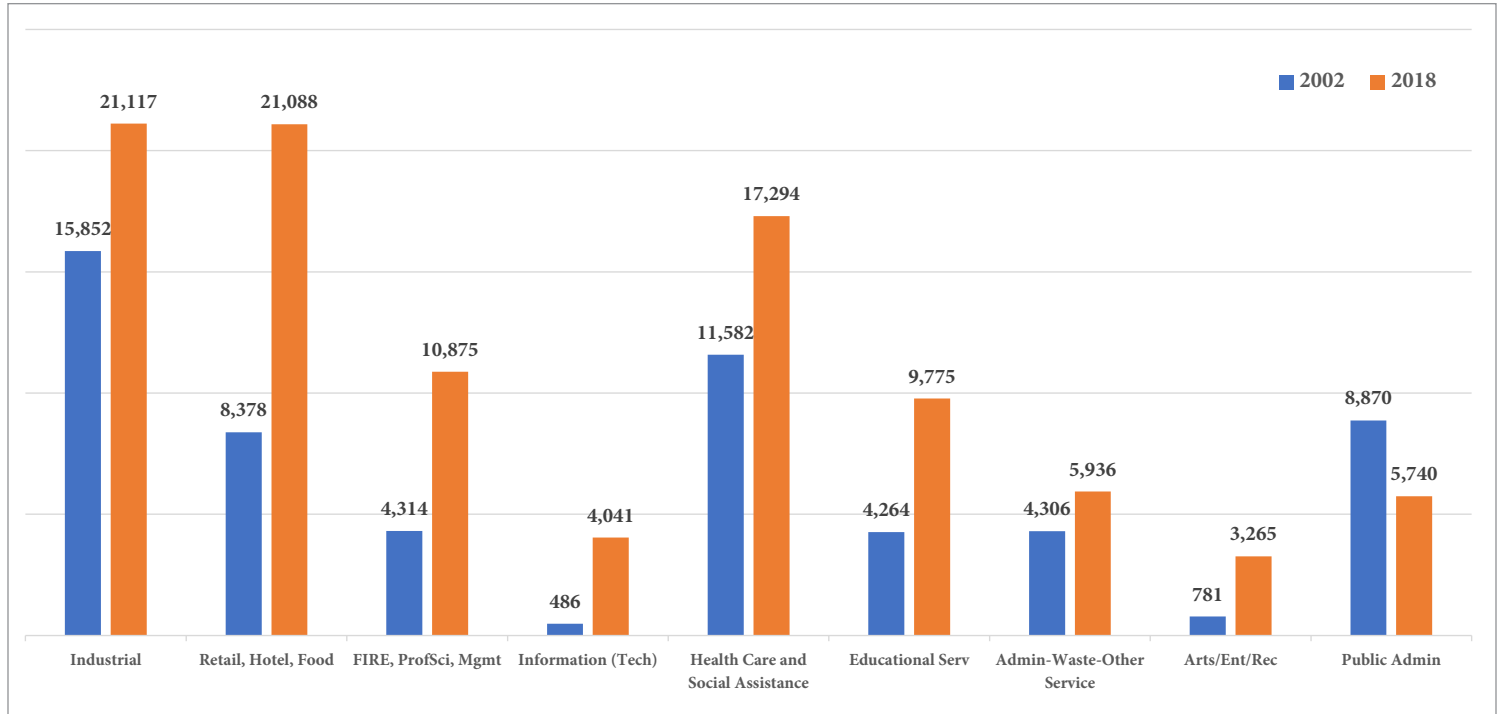
Other particularly low wages are in food services and drinking places (\$32,000), personal care (such as work in salons or nail care, \$26,400) and retail in the outer boroughs which pays an average of \$34,000 compared to \$56,000 for retail jobs in Manhattan.

Middle-wage subsectors paying between \$40,000 and \$100,000 includes ambulatory medical care and nursing facilities (both roughly \$44,000), administrative and support services (\$63,500), educational services (\$75,000), accommodation (hotels, \$66,000), and each subsector of the industrial sector (construction, manufacturing, wholesale trade, and transportation/warehousing). A recent analysis by the Department of City Planning showed that many middle-wage jobs that do not require a college degree are also embedded with the higher-paying sectors of finance and corporate services, though nearly all of these positions require some kind of post-secondary education or training<sup>62</sup>.

Overall, jobs based in Brooklyn have significantly lower wages than jobs based in Manhattan. The highest-wage sectors and jobs remain overwhelmingly based in the Manhattan core. Brooklyn service sector jobs are especially low-paying and often part-time, especially in the restaurant/hotel sector (\$27,000 average wage), retail (\$34,400 average wage), and healthcare/social assistance (\$40,000 average wage). Industrial sector jobs in Brooklyn have relatively higher average wages (\$41,000 for transportation/warehousing, \$45,000 for manufacturing, \$53,000 for wholesale trade, and \$60,000 for construction).

## 5. Existing Conditions and Trends in the Gowanus Area

LEHD Workforce Data: Jobs Within Half Mile of Proposed Gowanus Rezoning Area 2002 vs 2018, by sector



Longitudinal Employer-Household Dynamics (LEHD) data offers the opportunity for a closer look at a more tightly defined study area within a half mile of the proposed Gowanus rezoning area. Like QCEW, the data is based on administrative sources, primarily the federal unemployment system, rather than a survey sample like the American Community Survey, and thus does not face the same issues with data quality.

The LEHD data shows the robust economic growth that took place over the past 20 years. From 2002 to 2018, total employment in the half-mile radius study area grew from 58,883 to 99,131 jobs. The total number of workers living in the study area increased from 60,804 to 91,375. Local jobs within a half mile of the Gowanus project area are heavily in the service, industrial (especially transportation), and health care sectors. Finance/professional, tech, and arts jobs grew rapidly between 2002-2018 but are still a minority of the local jobs. The local workforce is more diverse than the local residents who are more heavily employed in finance/professional, tech, and arts jobs.

### *A Note On COVID-19 Impacts and Inequities*

All of the data above predates the devastating economic impact of the COVID-19 pandemic. COVID-19 has brought into sharp focus the inequities of the New York City economy. While many of the higher-wage professional industries such as finance, insurance, corporate services, tech, and media are able to operate remotely and have faced minimal job losses, the particular sectors that depend on face-to-face interaction and social gathering such as hotels, bars and restaurants, retail, arts/recreation, and types of social assistance like childcare and home health are extremely vulnerable to the demands of social distancing<sup>63</sup>. The industrial sector has also been disproportionately affected compared to the professional sectors.

Workers in these industries are doubly vulnerable due to the low-wage and part-time status of many of these positions, with most jobs in these industries paying less than \$50,000 a year. As the data for the Gowanus area also shows, the workforce in these lower-wage service industries is disproportionately drawn from communities of color. The devastating impacts of COVID-19 on communities of color will undoubtedly be further revealed in future Census and economic data that shows disparities growing even wider than they were before 2020. The pandemic has made acknowledging and addressing these inequalities more imperative than ever.



## 6. Analysis of Racial Equity in Proposed Gowanus Housing



In this section we consider the effects of the proposed Gowanus Neighborhood Plan’s housing development on racial equity from two perspectives. The first considers the distributional equity of the new development, that is, the racial and economic composition of those who would benefit from the new development. Second, we consider how the proposed development relates to existing residential patterns and the extent to which residential segregation might be affected. Outlined below is our methodology for assessing each of these impacts.

### Distributional Impacts

To assess the distributional impacts of the new development we construct a pool of potential in-movers. For market rate units, we use the demographic composition of recently constructed market-rate units in the surrounding Community Boards 2 and 6 to estimate what the pool of in-movers will likely resemble. This approach assumes the economic, and social forces that shaped the residential patterns found in market-rate units in nearby neighborhoods will continue to operate in a similar manner. These forces include the rent levels that will be charged in the new development and the demographic and economic forces that will shape demand for these units.

Market forces will push rents in the market rate units in the new development to align with rents for similar units in nearby neighborhoods. Would-be renters will have little incentive to pay higher rents in the new development when

Table 3

Gowanus Neighborhood Plan Proposed Housing	Units
Market-Rate	5,545
MIH Option 1 Affordable (40 to 80 AMI)	2,000
Gowanus Green Development <small>To be developed in phases with multiple HPD term sheets including “Mix and Match,” “ELLA”, “SHLP”, “SARA” and “Open Door” which are a mix of regular lottery affordable rental units, units with households drawn from the homeless shelter population, supportive housing units, senior housing units, and affordable homeownership.</small>	950
GG Units at 50 AMI or below	50%
GG Homeless Set-Aside	At least 15%
Other GG Units at 50 AMI or Below <small>(mix of Section 8 vouchers and units at 30, 40 and 50 AMI)</small>	est. 35%
GG Units at 50 to 80 AMI	est. 10%
GG Units at 80 to 120 AMI	est. 40%

similar nearby units are available at a lower rent level. Likewise, landlords would have little reason to rent below the market rate as this would in effect be leaving money on the table. We therefore use the rent levels for market rate units in nearby neighborhoods as a measure of the rents that will be charged in the new development.

We define the market as all rental units in Community Boards 2 and 6 built after 2009 with rents of at least \$3,000. We reason that units built after 2009 will be similar to units in the proposed development in terms of amenities offered.

## 6. Analysis of Racial Equity in Proposed Gowanus Housing

The \$3,000 rent level is a reasonable threshold based on data from the New York City Housing and Vacancy Survey (NYCHVS), and local knowledge of the surrounding neighborhoods.<sup>73</sup>

To identify the racial composition of the occupants of market rate units, we rely on the Public Use Microdata Samples (PUMS) from the American Community Survey (ACS).

Table 4 illustrates the racial composition of households residing in market rate units in Community Boards 2 and 6 in Brooklyn. The table shows whites are the predominant group in recently constructed market rate units, making up in excess of 65% of those in newly constructed units in Community Boards 2 and 6. Asians are the second largest racial/ethnic group, while Blacks and Latinos together comprise somewhere between 10 and 25%.<sup>74</sup> These are figures we will use to represent the racial/ethnic composition of the market rate units in the new development.

Estimating the racial composition of households in affordable units is not as straightforward. While the PUMS data contains a plethora of social and economic data, it lacks such data for the regulatory status for housing units. Consequently, the PUMS data cannot be used to identify households who are in subsidized units that would be comparable to the affordable units in the new development.

The NYCHVS does allow for the identification of rent regulated and subsidized units, down to the subborough area, whose boundaries are roughly coterminous with community districts. The small sample size of the NYCHVS (roughly 15,000 units vs. 350,000 in the PUMS), however, precludes producing estimates with any reliability. Moreover, the set-asides in the HPD housing lottery for community preference (50%), individuals with disabilities, and municipal employees further complicates the analysis.

To estimate the racial composition of the affordable units we use two approaches. The first relies on income bands that correspond to households who would be eligible for affordable housing at different affordability levels. The eligibility requirements are premised on the notion that a household should pay no more than 30% of their income for rent and follow the most recent available Area Median Income (AMI) eligibility levels set by NYC HPD. We assume the racial demographics of the eventual occupants will mirror those for corresponding income bands applied, respectively, to the entire city for 50% of the units and to CB 6 (or 2 and 7) for the community preference portion of units. Since we cannot precisely predict the future distribution of apartment unit sizes (studio, 1 BR, 2 BR etc.) in the new development, or the precise distribution of AMI levels within broader tiers, we look at pools of all households within the approximate bounds of the relevant household incomes (\$30,000 to \$100,000 approximating MIH Option 1 units that will range from 40% to 80% AMI, for example).

The general formula we use to estimate the number of households in each racial/ethnic group of the various types of units in the development is illustrated below:

$$\text{number households per racial/ethnic group} = \text{proportion of group in eligible pool} * \text{total number of units}$$

Our second set of estimates for the affordable housing composition takes advantage of data used by the plaintiffs and defendants in *Winfield v. the City of New York*, a fair housing lawsuit centered on community preferences. As part of the evidence presented in the case, the racial composition of prior HPD affordable housing lottery winners was disaggregated by CB Type. The CB typology was based on the majority or plurality racial/ethnic group in the respective CBs. For our purposes, we use the figures for majority white CBs. According to data presented in

Table 4

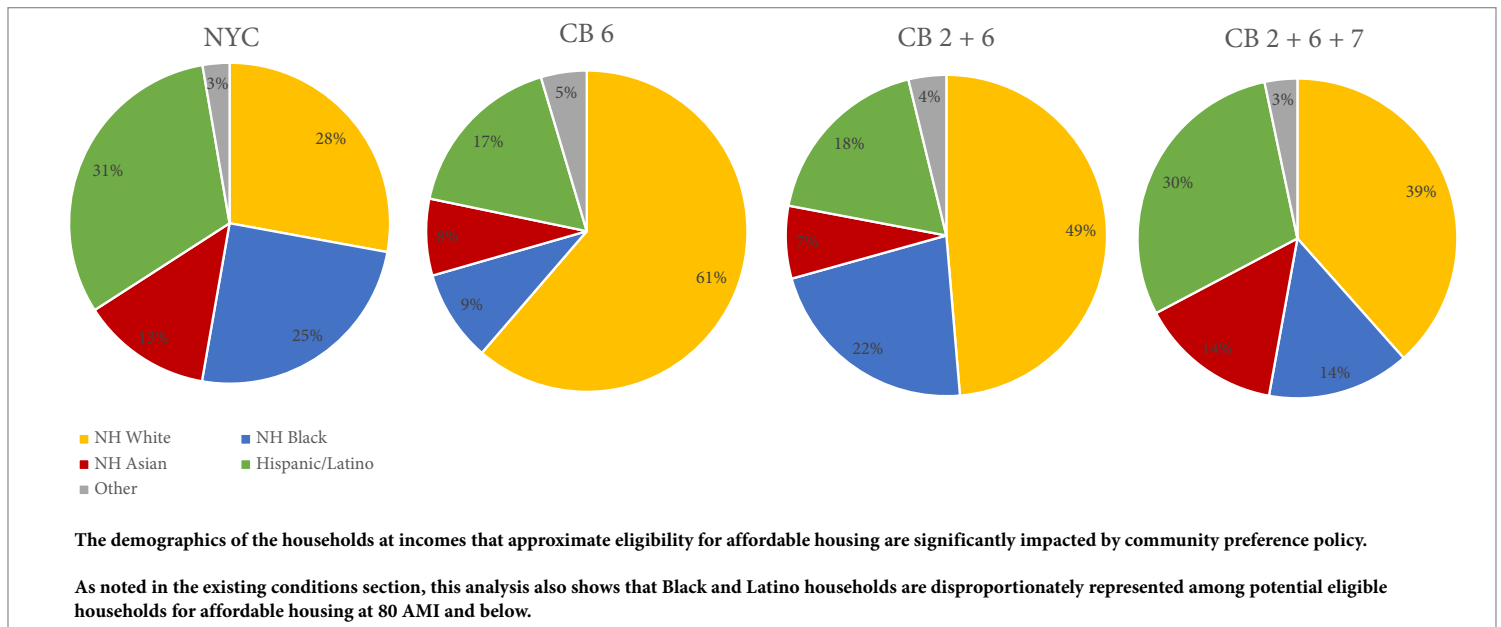
### Est. Racial/Ethnic Composition of Households Residing in Rental Units \$3,000/month or Greater and Built Since 2009

Brooklyn CB's 2 & 6 (ACS IPUMS 15-19)  
(n = 6,256)

Race/Ethnicity	Proportion	95% Confidence Interval
NH White	66.7%	59.5% to 73.1%
NH Black	5.8%	2.8% to 11.7%
NH Asian	14.3%	10.4% to 19.5%
Hispanic/Latino	9.4%	5.2% to 16.3%
Other Race	3.9%	1.9% to 7.5%

## 6. Analysis of Racial Equity in Proposed Gowanus Housing

### Community Preference Implications for MIH Pool (40-80 AMI - \$30,000 to \$100,000) ACS IPUMS 2015-2019



Winfield v. City of New York, the awardees of HPD lotteries in majority white CBs were 22.5% white, 19.4% Black, 33.9% Hispanic/Latino, 9% Asian and 7.2% other race. The formula we use to estimate how this translates into our projections for the racial composition for Gowanus Neighborhood Plan affordable housing is below:

*number households per racial/ethnic group = proportion of group among HPD awardees\*total number of units*

The last component of our projections takes into account the racial composition of households who will reside in the affordable units set aside for families exiting the homeless shelter system. For the homeless set-aside we use publicly available demographic figures for the homeless shelter population published by the NYC Department of Homeless Services.

Unfortunately data is not available to further inform the demographics of the small set-asides of units for New Yorkers with disabilities (7% of affordable units) and municipal employees (5% of affordable units) so for these aspects of the pool we assume the racial composition of the occupants will mirror that for the entire New York City population.

Table 5

### Racial Composition of Heads of Household in NYC Shelter System

(NYC Department of Homeless Services Data Dashboard – Fiscal Year 2021)

Race/Ethnicity	Number	Percent
NH White	2,561	7.3%
NH Black	19,869	56.4%
NH Asian	220	0.6%
Hispanic/Latino	11,182	31.7%
Other/Unknown	1,388	3.9%



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## 6. Analysis of Racial Equity in Proposed Gowanus Housing

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### Projected Demographic Composition

In this section we present the projected demographic composition of the new development under various community preferences and describe the implications for racial equity. The spreadsheets used to produce the estimates are presented in the appendix.

Table 6 illustrates the racial composition of the new development with preferences limited to CB 6. Amongst market rate units, whites are projected to be slightly more than two thirds of the occupants. This roughly mirrors their representation in CB 6 as a whole, which is illustrated in the last row. The projected Asian representation is also roughly the same as their proportion in CB 6 as a whole. For Blacks and Latinos, both are projected to make up a smaller share of the market rate units than their representation in CB 6. In the affordable units this pattern is reversed with Asians and whites projected to have lower representation in the affordable units than their respective proportions in CB 6. For Blacks and Latinos, we project larger proportions of these groups than their numbers in CB 6<sup>75</sup>.

Table 7 shows the composition of the proposed development with community preferences extended to residents of CBs 2 and 6. As CB 2 has a larger nonwhite population than CB 6, changing the community preference to include CB 2 has the effect of decreasing the share of whites and increasing the share of Blacks in the affordable units.

We also consider how extending the community preference to CB 7 affects our projections. Table 8 includes projections based on community preferences for CBs 2, 6 and 7.

Table 8 lists our projections for the new development with community preferences open to residents of CBs 2, 6 or 7. Relative to the preferences being limited to CBs 2 and 6, adding CB 7 to the preference pool does little to change the projected share of white households in the new development, while the projected proportion of households who are Black decreases from 13% to 11%. Our projections do show a modest increase, however, in the proportion of households who are Asian or Latino.

The final scenario we consider is one where the community preferences produce a result similar to that found in other HPD- sponsored affordable housing lotteries in majority white Community districts. The results of our projections using this assumption are listed in Table 9.

The dataset on HPD lottery winners indicates that Black and Hispanic/Latino households are disproportionately likely to apply to the affordable housing lottery compared to white and Asian households. Past lottery winners in majority white CBs are more diverse than eligible applicant pools in CB 6 alone or when combined with CBs 2 and 7. Consequently, our projections show the proposed development will be more diverse if we assume the lottery winners will resemble those from past lotteries. Under this scenario, the proportion white is 52%, substantially lower than in the other scenarios. The projected proportions who are Asian and Black, respectively, are not that different from prior scenarios. But the Latino proportion would change significantly, increasing to 21%.

Overall, when compared to other scenarios our projection based on the assumption that the lottery would produce a demographic profile similar to that found in prior HPD lotteries results in a new development with substantially fewer white households and substantially more Latino households.

*Considering all of these estimates, it is reasonable to assume that even in the most conservative scenario with community preference restricted to Board 6, the demographics of the added population by the Gowanus Neighborhood Plan will at least represent a marginal increase in diversity compared to the existing demographics of Board 6*

Considering all of these estimates, it is reasonable to assume that even in the most conservative scenario with community preference restricted to Board 6, the demographics of the added population by the Gowanus Neighborhood Plan will at least represent a marginal increase in diversity compared to the existing demographics of Board 6. If the community preference is opened to neighboring boards, the diversity of the added population would likely increase by a small amount, reflective of the greater diversity of those boards.

As illustrated in Tables 17 and 18 in the appendix and in the discussion of the relationship between disparities in household income and eligibility for affordable housing in the above existing conditions section, other potential policy levers that would increase the likely diversity of the population include adding additional affordable housing units, and/or lowering affordability levels including additional set-asides for formerly homeless families or adding a NYCHA preference to the lottery.

## 6. Analysis of Racial Equity in Proposed Gowanus Housing

Table 6: Potential Racial/Ethnic Composition of New Development With CD 6 Preference

	Total	NH White		NH Black		Hispanic/Latino		NH Asian		Other	
Market Rate	5,545	3,715	67%	333	6%	499	9%	776	14%	222	4%
Affordable	2,950	1,242	42%	576	20%	724	25%	294	10%	114	4%
Total	8,495	4,957	58%	909	11%	1,223	14%	1,071	13%	336	4%

Table 7: Racial/Ethnic Composition of New Development With CD 6+2 Preference

	Total	NH White		NH Black		Hispanic/Latino		NH Asian		Other	
Market Rate	5,545	3,715	67%	333	6%	499	9%	776	14%	222	4%
Affordable	2,950	1,080	37%	747	25%	730	25%	289	10%	103	4%
Total	8,495	4,795	56%	1,080	13%	1,229	15%	1,065	13%	325	4%

Table 8: Racial/Ethnic Composition of New Development With CD 6+2+7 Preference

	Total	NH White		NH Black		Hispanic/Latino		NH Asian		Other	
Market Rate	5,545	3,715	67%	333	6%	499	9%	776	14%	222	4%
Affordable	2,950	951	32%	637	22%	880	30%	391	13%	91	3%
Total	8,495	4,666	55%	970	11%	1,379	16%	1,168	14%	313	4%

Table 9: Racial/Ethnic Composition of New Development Based on HPD Lottery Data

	Total	NH White		NH Black		Hispanic/Latino		NH Asian		Other	
Market Rate	5,545	3,715	67%	333	6%	499	9%	776	14%	222	4%
Affordable	2,950	722	25%	621	21%	1,086	37%	289	10%	232	8%
Total	8,495	4,437	52%	954	11%	1,585	19%	1,065	13%	454	5%

See Table 4 above and Tables 17 and 18 in the Appendix for underlying data. We note that these four scenarios do not represent the full range of policy options, such as eliminating community preference entirely or expanding it further beyond community district 2, 6, and 7.

## 6. Analysis of Racial Equity in Proposed Gowanus Housing



### Proposed Development and Residential Segregation Patterns

Our second focus is on the effects of the new development on racial equity is the relationship on the potential new population to existing residential segregation patterns. As was noted earlier in this report, residential segregation has long been a linchpin of racial inequality in New York City. Especially starting in the later 20th century, residential segregation has been one of the chief mechanisms through which people of color have been forced to endure inferior schools, increased exposure to crime, exposure to hazardous and toxic environments, and less access to opportunity.<sup>76</sup>

We consider how the Gowanus Neighborhood Plan is related to segregation patterns at both the city-level and at the community board level. We of course do not expect a single local proposal to have a substantial impact on levels of residential segregation in a large city like New York. Nevertheless, we can assess whether the development at least moves the needle in the right direction, however small that increment may be. At the local community board level, the Gowanus Neighborhood Plan is significant enough to move the needle in terms of levels of segregation.

To measure residential segregation, we use the well-known dissimilarity index. Although a number of indices have been proposed to measure different facets of residential segregation, the dissimilarity index remains the most commonly utilized index, and also has the advantage of having an intuitive interpretation. The dissimilarity index measures how evenly spread two groups are across a city. It ranges from 0 indicating perfect integration, to 1, complete segregation.<sup>77</sup> Dissimilarity scores below .3 are considered low, from .3-.6 moderate, and above .6 high.<sup>78</sup> The dissimilarity index is sometimes interpreted as the proportion of the group that would have to move to achieve an even distribution of the respective groups across a city.

The formula for the dissimilarity index is given below, using Blacks and whites as an example and community districts as proxies for neighborhoods:

$$D = 0.5 * \left| \sum_{i=1}^n b_i|B - w_i|W \right|$$

- i indexes each community district
- n number of community districts in the city
- b<sub>i</sub> Black population in community district i
- B Black population in entire city
- w<sub>i</sub> white population in community district i
- W white population in entire city

New York City remains one of the most segregated cities in the country as the table below indicates. The table below lists the dissimilarity index, using census tracts as proxies for neighborhoods, for whites vs. nonwhite groups in the second column. The third column lists where New York City ranks among all cities with at least 10,000 inhabitants.

*Table 9: New York City Dissimilarity Index*  
 Source: Author's tabulation of residential segregation data from Brown University's Spatial Structures in the Social Sciences website (Sciences 2012).

Groups	Dissimilarity Index	National Ranking
Black/White	0.81	2 <sup>nd</sup>
Latino/White	0.66	2 <sup>nd</sup>
Asian/White	0.50	7 <sup>th</sup>
Black/Latino	0.55	20 <sup>th</sup>
Black/Asian	0.78	2 <sup>nd</sup>
Latino/Asian	0.57	17 <sup>th</sup>

The Where We Live NYC: Fair Housing Together plan produced by the city of New York lists the dissimilarity indices for Blacks and whites, and Latinos and whites, respectively, as key racial disparities for the city to overcome.<sup>79</sup> Accordingly, we take into consideration how the new development will affect segregation as measured by the dissimilarity index.



## 6. Analysis of Racial Equity in Proposed Gowanus Housing

Table 10: New York City – Dissimilarity Index Based on PUMAs  
Projected Populations from Gowanus Neighborhood Plan

Groups	Current	CB 6 Preference	CB 2 & 6 Preference	CB 2, 6, 7 Preference	Prior HPD Lotteries
Black/White	0.386	0.386	0.385	0.385	0.385
Latino/White	0.670	0.669	0.669	0.669	0.669
Asian/White	0.511	0.511	0.510	0.510	0.510

We estimate the effects of the Gowanus Neighborhood Plan on city-level residential segregation patterns by first using the formula above to calculate the current dissimilarity index. These figures are listed in the second column of Table 10. These dissimilarity scores will be somewhat lower than the figures presented for New York City and other cities because the former are based on community districts (PUMAs) while the latter are based on census tracts. PUMAs are much larger than census tracts and will thus produce somewhat lower scores.

We next use the projected estimates of the number of households for each racial/ethnic group. These estimates are derived from the projections that were illustrated in the previous section. We then add these figures to the current population totals in CB 6 and recalculate the city-wide dissimilarity index. We do this for each of the following community preferences: CB 6, CB 2 and 6, CBs 2, 6 and 7, and under the assumption the community preferences will produce results similar to previous HPD affordable housing lotteries.

Table 10 illustrates how the city-level dissimilarity index changes under the different scenarios. Recall the dissimilarity index ranges from 0 to 1 with 1 meaning more segregation. The second column from the left lists the current dissimilarity indices for the various nonwhite-white pairings, respectively. The third column from the left shows that with community preferences limited to CB 6, only the Black-white dissimilarity changes, in the slight direction of more integration.

For Asians and Latinos segregation remains unchanged. The fourth column from the left, which simulates the change in the dissimilarity index when community preferences are extended to residents of both CBs 2 and 6 show the direction of the change in residential patterns is towards more integration for both Asians and Blacks, but remaining the same for Latinos. The fifth column in the table simulates what the dissimilarity index would look like if community preferences are extended to residents of CBs 2, 6, and 7. Under this scenario, the dissimilarity indices between whites and all of the non-white groups, respectively, declines meaning moving to towards more integration. Finally, in the last column we simulate what the dissimilarity indices would be if we assume the community preferences produce results similar to previous HPD affordable housing lotteries. We see that again, the direction of the change in the dissimilarity indices for Asians and whites, Blacks and whites, and Latinos and whites, respectively, is towards more integration.

In sum, in the context of the entire city, the Gowanus Neighborhood Plan development likely represents a slight incremental step towards a more integrated New York City. This is to be expected given that CB 6 is majority white and the substantial number of affordable units will help diversify the CB.

## 6. Analysis of Racial Equity in Proposed Gowanus Housing

We turn now to considering the potential effects of the Gowanus Neighborhood Plan on residential segregation within CB 6. We use an approach similar to that described in the preceding section except that we use census tracts as proxies for neighborhoods and our dissimilarity scores apply only to segregation within CB 6. To illustrate we list the dissimilarity formula below using Asians and whites.

$$D = 0.5 * \left| \sum_{i=1}^n a_i |A - w_i| W \right|$$

- i indexes each census tract
- n number of census tracts in CB 6
- a<sub>i</sub> Asian population in census tract i
- A Asian population in entire CB 6
- w<sub>i</sub> white population in census tract i
- W white population in entire CB 6

We estimate the potential effects of the Gowanus Neighborhood Plan on segregation patterns in CB 6 by first using the formula above to calculate the current CB 6 dissimilarity index. These figures are listed in the second column of Table 11. With a current score of 0.588, Blacks in CB 6 currently have the highest level of segregation from whites. Latinos have the next highest level of segregation from whites with a score of 0.372. This would be considered moderate. Asians have the lowest level of segregation from whites in CB 6 with a score of 0.204, this falls in the low range.

We next use the census tract level projected estimates of the number of households for each racial/ethnic group<sup>80</sup>. Projected development sites from the Draft Environmental Impact Statement are assigned to census tracts. The tract level projections are presented in Table 16 in the appendix. These estimates are derived using a similar method as the

projections that were illustrated in the previous section—but applied to census tracts instead of PUMAs. We then add these figures to the current population totals in the census tracts within CB 6 and recalculate the CB 6 dissimilarity index. We do this for each of the following community preferences: CB 6, CB 2 and 6, CBs 2, 6 and 7, and under the assumption the community preferences will produce results in terms of the racial/ethnic composition of the lottery winners similar to previous HPD affordable housing lotteries.

Table 11 illustrates how the dissimilarity index for CB 6 changes under the different scenarios. Recall the dissimilarity index ranges from 0 to 1 with 1 meaning more segregation.

A clear pattern emerges in Table 11 when we consider how segregation within CB 6 may be affected. For all nonwhite groups, but especially Blacks and Latinos, residential segregation from whites will decrease. The dissimilarity index between Blacks and whites declines by a minimum of 0.08 points with a CB 6 only community preference, to a maximum of nearly 0.10 points with a CB 2 and 6 community preference. For Latino-white segregation, the dissimilarity index declines from a maximum of 0.05 points when the community preference is for CBs 2 and 6, to a minimum of 0.04 points if we assume the lottery winners will resemble prior HPD lottery winners. Asian-white segregation in CB 6, which is relatively low to begin with, does not change much under the different scenarios. The greatest change for Asian-white segregation in CB 6 is under a scenario of community preferences for CB 6 only where the dissimilarity score declines by 0.012 points.

The potential impacts of the plan are naturally most significant in the census tracts where development is projected to be concentrated. Census Tract 77 – the

Table 11: Community Board 6 – Dissimilarity Index Based on Census Tracts Projected Populations from Gowanus Neighborhood Plan

Groups	Current	CB 6 Preference	CB 2 & 6 Preference	CB 2, 6, 7 Preference	Prior HPD Lotteries
Black/White	0.588	0.507	0.496	0.502	0.504
Latino/White	0.372	0.323	0.322	0.326	0.333
Asian/White	0.204	0.192	0.193	0.200	0.198

## 6. Analysis of Racial Equity in Proposed Gowanus Housing

location of the proposed Gowanus Green project – has the likely largest impact with non-Hispanic Black share of the population potentially rising from less than 5% to over 10% alongside a smaller rise in the Latino population.

*Because Black and Latino households disproportionately qualify and apply for affordable housing, especially deeply affordable housing, these households stand to reap a disproportionate share of the affordable units in the Gowanus Neighborhood Plan*

Because Black and Latino households disproportionately qualify and apply for affordable housing, especially deeply affordable housing, these households stand to reap a disproportionate share of the affordable units in the Gowanus Neighborhood Plan. Blacks and Latinos are also currently more segregated from whites than Asians are. Consequently, the Black-white and Latino-white dissimilarity index is expected to decline the most.

As noted above, by itself the Gowanus Neighborhood Plan will not have a noticeable impact on city-wide residential segregation patterns. But incremental steps such as those described here are necessary to move towards a more integrated city. Within CB 6, however, the plan does have the potential to substantially reduce Black-white and Latino-white residential segregation. The Gowanus Neighborhood Plan could thus represent an important step towards a more diversified residential landscape. The policy levers that could potentially further increase the Black and Latino share of the population are identified in the concluding section of this report.

### Summary

This section considered racial equity from a distributional perspective and from the perspective of racial equity. The distributional perspective considers who would benefit from the units developed in the Gowanus Neighborhood Plan. Given the overlap between economic and racial disparities, it should come as no surprise that our projections show whites will be the disproportionate beneficiaries of the market rate units. The affordable units, however, go a long way towards redressing this imbalance as the lower incomes of Blacks and Latinos, respectively, make these two groups disproportionate beneficiaries of the affordable units. Asians fall somewhere in between whites on one hand and Blacks and Latinos on the other.

The Gowanus Neighborhood Plan unequivocally moves the needle in terms of reducing both Black-white and Latino-white residential segregation within Community Board 6. The effect on Asian-white segregation, which is relatively low to begin with, is much more modest. Overall, the Gowanus Neighborhood Plan moves residential patterns slightly towards more integration when we consider city-wide segregation.

Taken together, the analyses presented in this chapter illustrate the importance of affordable housing, especially more deeply affordable housing, for achieving racial equity. The inclusion of affordable units in new developments can go a long way towards improving racial equity both in terms of distributional impacts as well as patterns of residential segregation.

*Taken together, the analyses presented in this chapter illustrate the importance of affordable housing, especially more deeply affordable housing, for achieving racial equity. The inclusion of affordable units in new developments can go a long way towards improving racial equity both in terms of distributional impacts as well as patterns of residential segregation.*

Gowanus Green Design Concept





## 7. Analysis of Racial Equity in Proposed Gowanus Economic Development



Projecting exactly what type of economic development will occur from a proposed action such as the Gowanus Neighborhood Plan is a challenging task. With the vast majority of development to be undertaken by the private sector under proposed zoning that flexibly allows a wide range of potential commercial, light industrial, and community facility uses, combined with the challenges in predicting economic cycles and trends, it is difficult to forecast exactly what kinds of businesses will be present in the area ten or twenty years from now.

Nevertheless, the Draft Environmental Impact Statement (DEIS) projects a “reasonable scenario” based on our best knowledge of economic conditions as they exist today.

The DEIS predicts the largest increases in Local Retail (353,108 sqf) which would lead to an increase in 1,060 employees and Office uses (561,756 sqf), which would lead to an increase in 2,247 employees. The DEIS also predicts that “Other community facility” uses will increase 352,530 sqf, which will lead to a more modest increase of 353 employees.

The projected industries with losses include destination retail, which is predicted to lose 83,470 sqf and approximately 95 employees; auto-related uses are predicted to lose around 107,361 sqf and approximately 107 employees; and medical office uses, which are predicted to lose around 101,117 sqf and around 224 employees. The largest losses, however, are predicted to be in the industrial sector, and the RWCDs predicts that there will be a loss of around 316,919 sqf and around 317 employees.

*Table 12: Gowanus Neighborhood Plan – Reasonable Worst Case Development Scenario Economic Impacts*

Land Use	No-Action	With-Action	Increment SQF	Increment Workers
Local Retail	241,232	594,340	+353,109	+1,075
Destination Retail	103,595	20,125	-83,470	-95
Office	374,983	936,739	+561,756	+2,247
Auto-Related	107,361	0	-107,361	-107
Medical Office	190,093	88,796	-101,117	-225
Other Comm. Fac.	26,794	379,504	+352,530	+352
Industrial	415,490	98,571	-316,919	-317

The methodology is based on “standard industry rates as follows: 1 employee per 250 sqf of office, 1 employee per 875 sqf of destination retail, 1 employee per 333 sqf of local retail, 1 employee per 1000 sqf of industrial, 1 employee per 15,000 sqf of warehouse, 1 employee per 450 sqf of medical office, 1 employee per 1,000 sqf of other community facility.”<sup>81</sup>

While current CEQR guidelines do not call for projections of either temporary construction jobs or future building service and maintenance jobs at residential buildings, these also represent significant economic opportunities created by the prospective rezoning.

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## 7. Analysis of Racial Equity in Proposed Gowanus Economic Development

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Looking narrowly at the DEIS analysis, it is clear that in regards to the businesses displaced by development and the new jobs created by the types of businesses projected to occupy new development, there is likely to be loss in excess of 400 industrial sector and auto repair jobs and 200 medical office jobs, compared to a gain of approximately 1,000 retail jobs, over 2,200 new office jobs, and over 350 “other community facility” jobs (potential arts and non-profit sector).

As reviewed in the existing conditions section, racial/ethnic disparities in the New York City workforce are severe and closely related to educational attainment. While 60% of New York City residents over the age of 24 have bachelors degrees, only 24% of Black residents and only 19% of Latino residents do. Within Brooklyn Community Boards 2 and 6, these figures are higher for all groups but the stark disparity remains – while 85% of non-Hispanic white residents have a bachelor’s degree, only 35% of Black and 37% of Latino residents do.

The sectors that are likely to occupy high-end new construction office space – finance, technology, and media – are high-wage but very disproportionately white. While 28% of white New Yorkers are employed in management, business, financial, legal, architectural, and engineering jobs and 18% are employed in tech, science, arts, entertainment, and media jobs, Black and Latino New Yorkers are employed in these sectors at only 11% at 5% respectively. Moreover, research at the national level has highlighted that even when controlling for educational attainment, when Black and Latino individuals do work in these sectors there is a disparity in wages, unemployment, and other economic indicators that suggests outright discrimination and bias continues to play a role in these disparities.<sup>82</sup>

### *Brooklyn woodworking business*



The economic sectors likely to be most directly negatively affected by the new development in Gowanus – the industrial and auto-repair sectors – provide employment to a New York City workforce that is over 80% people of color and offers higher average wages than retail and hospitality and common types of lower-level healthcare sector work (like home health aides) in Brooklyn. Citywide, 35% of Latino workers and 28% of Black workers have jobs in industrial, maintenance, repair, and protective service jobs compared to 11% of white New Yorkers. The projected loss of industrial space and jobs therefore presents a challenge to racial equity by reducing a reliable source of middle wage jobs for communities of color.

Retail is overall one of the few sectors where there is not a strong racial disparity in the composition of the workforce. However, studies both nationally and within New York City show striking disparities in median incomes of Black and Latino and white retail workers.<sup>83</sup> While retail wages in Brooklyn are already low compared to other sectors (\$34,400 annual average wage), workers of color are more likely to be in part-time, less stable positions with even lower total wages.

A projected gain in “local retail” also implies opportunity for new independent small business formation, for which entrepreneurs of color are at a systemic disadvantage in accessing capital.<sup>84</sup>

The Gowanus Neighborhood Plan did not create the inequality that pervades our economy and it is important to note that this analysis of the projected economic development in the action is a narrow lens that does not account for other aspects like the multiplier effect of the new development’s residents, workers, and businesses on adjacent neighborhoods, or the potential economic benefits provided by affordable housing in a high-opportunity neighborhood. But without targeted investments and programs to help to address these disparities, the Plan may inadvertently contribute to perpetuating them.



## 8. Conclusions and Recommendations to Address Racial Equity



*NYCHA residents speak in front of Wyckoff Gardens after a tour of parts of the Gowanus rezoning area.*

**A**s a final step, many advocates for increasing the use of racial equity assessments in government call for identifying potential policy options that could further advance racial equity and reduce any disparities revealed by the prior analyses<sup>85</sup>. Here we group these recommendations into the two main categories followed by the prior sections — housing and economic development — and also identify measures that can improve the availability of data for racial equity reports moving forward.

### 8.1 Housing

#### *Preservation of existing affordable housing, especially NYCHA*

From the analysis of the demographics and housing conditions in the area, it is clear that preserving the existing stock of affordable housing in the area is extremely important for maintaining racial, ethnic, and economic diversity. The vast majority of Black and Latino families in the Community Boards 2 and 6 area live in regulated housing. While over 70% of Black and Latino rental residents live in apartments renting for \$1,500 a month or less, only 13% of non-Hispanic white renters do. As noted earlier, the nearly 13,000 NYCHA units in the Community Boards 2 and 6 are home to a demographic that is approximately 90% Black or Latino. Recent citywide research by the NYU Furman Center highlights the critical role that NYCHA has come to play in providing affordable housing to a diverse

population in areas of high opportunity like Brooklyn CB 2 and 6, stressing the crucial need to invest in this irreplaceable housing stock.<sup>86</sup>

NYCHA's Physical Needs Assessment (PNA) summarizes the capital needs for each development both short- and long-term, and currently there are several areas of unmet capital needs for the Gowanus Developments, including Gowanus, Wyckoff Gardens, and Warren Street. According to NYCHA's 2017 PNA, the key priorities for capital investments include exterior work, such as roofing, windows, stairs; building systems including boiler replacement, piping, and elevators; interiors such as kitchens, bathrooms, and stairs, and investment in the grounds, including open space, parking, and lighting. Since NYCHA's 2017 PNA was released, Warren Houses is now going through the Permanent Affordability Commitment Together/Rental Assistance Demonstration (PACT/RAD) process to address its capital needs. The remaining unmet capital needs for Wyckoff Gardens, and Gowanus Houses total nearly \$300 million.<sup>87</sup> City resources should prioritize rehabilitation and preservation of these units. Upfront investment in public housing in Gowanus is also the Gowanus Neighborhood Coalition for Justice's (GNJC) number one demand of the City as part of the rezoning.<sup>88</sup>



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## 8. Conclusions and Recommendations to Address Racial Equity

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### *Gowanus Neighborhood Plan Affordable Housing*

Our analysis of the potential demographics of the housing added by the Gowanus Neighborhood Plan shows that the diversity of the total population added by the proposal will likely be greater than the current Brooklyn Community Board 6 population and decrease current local levels of segregation. The proposed Gowanus Neighborhood Plan would create a new part of the neighborhood with racial and economic diversity at the level of each block and building, required by MIH, creating a diverse integrated fabric in between the heavily white and wealthy Park Slope and Carroll Gardens neighborhoods.

Policy levers that can further increase the potential diversity of households eligible for housing include:

- Adding units of affordable housing
- Lowering/deepening affordability levels (lower AMI)
- Broadening community preference pool to include adjacent, more diverse community districts
- Adding additional set-asides for families facing homelessness (adding homeless set-aside to MIH)
- Adding an affordable housing lottery preference for NYCHA residents
- Increasing homeownership opportunities within any potential moderate income tiers of affordable housing

Our analysis also illuminates the stark divide in diversity and accessibility between market-rate unregulated units (likely to be in excess of 65% white) and affordable housing units (likely to be much closer to the diversity of NYC and in excess of 50% Black and Latino). The proposal should also be evaluated through this lens.

In this regard, the addition of 2,950 new affordable housing units to a “high opportunity,” “high amenity” area with extremely high market-rate rents that have been trending upward is a rare opportunity to meaningfully increase access to housing and advance fair housing. Most affordable housing production in recent decades has taken place in neighborhoods with low real estate costs and less access to opportunity. Brooklyn rezonings of similar scale during the Bloomberg administration resulted in a much lower percentage of affordable housing (less than 15% of the total increment in Downtown Brooklyn and even less in Greenpoint-Williamsburg<sup>89</sup>) due to much weaker voluntary inclusionary housing tools.

And because market-rate rents are already very high in the area and the vast majority of lower-income households and households of color reside in regulated housing, in this particular context it is unlikely that adding new market rate housing will increase displacement pressure on existing housing stock.

With its inclusion of 2,950 affordable housing units representing 35% of the total, within a high-opportunity area that has been trending toward increasing exclusion, the Gowanus Neighborhood Plan is already more responsive to racial disparities in housing access than perhaps any administration rezoning proposal of recent decades.

From a racial equity perspective, this report clearly identifies the policy levers that can improve this housing proposal further, most importantly and effectively a significant investment in the long-term preservation of the largest component of the existing local affordable housing stock - NYCHA.

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### 8.2 Economic Development

On the economic development side, the Gowanus Neighborhood Plan currently includes much less detail about how the well-established racial disparities in educational attainment, earnings, overall workforce participation, and participation in different economic sectors will be addressed.

A disproportionate number of non-Hispanic whites are employed in the highest-wage sector of management, business, and financial occupations while Hispanic/Latino and Black New Yorkers are severely underrepresented. Black and Latino workers in particular make up a very small part of the lucrative creative and technology sectors, such as advertising, public relations, and related services, (12% Latino, 7% Black), architectural, engineering, and related services (14% Latino, 8% Black), computer systems design (11% Latino, 9% Black), and internet publishing and broadcasting and web search portals (8% Latino, 9% Black).<sup>90</sup>

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## 8. Conclusions and Recommendations to Address Racial Equity

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There are certain sectors that provide an important source of middle-wage employment for individuals without a college degree, such as the construction industry. Hispanic/Latino workers make up 42% of the construction sector and Black workers make up 16%, and there is little pay disparity between the white and non-white workforce in this sector.<sup>91</sup> However, Black workers remain relatively underrepresented in construction.

More broadly, approximately 35% of the Latino workforce and 28% of the Black workforce are employed in industrial (including construction), maintenance, or repair occupations, compared to only 11% of the white workforce in New York City. As noted above, the loss of industrial jobs in the neighborhood will be a challenge to racial equity.

Overall, we identify two primary strategies to address racial equity on the economic development side of the proposal: an economic development plan to support industrial businesses in the Southwest Brooklyn Industrial Business Zone (IBZ), and greater investments in workforce training, adult education, bridge programming, and job placement to help break down the structural and discriminatory barriers that hinder Black and Latino participation and success in growing, high-wage sectors.

*Overall, we identify two primary strategies to address racial equity on the economic development side of the proposal: an economic development plan to support industrial businesses in the Southwest Brooklyn Industrial Business Zone (IBZ), and greater investments in workforce training, adult education, bridge programming, and job placement to help break down the structural and discriminatory barriers that hinder Black and Latino participation and success in growing, high-wage sectors.*

The following are some more specific potential measures:

### **Support for Industrial Sector**

One policy response that would recognize the loss of existing and potential industrial real estate by this proposal and the disproportionate role of the sector for the Black and Latino workforce, would be a holistic economic development plan to support and grow the industrial and manufacturing sector in the Southwest Brooklyn IBZ adjacent to the Gowanus rezoning area.

Such a plan might include a package of long-delayed investments in infrastructure, workforce development, and strengthened financial incentives for industrial business retention and expansion. There is also an opportunity to further support the development of “green jobs” in the clean energy production and energy efficiency sectors, especially as the nearby Southwest Brooklyn Marine Terminal is set to become a staging and assembly site for major offshore wind projects.<sup>92</sup> The Gowanus Neighborhood Coalition for Justice (GNCJ) has called on the City to make workforce development and infrastructure investments and make land use changes that protect industry in the IBZ in Gowanus<sup>93</sup>.

New York City’s archaic 1961 manufacturing zones also remain a significant barrier to industrial firms seeking to relocate or expand within the five boroughs. These zoning districts often have very high parking/loading requirements, low available FAR (density), and allow a broad array of commercial use groups, creating competition with commercial uses and real estate speculation in the centrally located industrial zones that are most important to the city’s supply chains.<sup>94</sup> The Department of City Planning’s “North Brooklyn Industry and Innovation Plan” proposed a framework for finally updating the city’s manufacturing zones but it has not yet been implemented in zoning.<sup>95</sup>

There may also be opportunities to further support the development of light industrial space in new mixed-use buildings in the Gowanus rezoning area in both the M zones and the “Gowanus Mix” spaces of mixed-use buildings. The “Gowanus Mix” proposed as part of the Gowanus Neighborhood Plan incentivizes the creation of light industrial and arts space in mixed use buildings.

### **Workforce Development**

An integrated neighborhood-level workforce development and adult education strategy would help begin to address the disparities in access to economic opportunities identified in this report. Council Members Brad Lander and Steve Levin have been supporting such a strategy - Stronger Together - for several years. Stronger Together, an integrated service program involving several local nonprofits, has thus far served 1 in 3 working age public housing adults in Red Hook and Gowanus through targeted sector-based workforce training, job placement, adult education and literacy and bridge programming, and high school diploma and college access supports with wrap-around supports.<sup>96</sup> A successful neighborhood-level integrated strategy could include the following aspects.

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## 8. Conclusions and Recommendations to Address Racial Equity

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### *Job Placement*

The City could provide resources to support local workforce development providers to proactively engage employers and develop relationships with job seekers to create matches, especially in the construction, building maintenance and operations, industrial and other sectors which provide living wage employment opportunities with career paths. The existing New York City Workforce 1 Centers, especially the Sunset Park Workforce 1 Center that works closely with industrial businesses, could be expanded to focus more on Gowanus. For both training and job placement, the construction jobs potentially created by the Gowanus Neighborhood Plan offer a particular opportunity to develop a targeted initiative to increase Black workforce participation, including local NYCHA residents.

### *Training, Education & Bridge Programming*

To ensure long-term support for a skilled workforce, the City could also invest in vocational programs at high school or community colleges and more fully integrate vocational training into curricula as well as invest in adult education and literacy and bridge programming. Successful workforce development programs are increasingly incorporating bridge programs that prepare adults with limited academic or English skills to enter and succeed in career-path employment in high-demand, skilled occupations. Bridge programs are crucial to the ability for job seekers to break into a high demand industry by addressing those skills barriers before or as part of entry into training programs.

For young people who need work experience, an expansion of the City’s Summer Youth Employment Program (SYEP) could provide meaningful opportunities for young people to connect with local employers. The City could also invest in targeted training programs for those without a formal education or other barriers to employment or higher education to be able to transition into roles in well-paying sectors like tech and creative, with a particular focus on NYCHA programs such as the NYCHA Resident Training Academy.<sup>97</sup>

The City could support local programs that address the skills gap in digital literacy and technology training. Building digital literacy skills will be critical to long-term career development and well-paying jobs in every sector across the economy.<sup>98</sup> The ongoing growth in the technology industry is fueling the increased demand for hiring (including for roles like web development and software engineering) but also increased demand for technology focused roles in other industries such as healthcare, finance, and hospitality.<sup>99</sup>

Training programs could include traditional up-skilling and career development training, which provide resources for workers to stay competitive and adaptable for growth, as well as investment in bridge programs, a HSE, or literacy/math skills that are the first step in employment.

### *Infrastructure*

With COVID-19 accelerating the adoption of remote education, work, training, and other activity, the importance of a reliable and affordable internet connection to economic opportunity has never been greater. Low-income residents living in NYCHA housing and private housing across the city are disproportionately unlikely to have broadband subscriptions at home or devices to connect to the internet.

The City could target investments in broadband service and devices to NYCHA buildings by accelerating the administration’s NYCHA broadband commitments through the Universal Solicitation for Broadband RFEI.<sup>100</sup> The City could also invest in lendable technology, wifi hotspots, construction of training facilities, and provide relief for those with barriers to continuing education such as childcare and MetroCards.<sup>101</sup>

### *Hiring and Career Development in the Creative Sector*

The “Gowanus Mix” incentives included in the proposal may offer opportunity for light industrial space, but are also envisioned to be open to arts-related uses. Creative sectors in NYC have major disparities in participation by race/ethnicity – this could be explicitly addressed in agreements for stewardship of these spaces by requiring apprenticeships or other forms of paid, on-the-job training<sup>102</sup>. It will be critical for industry leaders to broaden their recruitment strategies and partner with training and career development providers, such as BWI’s Made in NY TV & Film Production Assistant Training Program, in order to commit to an inclusive workforce.

### *Entrepreneurship*

The projected development in the Gowanus Neighborhood Plan will result in many new commercial spaces with potential to host new small businesses or non-profit organizations. Many of these spaces are projected to be home to new “Local Retail” while the “Gowanus Mix” incentive spaces with potential for new arts and non-profit organizations. There are several ways the city could increase these opportunities for entrepreneurs, but the first step should be to reduce the regulatory barriers that entrepreneurs often face, from occupational licensing requirements to navigating



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## 8. Conclusions and Recommendations to Address Racial Equity

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the labyrinth of permitting for new brick and mortar commercial space. The Administration could proactively engage with entrepreneurs to connect them with SBS Small Business Advocates.<sup>103</sup>

In addition, access to capital is often the most difficult barrier to overcome for non-white entrepreneurs.<sup>104</sup> Minority-owned firms are disproportionately denied when they need and apply for additional credit.<sup>105</sup> Start-up Black-owned businesses start with almost three times less overall capital than white-owned businesses, but this gap does not lessen as the businesses age.<sup>106</sup> Start-up capital through Minority/Women-Owned Business Enterprise (M/WBE) grant programs managed by the City or the State of New York could address these disparities, and would be able to target entrepreneurs who are in most need of support. In addition, the City could provide targeted technical assistance to M/WBEs in order to successfully navigate both traditional capital access such as the US Small Business Administration (SBA) loans or commercial bank lending terms, but also the more innovative and flexible models such as crowdfunding, or cooperative employee-ownership.

### *Procurement*

Small businesses need to be able to access procurement opportunities, and the City could increase requirements for M/WBE procurement for capital projects and increase outreach and education for the certification of M/WBEs at the City level. New York City Small Business Services (SBS) and Economic Development Corporation (EDC) should work closely with local M/WBEs to prepare for contracting opportunities and connect them with officials in charge of supply chain management.

### 8.3 Publicly Available Data

Throughout the undertaking of this study, we identified specific shortcomings in the quality and/or availability of demographic, economic, and housing data disaggregated by race/ethnicity. The Equitable Development Data Tool newly required by Intro 1572-B to be available by April 1, 2022 will include citywide, boroughwide, and community-level data on six categories: demographics, economic security, neighborhood quality of life and access to opportunity, housing security and affordability, housing production, and a displacement risk index comprised of indicators of population vulnerability, housing conditions, and neighborhood change. This tool will include all the necessary data points to undertake racial equity studies

but will itself be limited by the availability of statistically reliable data from the Census Bureau and other sources.

One of the first executive orders of the administration of President Joe Biden prioritized the goal of improving the availability of data on racial inequality. On January 20, 2021, newly inaugurated President Biden issued an Executive Order “On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.” One aspect of this order mandated the creation of an “Equitable Data Working Group” noting that “Many Federal datasets are not disaggregated by race, ethnicity, gender, disability, income, veteran status, or other key demographic variables. This lack of data has cascading effects and impedes efforts to measure and advance equity.”<sup>107</sup>

In New York City, Executive Order 45 of 2019 – set forth the “One NYC Equity Review” calling for greater availability of data disaggregated by race/ethnicity.<sup>108</sup> The de Blasio administration’s Where We Live NYC report included extensive city-wide analysis of racial disparities but did not offer any new or improved data to enable such analyses on a more local level.

City agencies should work with partners in the Federal government, non-profit sector, and academic experts to address these shortcomings and improve publicly available data. The following are a few specific measures that could be taken:

### *Improve the Housing and Vacancy Survey*

The Housing and Vacancy Survey (HVS) is undertaken every three years by the United States Census Bureau in partnership with the New York City Department of Housing Preservation and Development (HPD). Work on the 2021 HVS is currently underway and it is likely too late for a substantial expansion of this year’s survey.<sup>109</sup> Going forward, HPD and the Census Bureau should provide additional resources to expand the sample size of the survey in order to improve the quality of data at the neighborhood level. This improved neighborhood-level data could then be made available on the forthcoming Equitable Development Data Tool rather than only made available as a microdata database file that requires advanced expertise to access.

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## **8. Conclusions and Recommendations to Address Racial Equity**

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### ***Improve the American Community Survey***

The Census Bureau should improve the availability of data disaggregated by race/ethnicity in the publicly accessible data.census.gov tool. There are currently only limited data tables disaggregated by race, which do not fully disaggregate by Hispanic/Latino identification. Hopefully this will be addressed by the Biden administration's newly convened equitable data working group.

### ***Implement Intro 1572-B – A Local Law to amend the administrative code of the city of New York, in relation to requiring a citywide equitable development data tool and racial equity reports on housing and opportunity***

As HPD and DCP begin to implement 1572-B in the coming months and create the Equitable Development Data Tool, the agencies should work transparently with partners in other branches of government, the nonprofit sector, and academic experts to ensure that all available methods and sources for statistically reliable data at the local level are thoroughly examined in order to maximize the extent of available data in the tool.

### ***Implement Local Law 217 of 2019 – Public Data on Demographics of HPD Lottery Applicants and Awardees***

In December 2019, the City Council passed Local Law 217, requiring HPD to publicly disclose demographic data on applicants and awardees to HPD-administered housing lotteries. By September 1, 2021, HPD is required to release this data covering the prior three years of lotteries, with information aggregated at the citywide, borough, and community district level. This data has the potential to help improve our understanding of the types of families that are being served by affordable housing and will be a useful data source for future racial equity reports. The newly enacted Intro 1572-B requires this data to be included as part of the Equitable Development Data Tool.

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## 9. Appendix: Methodology and Data

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This report is a first attempt at complying with the spirit of Int 1572-2019B and demonstrating what a racial equity report on housing and opportunity might look like when undertaken for a significant city-sponsored neighborhood rezoning. Examining racial equity in land use policy is a complex undertaking with many potential methodologies and we hope that this report contributes to the discussion on how to best achieve this goal.

### Sources

This report relies on the data sources that are currently available to the public, first and foremost the American Community Survey available both through pre-arranged tables on the data.census.gov website and the IPUMS microdata file for greater detail. The ACS is an annual survey conducted by the Census Bureau and is the richest source of demographic and socioeconomic population data in the United States. The ACS collects data from a sample of approximately 3 million addresses every year, and the results are made available for several levels of geography, including what are known as Public Use Microdata Areas (PUMAs). The PUMA boundaries in New York City correspond closely to community district boundaries.

The ACS combines surveys across years to increase its sample size and produce more reliable estimates; unless noted, we use the 2015-2019 period of the ACS for this study, the latest available period. (U.S. Census Bureau 2019). The PUMS version of the ACS data allows researchers to examine individual level and household level data. To protect the confidentiality of the respondents, PUMS data are only released for larger geographies, including PUMAs. As noted throughout the report, data disaggregated by race and ethnicity is often only available and statistically reliable at the PUMA level, and reliability can be improved by combining multiple PUMAs as we do for the CB 2 and 6 study area. We use ACS Census Tract data only very selectively to discern broader patterns in population change by race/ethnicity.

NYC HPD and the Census Bureau's Housing and Vacancy Survey is even more challenging to use at any level lower than borough-wide since the sample is so small. Like ACS data, reliability can be improved by combining multiple community district geographies but even so the data is only useful for the broadest of categories (such as "unprotected" vs. "protected" housing units).

Other publicly available data sources include the wide array of information available on the NYC OpenData platform or via the Department of City Planning (which has steadily improved its array of public data tools over recent years) and economic data available on the Census Bureau's LEHD tools of the Bureau of Labor Statistics Quarterly Census on Employment and Wages.

The forthcoming Equitable Development Data Tool will gather and present much of this data and the citywide, borough wide, and community level.

*Publicly accessible data sources:*

- Census and American Community Survey - <https://data.census.gov/cedsci/advanced>
- IPUMS - <https://usa.ipums.org/usa/index.shtml>
- NYC Housing and Vacancy Survey <https://www.census.gov/programs-surveys/nychvs.html> – available only as microdata file, requires advanced software and expertise to analyze
- Quarterly Census on Employment and Wages – available at the county level from US Bureau of Labor Statistics (<https://www.bls.gov/cew/data.htm>)
- LEHD - <https://lehd.ces.census.gov/> – data on workforce and local economy based on census tracts
- DCP Housing Database - <https://www1.nyc.gov/site/planning/data-maps/open-data/dwn-housing-database.page>
- Housing New York affordable housing production data, sortable by community district <https://data.cityofnewyork.us/Housing-Development/Housing-New-York-Units-by-Building/hg8x-zxpr>
- NYU Furman Center CORE Database (<http://coredata.nyc/>) (may be best aggregated source for all subsidized housing other than NYCHA and rent-stabilized)
- ANHD Displacement Alert Map and Portal – <https://map.displacementalert.org/#close> collects data on evictions, DOB and HPD complaints
- NYCHA development data book <https://www1.nyc.gov/assets/nycha/downloads/pdf/pdb2020.pdf>



## 9. Appendix: Methodology and Data

Table 13

Household Incomes by Race/Ethnicity NYC and PUMA CB's 2 & 6 IPUMS ACS 2015-2019										
Race/Ethnicity – NYC Households	Less than \$25K	95% Conf. Inv.	\$25K to \$60K	95% Conf. Inv.	\$60 to \$100K	95% Conf. Inv.	\$100 to \$125 K	95% Conf. Inv.	\$125K+	95% Conf. Inv.
NH White Households	14.8%	14.4-15.1	20.1%	19.7-20.5	19.5%	19.1-19.9	9.5%	9.2-9.8	36.2%	35.6-36.8
NH Black Households	25.0%	24.4-25.6	28.4%	27.7-29.1	21.4%	20.8-22.1	8.6%	8.1-9.0	16.6%	16.0-17.2
Hispanic/Latino Households	30.0%	29.4-30.6	32.0%	31.3-32.7	19.0%	18.5-19.6	6.6%	6.2-7.0	12.4%	11.9-13.0
Asian Households	19.6%	18.9-20.4	26.8%	26.0-27.6	20.2%	19.4-21.0	9.0%	8.4-9.6	24.4%	23.7-25.1
Other Race Households	18.1%	16.8-19.5	23.3%	21.8-24.9	20.5%	19.1-21.9	9.1%	8.3-10	29.0%	27.4-30.8
Race/Ethnicity – PUMA CB 2 & 6 Households	Less than \$25K	95% Conf. Inv.	\$25K to \$60K	95% Conf. Inv.	\$60 to \$100K	95% Conf. Inv.	\$100 to \$125 K	95% Conf. Inv.	\$125K+	95% Conf. Inv.
NH White Households	8.0%	6.9-9.2	12.4%	11.2-13.8	16.5%	15.1-18.0	8.9%	7.8-10.1	54.2%	52.3-56.0
NH Black Households	29.4%	25.5-33.4	28.8%	24.5-33.6	18.8%	15.0-23.2	5.1%	3.8-6.9	17.9%	14.6-21.8
Hispanic/Latino Households	29.3%	25.0-34.1	24.3%	19.9-29.3%	15.9%	13.1-19.1	5.7%	4.1-8.1	24.7%	20.8-29.1
Asian Households	17.7%	14.6-21.3	14.3%	11.6-17.6%	17.3%	13.9-21.2	8.2%	6.0-11.1	42.5%	38.2-46.9
Other Race Households	6.8%	4.7-9.8	11.7%	8.3-16.4%	13.2%	9.9-17.0	10.9%	8.4-14%	57.5%	52.1-62.7

Table 14

Rents by Race/Ethnicity of Householder PUMA CB's 2 & 6 IPUMS ACS 2015-2019												
Race/Ethnicity	Less than \$500	95% Conf. Inv.	\$500 to \$1,000	95% Conf. Inv.	\$1,000 to \$1,500	95% Conf. Inv.	\$1,500 to \$2,000	95% Conf. Inv.	\$2,000 to \$3,000	95% Conf. Inv.	\$3,000 or higher	95% Conf. Inv.
NH White Households	1.1%	0.7-1.6	5.2%	4.1-6.5	6.7%	5.4-8.4	15.5%	13.6-17.6%	43.2%	40.9-45.6	28.3%	25.8-30.9
NH Black Households	28.4%	23.0-34.6	29.3%	23.0-36.4	15.2%	11.7-19.6	9.2%	6.7-12.5%	11.7%	8.9-15.3	6.2%	4.0-9.6
Hispanic/Latino Households	24.7%	19.8-30.3	24.5%	19.5-30.3	20.1%	15.5-25.7	8.2%	5.9-11.3%	15.7%	12.5-19.5	6.7%	4.5-9.9
Asian Households	11.8%	8.3-16.6	12.2%	8.4-17.2	8.3%	5.1-13.2	13.4%	9.7-18.1%	34.0%	29.1-39.3	20.3%	16.4-24.9

## 9. Appendix: Methodology and Data

Table 15: Percentiles associated with different rent levels among unregulated, unsubsidized units built after 1999 in Community Boards Two and Six in Brooklyn. Even allowing for the very wide confidence intervals, it is clear the overwhelming majority of market rate units rent above \$3,000. A floor of \$3,000 to demarcate market-rate units thus seems reasonable.

Percentile	Rent Level	Std.Err.	z	P>z	[95%Conf.	Interval]
10	2555	72.666	35.160	0.000	2412.578	2697.422
20	2700	165.029	16.360	0.000	2376.550	3023.450
30	2830	351.339	8.050	0.000	2141.388	3518.612
40	3075	100	30.750	0.000	2879.004	3270.996
50	3205	292.766	10.950	0.000	2631.189	3778.811
60	3509	207.686	16.900	0.000	3101.943	3916.057
70	3600	119.124	30.220	0.000	3366.522	3833.478
80	3850	258.600	14.890	0.000	3343.154	4356.846
90	4550	689.704	6.600	0.000	3198.205	5901.795

Table 16: Experts for both the plaintiffs and City studied a representative sample from the HPD housing lottery in which roughly 10,000 households were awarded affordable housing units (out of over 7 million initial applications, less than half of which were actually eligible for the units). These figures indicate that estimating population diversity based on the demographics of income-eligible households may be conservative since Black and Hispanic/Latino households are over-represented in both applicants and awardees and white and Asian households are under-represented compared to their shares of the income-eligible population.

Winfield et al v City of New York – Document 883-11 Demographic Distribution of HPD Lottery Awardees							
Community District Typology	White	Black	Hispanic / Latino	Asian	All Other	Total Identified	Refused
Majority White	458 (24.5%)	394 (21.1%)	689 (36.8%)	183 (9.8%)	147 (7.9%)	1,871	160
Majority Black	54 (2.5%)	1,218 (56.7%)	672 (31.3%)	51 (2.4%)	154 (7.2%)	2,149	159
Majority Hispanic	30 (1.1%)	1,025 (38.2%)	1,459 (54.4%)	32 (1.2%)	134 (5.0%)	2,680	152
Majority Asian	2 (1.5%)	19 (14.1%)	31 (23.0%)	75 (55.6%)	8 (5.9%)	135	7
Plurality White	191 (27.1%)	196 (27.8%)	144 (20.4%)	105 (14.9%)	70 (9.9%)	706	92
Plurality Black	10 (4.0%)	127 (50.4%)	88 (34.9%)	5 (2.0%)	22 (8.7%)	252	22
Plurality Hispanic	355 (21.2%)	364 (21.7%)	592 (35.3%)	220 (13.1%)	144 (8.6%)	1,675	185
<b>All Typologies</b>	<b>1,100 (11.6%)</b>	<b>3,343 (35.3%)</b>	<b>3,675 (38.8%)</b>	<b>671 (7.1%)</b>	<b>679 (7.2%)</b>	<b>9,468</b>	<b>777</b>

## 9. Appendix: Methodology and Data

Table 17: Presented here are households at income ranges that roughly match the different proposed levels of affordability in the Gowanus proposal, disaggregated by race and Latino origin, and accounting for the multiple potential community preference scenarios. The tables of potential demographics of the new housing produced by the Gowanus proposal on page 48 are derived from these estimates. See Table 18 for the underlying ACS IPUMS data.

### Affordable Housing Income-Eligible Applicant Pools

\*citywide pool is inclusive of set-asides for municipal employees and individuals with disabilities

\*\*affordability tiers at Gowanus Green represent public commitments at the start of the public review process

Affordable Unit Type (total 2,950)	Units	Portion of Households at Proxy Income Range by Race/Ethnicity					Potential Units by Race/Ethnicity of Householder					
		White	Black	Hispanic/ Latino	Asian	Other	White	Black	Hispanic/ Latino	Asian	Other	
MIH Affordable (40-80 AMI) (Proxy - Households at \$30,000 to \$100,000)	2,000											
*Citywide Pool	1,000	0.28	0.25	0.31	0.13	0.03	280	250	310	130	30	
Community Preference - CB 6	1,000	0.61	0.09	0.17	0.08	0.05	610	90	170	80	50	
Community Preference CB 6, 2	1,000	0.49	0.22	0.18	0.07	0.04	490	220	180	70	40	
Community Preference CB 6, 2, 7	1,000	0.39	0.14	0.30	0.14	0.03	390	140	300	140	30	
GG - Homeless Set-Aside** (Proxy - Citywide Shelter Population)	184	0.07	0.56	0.32	0.01	0.04	13	103	59	2	7	
GG - Very Low (50 AMI or below)** (Proxy - Households at \$60,000 and below)	288											
*Citywide Pool	144	0.21	0.24	0.39	0.14	0.02	30	35	56	20	3	
Community Preference - CB 6	144	0.42	0.20	0.30	0.06	0.02	60	29	43	9	3	
Community Preference CB 6, 2	144	0.31	0.31	0.27	0.09	0.02	45	45	39	13	3	
Community Preference CB 6, 2, 7	144	0.22	0.16	0.37	0.23	0.02	32	23	53	33	3	
GG - Low (50-80 AMI)** (Proxy - Households at \$40,000 to \$100,000)	126											
*Citywide Pool	63	0.3	0.25	0.29	0.13	0.03	19	16	18	8	2	
Community Preference - CB 6	63	0.65	0.07	0.15	0.08	0.05	41	4	9	5	3	
Community Preference CB 6, 2	63	0.52	0.20	0.16	0.08	0.04	33	13	10	5	3	
Community Preference CB 6, 2, 7	63	0.43	0.14	0.26	0.14	0.03	27	9	16	9	2	
GG - Moderate Income (81-120 AMI)** (Proxy - Households at \$60,000 to \$150,000)	352											
*Citywide Pool	176	0.38	0.23	0.22	0.14	0.03	67	40	39	25	5	
Community Preference CB 6	176	0.69	0.05	0.11	0.09	0.06	121	9	19	16	11	
Community Preference CB 6, 2	176	0.59	0.15	0.11	0.09	0.06	104	26	19	16	11	
Community Preference CB 6, 2, 7	176	0.53	0.12	0.16	0.14	0.05	93	21	28	25	9	



## 9. Appendix: Methodology and Data

Table 18

<b>Racial/Ethnic Composition of Households at AMI Tiers NYC, CB 6, CB 6+2, CB 6+2+7, ACS IPUMS 2015-2019</b>								
<b>Households at 0 to 50% AMI (2020) Adjusted for Family Size</b>	<b>NYC</b>	<b>95% Conf. Inv.</b>	<b>CB 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6 + 7</b>	<b>95% Conf. Inv.</b>
NH White Households	20.6%	20.3 - 20.9	42.1%	37.6-46.7	30.7%	28-33.5	21.8%	20.3-23.4
NH Black Households	24.1%	23.7 - 24.4	19.5%	15.8-23.9	31.1%	28.4-33.9	16.5%	14.8-18.3
Hispanic/Latino Households	38.9%	38.4 - 39.3	29.8%	26.1-33.9	26.7%	24.1-29.4	36.9%	35-38.9
Asian Households	13.8%	13.5 - 14.1	6.4%	4.6-8.7	9.2%	7.8-10.8	22.9%	21.2-24.6
Other Race Households	2.5%	2.3 - 2.6	2.2%	1.3-3.5	2.3%	1.6-3.3	1.9%	1.4-2.4
<b>Households at 40 to 80% AMI (2020) Adjusted for Family Size</b>	<b>NYC</b>	<b>95% Conf. Inv.</b>	<b>CB 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6 + 7</b>	<b>95% Conf. Inv.</b>
NH White Households	27.8%	27.3-28.4	61.2%	55.9-66.3	48.6%	45-52.2	38.4%	36.1-40.8
NH Black Households	24.8%	24.3-25.4	9.2%	6.3-13.2	22.0%	19-25.3	14.4%	12.4-16.7
Hispanic/Latino Households	31.3%	30.6-32.0	17.1%	12.9-22.2	18.2%	15.3-21.5	29.4%	26.5-32.4
Asian Households	13.1%	12.6-13.6	7.7%	5.6-10.4	7.3%	5.9-9.0	14.4%	12.3-16.8
Other Race Households	2.8%	2.6-2.9	4.6%	3.3-6.5	3.8%	2.8-5.2	3.3%	2.6-4.3
<b>Households at 50 to 80% AMI (2020) Adjusted for Family Size</b>	<b>NYC</b>	<b>95% Conf. Inv.</b>	<b>CB 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6 + 7</b>	<b>95% Conf. Inv.</b>
NH White Households	29.6%	29-30.3	64.8%	59.4-69.9	52.2%	47.8-56.5	42.8%	39.6-46.0
NH Black Households	24.8%	24.1-25.5	6.6%	4.2-10.1	19.9%	16.4-24.0	13.6%	11.2-16.2
Hispanic/Latino Households	29.4%	28.7-30.1	14.5%	10.7-19.5	15.5%	12.4-19.2	26.2%	22.9-29.8
Asian Households	13.2%	12.6-13.9	8.4%	5.9-11.9	8.1%	6.3-10.5	13.8%	11.6-16.3
Other Race Households	2.8%	2.5-3.0	5.3%	3.8-7.5	4.1%	2.9-5.8	3.6%	2.7-4.7
<b>Households at 80 to 120% AMI (2020) Adjusted for Family Size</b>	<b>NYC</b>	<b>95% Conf. Inv.</b>	<b>CB 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6</b>	<b>95% Conf. Inv.</b>	<b>CB 2 + 6 + 7</b>	<b>95% Conf. Inv.</b>
NH White Households	37.5%	36.8-38.3	69.2%	63.6-74.3	59.3%	55.4-63.1	52.8%	49.6-56
NH Black Households	22.9%	22.3-23.5	5.2%	3.1-8.7	14.6%	11.9-17.8	11.8%	9.7-14.3
Hispanic/Latino Households	22.5%	21.6-23.3	11.2%	7.8-15.9	10.9%	8.6-13.7	16.3%	14-18.9
Asian Households	13.7%	13.2-14.3	8.7%	6.4-11.8	9.4%	7.7-11.5	13.6%	11.8-15.6
Other Race Households	3.3%	3-3.6	5.5%	3.5-8.5	5.5%	4.0-7.4	5.3%	4.2-6.7

## 9. Appendix: Methodology and Data

Table 19: For the analysis of projected population and its potential impacts on segregation by Census Tract, we used the above distribution of projected units from the analysis in the DEIS. We used the projected population proportions by race/ethnicity, as show in Tables 6 through 9, to distribute units by race/ethnicity, multiplied units by the population factor used in the DEIS (2.19 persons per household), added the resulting distribution of population to the current populations of the Census Tracts as estimated by 2015-2019 ACS data, and compared this projected population with the current population in order to deduce the potential shift in the dissimilarity index in the Census Tracts that comprise Community Board 6

As noted earlier, American Community Survey data at the Census Tract level often has large margins of error when disaggregated by race/ethnicity, especially where the sample population is small (such as a tract where a particular racial/ethnic group accounts for only a small percentage of the population). Data at the Census Tract level should be used with caution and to observe general trends rather than precise figures. In this context, the general trend observed is that the racial/ethnic diversity of the Census Tracts where development will be concentrated will likely increase based on the demographics of the added population compared to the demographics of the existing population.

### DEIS Projected Development Sites and Units by Census Tract

(see map of projected development sites on page S-46 of executive summary and list of sites in Appendix A of the DEIS)

Census Tract	Projected Development Sites	Total Residential Units	Gowanus Green Units	Market Rate Units	MIH or Other Affordable Units
71	3, 4, 5, 6, 7, 8, 11, 57, 58	233	0	175	58
75	15, 18, 22, 28, 56	1,415	0	1,061	354
77	36, 40, 42, 43, 44, 45, 46, 47, 48, 69, 51, 62	2,415	950	1,043	422
119	16, 19, 20, 21, 23, 24, 25, 26, 27, 29, 30, 31, 32, 33, 34, 35, 37, 38, 41, 49, 50, 52, 54, 54, 55, 63	3,766	0	2,825	942
127	1, 9, 10, 12, 13, 14, 60	467	0	350	117
129.01	2	53	0	40	13
131	17	25	0	19	6
135	39	80	0	60	20
139	51	39	0	0	39

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