Measuring Gentrification in New York City

Presentation to the Community Indicators Consortium 2016 Impact Summit
September 26, 2016
Stephanie Rosoff, Data Manager, NYU Furman Center
Rents are rising in New York City and incomes have not kept pace.

Sources: American Community Survey, NYU Furman Center

Index of Real Median Gross Rent and Real Median Renter Household Income (Index=100 in 2005), New York City

Median Gross Rent +18%

Median Renter Household Income +7%

Sources: American Community Survey, NYU Furman Center

@FurmanCenterNYU
A falling share of recently available units were affordable to low- and moderate-income households.

Recently Available Rental Units Affordable to Appropriately-Sized Households, New York City

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% AMI</td>
<td>20%</td>
<td>13%</td>
</tr>
<tr>
<td>80% AMI</td>
<td>64%</td>
<td>43%</td>
</tr>
<tr>
<td>120% AMI</td>
<td>83%</td>
<td>76%</td>
</tr>
</tbody>
</table>

Sources: Neighborhood Change Database (2000), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
A falling share of recently available units were affordable to low- and moderate- income households.

Recently Available Rental Units Affordable to Appropriately-Sized Households, New York City

Sources: Neighborhood Change Database (2000), American Community Survey (2010-2014), NYU Furman Center
Gentrifying neighborhoods saw the largest decline in the % of units affordable to low- and moderate- income households.

Recently Available Rental Units Affordable to Appropriately-Sized Households, Gentrifying Neighborhoods

<table>
<thead>
<tr>
<th>AMI</th>
<th>2000</th>
<th>2010-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% AMI</td>
<td>33%</td>
<td>20%</td>
</tr>
<tr>
<td>80% AMI</td>
<td>77%</td>
<td>48%</td>
</tr>
<tr>
<td>120% AMI</td>
<td>94%</td>
<td>83%</td>
</tr>
</tbody>
</table>

Sources: Neighborhood Change Database (2000), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
Gentrifying neighborhoods saw the largest decline in the % of units affordable to low- and moderate- income households.

Recently Available Rental Units Affordable to Appropriately-Sized Households, Gentrifying Neighborhoods

Sources: Neighborhood Change Database (2000), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
Defining Gentrifying Neighborhoods in New York City

Source: NYU Furman Center
@FurmanCenterNYU
Defining Gentrifying Neighborhoods in New York City

Bottom 40% of neighborhoods by 1990 average income

Source: NYU Furman Center
@FurmanCenterNYU
Defining Gentrifying Neighborhoods in New York City

Bottom 40% of neighborhoods by 1990 average income

Bottom 40% of neighborhoods by 1990 average income AND Rent increase higher than median neighborhood between 1990 and 2014.

Source: NYU Furman Center
@FurmanCenterNYU
Defining Gentrifying Neighborhoods in New York City

- **Non-gentrifying**: Lower-income and modest rent growth
- **Gentrifying**: Lower-income and high rent growth
- **Higher-income**: Top 60% of neighborhoods by 1990 average income

Source: NYU Furman Center
@FurmanCenterNYU
Rents in gentrifying neighborhoods grew by an average of 34% since 1990.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Citywide</td>
<td>2%</td>
<td>19%</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Gentrifying</strong></td>
<td>3%</td>
<td>30%</td>
<td>34%</td>
</tr>
<tr>
<td>Non-Gentrifying</td>
<td>-3%</td>
<td>16%</td>
<td>13%</td>
</tr>
<tr>
<td>Higher-Income</td>
<td>2%</td>
<td>16%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Sources: Neighborhood Change Database (1990, 2000), American Community Survey (2010-2014), NYU Furman Center
Some gentrifying neighborhoods saw even more dramatic increases in rent.

Percent Change in Average Rent, 1990 to 2014

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Williamsburg/Greenpoint</td>
<td>79%</td>
</tr>
<tr>
<td>Central Harlem</td>
<td>53%</td>
</tr>
<tr>
<td>Lower East Side/Chinatown</td>
<td>50%</td>
</tr>
<tr>
<td>Bushwick</td>
<td>44%</td>
</tr>
<tr>
<td>East Harlem</td>
<td>40%</td>
</tr>
<tr>
<td>Morningside Heights/Hamilton Heights</td>
<td>37%</td>
</tr>
<tr>
<td>Bedford Stuyvesant</td>
<td>36%</td>
</tr>
</tbody>
</table>

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
Some gentrifying neighborhoods saw even more dramatic increases in rent.

### Percent Change in Average Rent, 1990 to 2014

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Williamsburg/Greenpoint</td>
<td>79%</td>
</tr>
<tr>
<td>Central Harlem</td>
<td>53%</td>
</tr>
<tr>
<td>Lower East Side/Chinatown</td>
<td>50%</td>
</tr>
<tr>
<td>Bushwick</td>
<td>44%</td>
</tr>
<tr>
<td>East Harlem</td>
<td>40%</td>
</tr>
<tr>
<td>Morningside Heights/Hamilton Heights</td>
<td>37%</td>
</tr>
<tr>
<td>Bedford Stuyvesant</td>
<td>36%</td>
</tr>
</tbody>
</table>

*Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center*
GENTRIFYING NEIGHBORHOODS:

Changes in Demographics
Between 1990 and 2014, average household income increased only in gentrifying neighborhoods.

Percent Change in Average Household Income, 1990 to 2010-2014

<table>
<thead>
<tr>
<th>Citywide</th>
<th>Gentrifying</th>
<th>Non-Gentrifying</th>
<th>Higher-Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2%</td>
<td>14%</td>
<td>-8%</td>
<td>-1%</td>
</tr>
</tbody>
</table>

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
The share of adults with a college degree in gentrifying neighborhoods was largely due to recent movers.

Educational Attainment Among Recent Movers Aged 25+, 2010-2014

- **Gentrifying:**
  - College Degree: 58%
  - No College Degree: 42%

- **Non-Gentrifying:**
  - College Degree: 81%
  - No College Degree: 19%

- **Higher-Income:**
  - College Degree: 53%
  - No College Degree: 47%

Sources: American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
Gentrifying neighborhoods had a higher share of young-adult recent movers.

Age Composition of Recent Movers Age 20+, 2010-2014

- **Gentrifying**
  - 20-34: 61%
  - 35-54: 28%
  - 55 and older: 11%

- **Non-Gentrifying**
  - 20-34: 48%
  - 35-54: 34%
  - 55 and older: 18%

- **Higher-Income**
  - 20-34: 55%
  - 35-54: 31%
  - 55 and older: 15%

Sources: American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
Gentrifying neighborhoods saw the largest increase in the share of single and unrelated-adult households.

**Share Non-Family Households**

- **Gentrifying**: 34% to 43%
- **Non-Gentrifying**: 30% to 33%
- **Higher-Income**: 37% to 37%

*Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center*
Gentrifying neighborhoods saw growth in white population share despite citywide decline.

Sources: Neighborhood Change Database, NYU Furman Center
Gentrifying neighborhoods saw larger decline in black population share than the city as a whole.

Sources: Neighborhood Change Database, NYU Furman Center
GENTRIFYING NEIGHBORHOODS:

Examining Gentrification at the Census Tract Level
Percent change in rent varied widely across census tracts.

Percent Change in Mean Household Rent by Census Tract, 1990 to 2010-14

- Pink: Decrease
- Light blue: 0 to 25% Increase
- Dark blue: 25% to 50% Increase
- Navy blue: >50% Increase

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center
Defining Gentrifying Census Tracts in New York City

- **Non-gentrifying**: Lower-income and modest rent growth (N=312)
- **Gentrifying**: Lower-income and high rent growth (N=508)
- **Higher-income**: Top 60% of census tracts by 1990 average income (N=1,319)

*Source: NYU Furman Center*
Many gentrifying census tracts experienced extremely large increases in rent between 1990 and 2010-2014.

Distribution of Percent Change in Mean Household Rent by Gentrifying Census Tract, 1990 to 2010-2014*

*Not shown: 28 census tracts had a percent change in mean household rent >100%

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center
Non-gentrifying census tracts experienced rent growth too.

Distribution of Percent Change in Mean Household Rent by Non-Gentrifying Census Tract, 1990 to 2010-2014

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
Percent change in rent varied widely across higher-income census tracts.

Distribution of Percent Change in Mean Household Rent by Higher-Income Census Tract, 1990 to 2010-2014*

*Not shown: 8 census tracts had a percent change in mean household rent >100%

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center

@FurmanCenterNYU
GENETRIFYING NEIGHBORHOODS:

Predictors of Gentrification
Gentrifying tracts nearest Manhattan saw the largest increases in rent.

Percent Change in Mean Household Rent by Gentrifying Census Tract, 1990 to 2010-14

- 0 to 25% Increase
- 25% to 50% Increase
- >50% Increase

Sources: Neighborhood Change Database (1990), American Community Survey (2010-2014), NYU Furman Center
Gentrifying census tracts were the tracts with the largest population losses in the 1970s and 1980s.

Sources: Neighborhood Change Database, NYU Furman Center
Gentrifying neighborhoods have not regained the population lost in the 1970s.

Sources: Neighborhood Change Database, NYU Furman Center

@FurmanCenterNYU
Gentrifying neighborhoods have not gained back the housing units lost in the 1970s.

Sources: Neighborhood Change Database, NYU Furman Center

@FurmanCenterNYU
Of the initially low-income tracts, gentrifying tracts were:

- More likely to experience population loss between 1970 and 1990
- Closer to core Manhattan (and public transportation) and to higher-income tracts
- Somewhat more likely to have had lower average household incomes in 1990
- Somewhat more likely to have had higher poverty rates in 1990
Many of New York City’s public housing developments are in or near gentrifying census tracts.

Sources: NYC Housing Authority, NYU Furman Center

@FurmanCenterNYU
Public housing and privately-owned subsidized housing make up a significant share of housing units in gentrifying neighborhoods.

<table>
<thead>
<tr>
<th></th>
<th>Public Housing</th>
<th>Privately-Owned Subsidized Buildings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gentrifying</td>
<td>12%</td>
<td>26% - 28%</td>
</tr>
<tr>
<td>Non-Gentrifying</td>
<td>6%</td>
<td>24% - 27%</td>
</tr>
<tr>
<td>Higher-Income</td>
<td>2%</td>
<td>8% - 9%</td>
</tr>
</tbody>
</table>

Share of housing units by neighborhood type (sub-borough definition), 2012

Sources: New York City Department of Finance Final Tax Roll File, New York City Housing Authority, NYU Furman Center

@FurmanCenterNYU
Public housing and privately-owned subsidized housing make up a significant share of housing units in gentrifying neighborhoods.

<table>
<thead>
<tr>
<th>Share of housing units by neighborhood type (sub-borough definition), 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Gentrifying</td>
</tr>
<tr>
<td>Non-Gentrifying</td>
</tr>
<tr>
<td>Higher-Income</td>
</tr>
</tbody>
</table>

Sources: New York City Department of Finance Final Tax Roll File, New York City Housing Authority, NYU Furman Center

@FurmanCenterNYU
INDICATORS OF NEIGHBORHOOD CHANGE:

Measuring Gentrification in New York City

Presentation to the Community Indicators Consortium 2016 Impact Summit
September 26, 2016
Stephanie Rosoff, Data Manager, NYU Furman Center