

FOREWORD

Any Lower East Side organization with the mission to provide “...affordable housing to low-income persons...” has to be extremely satisfied if in fact it achieved a bit more; that the housing stock it built over 30 years ago, however precarious, continues to be affordable to this very day. This is remarkable when all about CB3--spanning a 10-year period since 9/11--approximately 11,000 rent regulated housing units were forever lost; this being equivalent to 7% of all units lost in NYC.

For the rest of the Lower East Side and Chinatown, however, the loss of 11,000 rent regulated housing units is alarming. These once traditional haven neighborhoods where immigrants and low-income families have historically thrived, have succumbed to gentrification such, that today they can hardly be described as the havens they once were. Now, Two Bridges, along with other planners and housing providers, must struggle to find solutions if to stem the tide and protect vulnerable families against indifferent real estate forces continuing to cause displacement and the disappearance of valuable regulated housing units. This is a redoubtable task. This analysis presents valuable information from which to start.

The facts presented in the foregoing analysis provide factual context and recommendations to inform our continuing mission to provide and preserve affordable housing for low-income families in our community. But, as will be pointed out, it’s a far more challenging mission in the context of dramatic demographic and economic trends. In other words, the mission to provide affordable housing to low-income families of yesteryear was by far almost “simple” in comparison to the challenges these trends present today.

Part of our mission is to also find solutions --together with others- through the means of real collaboration, even with and among those holding polar views from our own. We wish to play a positive, if a moderating role, among them, but always steadfast in the principle that any plans to rezone or develop housing must guarantee a reasonable share for low-income families, perhaps along the model of what the Two Bridges neighborhood is today; a community of equitable, stable, affordable housing, comprised of racially and economically mixed families, thriving, and well serviced.

Victor Papa

President and Director

May 2011

TABLE OF CONTENTS

I.	Background	3
II.	Introduction	4
III.	Key Findings.....	5
IV.	Recommendations	7
V.	Population Characteristics.....	9
VI.	Ethnicity and Foreign Born Residents.....	11
VII.	Education	14
VIII.	Labor	16
IX.	Income	20
X.	Housing	24
XI.	Conclusion	28

I. Background

In 2004, Two Bridges Neighborhood Council conducted a study of the 1990 and 2000 census called “A Divided Community: A Study of Gentrification of the Lower East Side Community, New York.” The study found that 9/11 had a disproportionate impact on poor and minority residents and that many of the Lower Manhattan Development Corporation’s programs benefited property owners and wealthier residents more, and, in fact, may have accelerated the wave of gentrification.

Seven years later, we find that those findings were largely true. Through our research using 2000 Census data and the 2009 American Community Survey, we found that there were indeed significant demographic and socio-economic changes in all the neighborhoods over the last decade, with the Two Bridges neighborhood being least affected by gentrification. We also learned that the scope and pace of change varied greatly among the four neighborhoods: East Village, Lower East Side, Chinatown and Two Bridges. Results from the 2009 American Community Survey show that the median home values exploded in the East Village from \$243,283 to \$660,111 in less than a decade and there was a sharp decrease in working and middle class households earning \$75,000 or less. In fact, the median household income rose from \$36,243 to \$48,874, now roughly \$1000 under the New York City median. The data confirms what we have seen empirically: the East Village over the last ten years has become more affluent, with more white residents, and fewer black and Latino residents, and a smaller percentage of foreign born residents than ever before. The wave of gentrification that began 20 to 25 years ago that followed in the wake of a long period of arson and disinvestment has transformed this area into one of Manhattan’s most sought after neighborhoods.

While property owners, both large and small, saw windfall gains, others did not fare as well. According to 2010 Census, Latinos make up a larger share of New York City’s growing population but their numbers shrank dramatically in the East Village and the Lower East Side, as many rental buildings converted to condos or co-ops, rent stabilized units became de-regulated and new buildings were out of the price range of most Latino and African American residents. The Lower East Side, by most accounts, is following in the footsteps of its northern neighbor, yet there are still some differences. Despite significant demographic changes during this decade, the Lower East Side is still home to a large foreign-born population and moderate-income households earning between \$50,000 and \$75,000 actually grew by 30%, but higher income households are also growing at a much faster rate. While median household income rose dramatically from \$24,192 to \$39,082 it is still substantially below the New York City median household income of \$50,173. It is safe to say, however, that if current trends continue the Lower East Side will be out of the reach to all but the most affluent New Yorkers, with the exception of residents living in New York City Housing Authority apartments or in other government subsidized housing.

The survey also showed that Chinatown and the Two Bridges neighborhood were less impacted by the housing bubble and gentrification than either the Lower East Side or the East Village. Two Bridges experienced a meager income growth of only 3.7%, with income bumping up from \$20,585 to \$21,346, which is cause for concern as consumer costs have risen at a much faster rate. In Chinatown, incomes

rose at a healthier rate of 27.5%, going from \$23,253 to \$29,658, however this still left families earning about \$20,000 less than city residents as a whole. We found that median housing values rose dramatically during this decade, but were still about \$130,000 less than comparable housing in the East Village. Furthermore, median rental prices surged by almost 50% from \$506 to \$747 a month but median household income rose a tad over 25%. Taken as a whole, for now, Chinatown rents are in line with household incomes since a household earning \$29,658 can afford a monthly rent of \$741 as it represents 30% of the household income. However, the reality is that many families pay more than 30% of their income towards rent. Some were forced to pay thousands of dollars of “key money” to obtain their apartment, and too often the building conditions are deplorable.

II. Introduction

Community Board 3 Manhattan (bordered by 14th Street to the north, the East River to the East, Bowery to the west, and the Brooklyn Bridge to the south), located in the lower east side of Manhattan, has some of the oldest and poorest residents in New York City. Working class immigrants settled in these neighborhoods for the last century and a half in search of a better life with more opportunities. Today, although gentrification impacts current ethnic trends within CB3, these neighborhoods still contain a substantial foreign-born and working class population.

This study examines the demographic and socioeconomic trends of CB3 over the last decade. Using Census data from 2000 as a baseline and the American Community Survey 2005-2009 estimates, we still find an ethnically and economically diverse neighborhood, but the disparity between rich and poor continues to grow. Today, this area is experiencing waves of gentrification as wealthier families and individuals move into the East Village and the Lower East Side. Yet, Two Bridges and Chinatown have remained stubbornly resistant to gentrification trends. Incomes and education levels froze over the last decade in the Two Bridges neighborhood and rose somewhat in Chinatown, but remain far lower than New York City as a whole.

In order to better understand the data on a more granular level, we divided CB3 into four distinct neighborhoods according to census tract information (CB3 contains 30 census tracts). Dividing the neighborhoods by census tract information is not a precise science since neighborhood boundaries do not always coincide with political or population influenced boundaries. Nevertheless, separating the neighborhoods by census tract information paints a very interesting and sometimes surprising picture of CB3. The East Village (20, 22.02, 24, 26.01, 26.02, 28, 30.02, 32, 34, 36.02, 38, 40, 42), The Lower East Side (10.01, 10.02, 12, 14.02, 18, 22.01, 30.01, 36.01), Two Bridges (2.01, 2.02, 6), and Chinatown (8, 14.01, 16, 25, 27, 29) are divided accordingly. It is our hope that this examination highlights both the positive changes within CB3 and the pressing challenges that the neighborhoods currently face. Moving forward, we hope this examination will serve as the foundation for future studies to help foster more positive changes within the neighborhoods, while preserving the rich cultural heritage that makes Lower Manhattan so unique.

III. Key Findings

Population Characteristics

- Overall, there was slow growth in the population of CB3. The population of the East Village grew by a modest 2.3% from 2000 to 2009. The Lower East Side grew by 1.5%. Two Bridges population decreased by 1.8%, and Chinatown experienced a population decrease of 0.15%. In comparison, NYC grew by almost 300,000 residents with a 3.7% increase in the total population.
- The East Village, Chinatown, and NYC experienced a rise in the 5 and under population but the four neighborhoods and NYC experienced a decline in elementary-age school children.
- There was a rise in the number of residents over the age of 75 throughout the four neighborhoods and the city. However, middle aged residents, between the ages of 55 and 59 decreased by roughly a third in the study area. There was also a somewhat smaller decrease—between 10% and 20%--in residents who are in the earlier ages of retirement between the ages of 65 and 74.

Ethnicity and Foreign Born Residents

- Of the examined neighborhoods, the East Village contained the largest percentage of residents that identified as white at 65%, a 9% increase from 2000.
- Almost 35% of the LES population was foreign born. Almost 60% were born in Asia, 26% emigrated from Latin American, and 11 % came from Europe.
- Two Bridges has a lower percentage of white residents, with less than one-quarter of the population identifying as white. About 13% identified as black or African American, which was a significant 24% increase from 2000.
- Chinatown remains one of NYC's neighborhoods with the largest percentage of foreign born residents in the city with almost 56% of the population. Of this group, 93% emigrated from Asia.
- In all four neighborhoods, the Latino population decreased by double-digit percentages over the last decade, while NYC experienced an 8% rise in the total Latino population.

Education

- The number of residents of the East Village with less than bachelor degree either decreased significantly or remained the same. Residents with a 9th grade education decreased by 58%, those with a high school education increased slightly by 0.6%, and residents with some college decreased by 29%.
- The Lower East Side also experienced similar trends. Residents with less than a 9th grade education decreased by 59.2%. Bachelor degree residents increased by 117% and graduate or professional degree residents increased by almost 116 % over the same time period.
- Two Bridges did experience positive and significant education improvements but the starting point was much lower than other neighborhoods. At first glance, the percentage changes in high school graduation and advanced degrees are quite high. But, a closer looks reveals that a small percentage of residents overall had obtained at least a bachelor degree or higher in 2009.

Labor

- Residents working in finance and insurance experienced the largest surge with a 45% increase since 2000. Professional, scientific, and management sectors increased by almost 25%, which

accounted for the largest labor sector in the East Village neighborhood, as 3 in 10 residents worked in those fields.

- In the Lower East Side, residents working in manufacturing declined by 63% from 2,349 to 863 workers. Professional, scientific, and management jobs almost doubled, and educational services and health care employment increased by 47%. Educational services and health care jobs accounted for the largest labor force in the neighborhood, as 1 in 5 worked in these fields.
- In the Two Bridges neighborhood, residents working in construction jobs rose an impressive 32% while those employed in manufacturing jobs dropped by a disturbing 44%. Arts, entertainment, and food services accounted for the largest sector of labor with 1 of 5 residents employed in these fields.
- Chinatown residents suffered a significant decrease of 50% for those working in manufacturing, but experienced a 22% increase in wholesale trade and a 27% rise in retail trade employment. Sharing labor trends with Two Bridges, the largest labor sector was arts, entertainment, and food services with a 23% share of the neighborhood labor force.

Income

- The median household income in the East Village rose 35% from \$36,243 to \$48,874. Every income group in the East Village earning below \$75,000 per year dropped by double-digit percentages over the examined time period. At the high end of the income spectrum, households that earned between \$150,000 and \$199,999 rose by 125% and households that earned more than \$200,000 per year jumped by 115%.
- The median household income in the Lower East Side increased by 62% from \$24,192 to \$39,082, which is roughly \$10,000 less than the NYC Median household income. At the high end of the income spectrum, households that earned between \$100,000 and \$149,999 doubled, \$150,000 to \$199,999 more than tripled, and households that earned above \$200,000 per year also tripled.
- Overall, Two Bridges experienced very modest growth with only a 3.7% rise in the median household income, from \$20,585 to \$21,346, which represents 42% of NYC median household income (\$50,173). Moderate-income households, earning between \$25,000 and \$49,999, decreased by more than a 35%. Middle-income households that earned between \$50,000 and \$74,999 increased by 28%, and households that earned between \$75,000 and \$99,999 increased by 55%.
- Chinatown experienced positive median income growth of 27%, from \$23,253 to \$29,658, yet it is still \$20,000 below NYC's median household income. Family incomes rose by a steady amount of 31% from \$24,728 to \$32,399. Despite rising incomes overall, many households still live below the poverty line. Very low income households that earned below \$10,000 decreased by a mere 11%. Moderate-income households earning between \$35,000 and \$49,999 rose by a modest 6%, and those earning between \$50,000 to \$74,999 increased by 12%.

Housing

- CB3 experienced a housing price explosion since 2000 with median housing prices and rental prices increasing much faster than NYC. Despite the huge increase in housing prices, neighborhood household and family incomes remain below NYC statistics, save the East Village. These alarming statistics clearly underscore the mismatch between modest incomes and soaring housing costs.

- The East Village median house price rose 171%, from \$243,283 to \$660,111 in less than a decade. The median gross rent rose 48%, from \$747 to \$1,105 in the same time period. The East Village was hit hardest by rent deregulation. Almost 20% of renters paid at least \$2000 per month in rent and an additional 16% of renters were close to the vacancy decontrol threshold.
- The Lower East Side statistics paint a stark picture of a rapidly gentrifying area. The median price of a house skyrocketed 321% from \$125,326 to \$528,413, and the median rental price rose 56% from \$489 to \$764 per month. In 2000, 61% of renters paid less than \$600 per month, but by 2009, the number had dropped to 36%. At the higher end, 8% of renters paid over \$1,500 per month in rent in 2000, and by 2009, the number jumped to 24%. In 2009, 13% of renters paid at least \$2,000 per month in rent, and an additional 11% percent paid between \$1,500 and \$1,999 per month in rental fees.
- The median house price in the Two Bridges neighborhood increased by a substantial 248% from \$134,088 to \$466,740, but the median rental price increased by a modest 17% from \$423 to \$494 per month. Renters that paid between \$300 and \$599 per month accounted for 37% of the population in 2000 had decreased to 30% by 2009. Renters that paid over \$1500 per month in 2000 accounted for less than 1% of the rental population, by 2009, the number had risen to 6%. Almost 2.5% of renters paid at least \$2,000 per month, followed by an additional 4% of renters paying between \$1,500 and \$1,999 per month.
- Chinatown also experienced substantial increases in housing prices over the examined time period. The median housing price rose by 254%, from \$151,517 to \$537,863. The median rental price rose by a significant 48%, from \$506 to \$747. In 2000, 65% of renters paid less than \$600 per month in rent, by 2009, the number had fallen to 34% of renters. These statistics show that Chinatown is also subject to increasing rental prices due to market forces and rent deregulation. Although a relatively small proportion of renters in Chinatown pay at least \$2,000 in rent, the percentage increase from 2000 rose from less than 1% of renters to 4%.

IV. Recommendations

- Revise commercial preservation zoning and develop strategies to support compatible local commercial and industrial uses to create better paying new jobs. Chinatown, which is primarily zoned as mixed-use, was able to take advantage of some of the benefits of a strong economy (e.g. rising incomes and property values) without being over-run by widespread gentrification.
- Mandate Inclusionary Zoning in specific areas where there is potential for residential development (e.g. waterfront, wide streets, and near parks) to create new affordable housing. However, Inclusionary Zoning will not do enough to provide affordable housing on the scale that is required. Urban renewal was a success in the Two Bridges neighborhood, as large scale affordable housing development, which took place there (1500 units for low and moderate income families) in the 1980s and 1990s made this area the most resistant to rapid, destabilizing change.
- Mandate anti-harassment regulations for new development to protect existing tenants. Rent stabilized tenants are more vulnerable during the housing booms as exorbitant profits fuel

speculative building and spur tenant displacement.

- Preservation of rent-regulated and subsidized units should form the core of an affordable housing strategy. As new development is limited in CB3, the preservation of rent regulations and the physical preservation of older, rent-regulated buildings are critical in preserving economic and cultural diversity.
- The best opportunities for the creation of new housing for low-income families can be found on the SPURA site and on NYCHA campuses. Land acquisition prices is a critical factor in building affordable housing, and CB3 has two major sources of government-owned land that must be put to use to help low-income and working families.
- The preservation and strengthening of historic buildings, light industry and mixed-use buildings will help preserve neighborhood character. Mixed-use neighborhoods have the vibrancy and authenticity that may encourage stability and resilience as residents are more likely to shop, recreate and even in work nearby.
- Accommodate the needs of the aging population by building new Senior Housing with exceptions to current zoning that now limits new residential development in mixed-use and commercial properties. This sector of the community is growing at a rapid rate and their needs have not been adequately addressed. Seniors need to be close to services and goods and therefore thrive in mixed-use communities.
- Additional access to community college and additional training is critical to future success of low-income residents. Strengthen and expand ESL classes. Many studies have shown that fluency in English is the biggest factor in determining immigrants' incomes. The loss of the local garment industry jobs underscores the need to promote employment mobility.
- Strengthen Section 8 Voucher Program to support low-income families. The gulf between what a low-income family earns and what they can afford to pay for rent is growing at an alarming rate in CB3, so even the elimination of vacancy decontrol laws will have only limited impact.
- Enforce building codes and create a new tax credit program that helps property owners, who have a large majority of rent-stabilized and rent control tenants, to improve building conditions. Widespread disinvestment, arson and neglect in the 1970s and 80s set the conditions for rapid gentrification over the last 20 years in the East Village. Maintaining stable housing stock is critical to preserving socio-ethnic diversity as it limits the potential for new large-scale development, because there are fewer abandoned buildings and vacant parcels.

V. Population Characteristics

Introduction

This section examines population and age cohort trends and compares them to NYC statistics. The examined statistics demonstrate that NYC’s population continues to grow but only for certain age groups. There was a rise in families with very young children followed by a drop in families with elementary school age children. Seemingly, the traditional stereotype of residents with school-age children choosing to move outside the city in search of more space and better school systems persists. Nevertheless, many families remain in the city to raise their children.

	East Village	Lower East Side	Two Bridges	Chinatown	New York
2000	63,375	38,937	22,442	37,625	8,008,278
2009	68,925	39,512	22,037	37,567	8,302,659
% Change	2.3	1.48	-1.8	-0.15	3.68

Examination

Overall, there was slow growth in the population of CB3. The population of the East Village grew by a modest 2.3% from 2000 to 2009 with an addition of over 5,000 residents. The Lower East Side grew by 1.48% (575 residents), Two Bridges population decreased by 1.8% with a 405 person loss, and Chinatown experienced a population decrease of 58 residents (0.15%). In comparison, NYC grew by almost 300,000 residents with a 3.68% increase in the total population.

The East Village experienced a 5.8% growth rate of male residents and a 1.2% decline in female residents. Children under the age of 5 years old increased by 11.7 % and elementary age school children (5 to 9) declined by over 21%. High school age children (15 to 19) increased by a significant 67% from about 1,500 residents to over 4,700 residents in just under a decade. Residents between the ages of 55 to 59 decreased by 28%, but increased almost 18% for residents between the ages of 65 and 74. And, residents over the age of 85 also increased by a steady 20.3% in that same time period.

The Lower East Side experienced minor growth for both men and women of about 1.4% and 1.5%, respectively. Children under the age of 5 years old decreased by a significant 13%, followed by an even higher 22.7% drop for elementary school age children. High school age children increased by 23% and college age residents decreased by 55%. Residents, between the ages of 55 and 59, decreased by 31%, while residents between the ages of 65 and 74, also decreased by 10%. Residents, over the age of 85, increased by a substantial 56.6%.

Two Bridges experienced a slight decline in both the male and female population, but women continued to outnumber men by about 1,500 residents. Following the trends of the East Village and the LES, children under the age of 5 decreased by 10.2% and decreased an additional 13.3% for elementary age children. High School age children increased by 23%, but young adults, between the ages of 20 and 24, decreased by 41%. The 55 to 59 age cohort also decreased by a substantial 31%, but residents over the age of 85 increased by 35%.

Chinatown's male population decreased by 3.6% and the female population rose by 3.5% over the examined time period. Young children under the age of 5 rose by 21.3%, but dropped 11.8% for elementary age school children. Chinatown also experienced an additional 11.4% drop for children between the ages of 10 and 14. High school age children (15 to 19) rose by 36%, but decreased by 47% for residents between the ages of 20 and 24. Residents between the ages of 55 and 59 mirrored the other areas with a large 37.3% decrease.

New York City's male population rose by 4.3% and the female population grew by 3.06%. The number of children under the age of 5 grew by 6.2% but children between the ages of 5 to 9 dropped by 12%. High school age children grew by 3.7% but college age residents dropped by 5.4%. Residents between the ages of 45 and 54 rose by a significant 11.6%, residents between the ages of 55 and 59 jumped by 25.8%, and residents between the ages of 75 and 84 rose by 14%.

Conclusion

NYC experienced a larger percentage population growth than the four examined areas in CB3 Manhattan by adding over 300,000 residents citywide (3.68% growth). Despite continued gentrification within the CB3 neighborhoods, overall population growth was quite modest in comparison to NYC. The East Village, Chinatown, and NYC experienced a rise in the 5 and under population but all four neighborhoods and NYC experienced a decline in elementary age school children. As mentioned earlier, these statistics strengthen the debate regarding families with school age children and the desire to move outside the city. NYC remains a popular place for young residents and couples to live, but when their children approach the age to attend school, some residents leave the city. Arguably, the quality of schools continues to remain one of the deciding factors in determining where families with school age children choose to live. High school age children (15 to 19) rose in each neighborhood and in NYC but then fell in the following age cohort (20 to 24). Arguably, this statistic may be skewed with students attending college outside of the city. Finally, there was also a rise in the number of older residents throughout the four neighborhoods and the city, especially for residents over the ages of 75. These statistics show that residents are choosing to stay in the city after retirement rather than leaving for the suburbs or warmer climates. The need for more senior housing and assisted living facilities is clear as elderly residents choose to remain in NYC.

VI. Ethnicity and Foreign Born Residents

Introduction

This section highlights the ethnic diversity of CB3 and NYC. NYC continues to be melting pot for ethnic groups from throughout the world, and CB3 remains a hot spot for certain ethnic groups, mainly Chinese immigrants. Chinatown, in particular, contains a proportionally larger immigrant population than the surrounding neighborhoods and NYC. It is important to note that statistics show that the influx of foreign born residents into Chinatown is starting to slow down, after many decades of expansion. Whether Chinatown will follow the same patters as other ethnic enclaves is still too early to predict, but two factors will likely be determinant: the slow down of immigration from China and rising residential rents.

Examination

Of the examined neighborhoods, the East Village contained the largest percentage of residents that identified as white at 64.5%. This statistic was a 9% increase from 2000. The same area experienced a 14.2% decrease in the population that identified as black or African American (8.6% of total neighborhood population) and a 25.4% increase in the Asian population (14.7% of neighborhood population). Of the Asian population, the majority of residents were Chinese. Arguably, part of this increase in the Asian population can be attributed to the rise in student housing from local universities. During this time period, the Hispanic population declined by 10.4%, but still constitutes over 25% of the entire neighborhood population. Of the Hispanic population, Puerto Ricans continued to be the dominant Latino group with a population of over 10,600 residents. Over the past few years, the East Village experienced a slight decrease in the foreign born population, but foreign born residents still make up 24.5% of the entire East Village population. Of the foreign born residents, just under one third were born in Europe, with 37% emigrating from Asia, and 21% coming from Latin America.

The Lower East Side experienced significant growth of 30% in the white population since 2000, which brought the total white population to about 4 of 10 residents in the neighborhood. The black or African American population was 9.19% (8.9% decrease) and the Asian population was almost 28% of the entire population. Interestingly, the Lower East Side experienced the largest decrease of Asian residents by over 12%. Of the Asian population, 80.4% were Chinese (25% decrease). The Hispanic population also experienced a steady decrease in numbers to 31% of the entire population (18.8% decrease). This neighborhood is also home to a large Puerto Rican community accounting for 57% of the Hispanic population. The Lower East Side has historically been a place with a large foreign born population and similar trends continue today. According to the most recent census estimates, 34.88% of the Lower East Side population was foreign born. Almost 60% were born in Asia, 26% emigrated from Latin American, and 11.44 % came from Europe.

Table 2: Ethnicity – Statistics represented as percentages of neighborhood populations (Source: U.S. Census Bureau; American Community Survey)

	White 2009	% Change from 2000	Black or African American 2009	% Change from 2000	Hispanic 2009	% Change from 2000
East Village	64.46%	9.03	8.63%	-14.23	25.65%	-10.44
Lower East Side	40.26%	31.21	9.19%	-8.16	31.37%	-15.87
Two Bridges	23.22%	-8.89	13.31%	24.43	28.22%	-10.61
Chinatown	17%	-2.40	5.23%	-11.62	8.08%	-23.62
New York	45.4%	5.36	25.36%	-2.08	27.4%	5.23

Two Bridges has a lower percentage of white residents, with less than one-quarter of the population identifying as white. About 13.3% identified as black or African American, which was a significant 24.4% increase from 2000. The Chinese population was the largest group in the neighborhood making up over 44% of the entire neighborhood population. About 28% of the population identified as Hispanic, with Puerto Ricans making up 71.6% of the Hispanic population. Foreign born residents made up 44.7% of Two Bridge’s population, according to the last Census estimate. A significant percentage of foreign born residents emigrated from Asia (83%) and another 13% emigrated from Latin America.

In Chinatown, 17% identified as white and 5.2% identified as black or African American, which was a 2.4% drop and 11.6% drop, respectively, from 2000 statistics. Chinatown continued to contain a substantial Asian population at 70.46% of the total population. Of the Asian population, Chinese accounted for 95.5%. Some of the poorer working class families are being pushed out of Chinatown due to higher rent prices and moving to areas like Sunset Park, Bensonhurst, and Flushing. Hispanic residents experienced a large 23.6% decrease in the neighborhood population and now constitute about 8% of the population in Chinatown, with the largest group coming from Puerto Rico. Chinatown remains one of the neighborhoods with the largest percentage of foreign born residents in the city, with almost 56% of its population being foreign born. Of this foreign born population, 92.5% emigrated from Asia.

Table 2b: Ethnicity – Statistics represented as percentages of neighborhood populations (Source: U.S. Census Bureau; American Community Survey)

	Asian Total	% Change	Chinese as % of Asian population	% Change
East Village	14.76%	25.40	55.10%	31.04
Lower East Side	27.96%	-12.34	80.38%	-25.05
Two Bridges	47.82%	0.26	44.53%	-2.07
Chinatown	70.46%	-0.79	95.54%	-2.25
New York	11.7%	5.08	45.7%	23.71

The white population of New York City grew by 5.36% to account for 45.4% of the New York City population. The black or African American population experienced a 2.08% decline but still accounts for 25.1% of the total population, while Latinos comprise 27.1% of the city's residents. The Asian population grew steadily from 9.8% to 11.7% of the entire NYC population in less than a decade. Of the Asian population, Chinese residents accounted for 45.7%, followed by Koreans at 9.1%, and Filipino residents at 7.2%. The Hispanic population grew by 8%, and almost half of that increase came from Mexican immigrants. In New York City, 35.9% of the entire population was foreign born according to the most recent census statistics. Of the foreign born population, 52% was born in Latin America, 17.4% emigrated from Europe, and 25.7% emigrated from Asia. Over the examined time period, there was a 6.8% decrease in the European born population and an 11.4% rise in the Asian born population.

Table 3: Foreign Born population – Statistics represented as percentages of neighborhood populations (Source: U.S. Census Bureau; American Community Survey)

	Europe	% change from 2000	Asia	% change from 2000	Latin America	% change from 2000
East Village	32.60%	2.74	37.19%	-1.21	21.21%	-34.55
Lower East Side	11.44%	63.32	59.58%	-25.86	25.92%	-15.03
Two Bridges	1.63%	102.25	82.95%	-4.87	13.04%	0.78
Chinatown	2.66%	-4.77	92.48%	-10.27	4.10%	61.12
New York	17.4%	-6.82	25.7%	11.42	52.1%	2.69

Conclusion

NYC has long been a melting pot for people from all over the world and these trends continue today, but the long history of these neighborhoods as an entry way to New York is clearly shifting. Over a third of New York's population is foreign born and in Two Bridges and Chinatown, those figures are even higher. Not surprisingly, the majority of the foreign-born residents from these two neighborhoods come from China. The East Village, once home to many black and Latino residents, now contains a 65% white majority. Likewise, the LES is also experiencing substantial gentrification as the neighborhood becomes home to more white middle and high-income residents with a recent sharp rise in European immigrants, while experiencing a decline in the percentage of Asian and Latin American immigrants. The sharp rise in housing costs has forced many working class families to move to other neighborhoods and boroughs and eventually out of the city. In all four neighborhoods, the Latino population decreased by double digits percentages over the last decade, while NYC experienced an 8% rise in the total Latino population. In contrast, Two Bridges and Chinatown have been more resistant to ethnic and socio-economic changes. Chinatown continues to remain predominantly Chinese although there has been a decline in the influx of immigrants coming from Asia. Arguably, some of the Asian immigrants are bypassing Chinatown as their first port of entry and moving to other neighborhoods throughout NYC and outside the city that are more affordable.

VII. Education

Introduction

Education trends continue to move in a positive direction as more people choose to continue their formal education. More residents are finishing high school and attending college in order to better their lives. Despite experiencing positive increases in education levels among CB3 residents, the median incomes of CB3 residents remain below NYC averages. Nevertheless, these neighborhoods are beginning to close the educational and socioeconomic gaps that separate them from the other neighborhoods of NYC.

Examination

Residents with less than a 9th grade education decreased by 58.5%, residents with a high school education increased slightly by 0.6%, and residents with some college decreased by 29%. The number of residents, with a bachelor degree, increased by 28%, and the number of residents, with a graduate or professional degree, increased by 76.5%.

The Lower East side also experienced similar trends. Residents with less than a 9th grade education decreased by 59.2% and the population of residents with only a high school degree increased by 22%. Bachelor degree residents increased by 117.8% and graduate or professional degree residents increased by almost 116 % over the same time period.

Two Bridges did experience positive and significant educational improvements, but the starting point was much lower than other neighborhoods. At first glance, the percentage changes in high school graduation and advanced degrees are quite high. But, a closer look reveals that overall a small percentage of residents had obtained at least a bachelor degree or higher in 2009. Residents with less than a 9th grade education decreased by 42%, and residents with only a high school diploma increased by 49.5%. Bachelor degree residents increased by 77.6% and the neighborhood experienced a 94.6% rise in graduate or professional degree residents.

Chinatown closely resembles similar educational trends of Two Bridges. In 2000, many residents did not have high school or bachelor degrees. As a result, the large improvements represent more of catching up with the rest of the city rather than surpassing NYC educational trends. In Chinatown, the number of residents over the age of 25 with less than a 9th grade education decreased by 47.6%, and the number of residents with only high school diploma increased by 48%. The number of bachelor degrees increased by 72% and graduate degrees jumped by 146%.

New York City experienced more modest education changes than the residents in CB3 Manhattan. Residents, over the age of 25 with less than a 9th grade education, only dropped by 19%. Residents, with only a high school diploma or equivalent, increased by almost 14%. Residents, with a bachelor degree, jumped by over 30%, and residents, with a graduate degree, increased almost 40%.

Table 4: Education - Statistics represented as percentages of population over the age of 25
(Source: U.S. Census Bureau; American Community Survey)

	East Village 2009	% change from 2000	Lower East Side 2009	% change from 2000	Two Bridges 2009	% change from 2000
Population over 25 years of age	51,359	5.41	29,084	9.38	16,528	6.85
Less than 9 th grade	9.07%	-58.48	18.51%	-59.22	29.54%	-41.96
High school or equivalent	13.94%	0.62	19.54%	22.01	25.30%	49.48
Some college	11.61%	-29.08	11.93%	-5.45	9.73%	-23.65
Bachelor degree	34.79%	27.97	24.35%	117.74	14.16%	77.62
Graduate or professional degree	19.68%	76.5	11.08%	116.53	5.65%	94.58

Table 4 and 4b- Please note that statistics do not all add to 100%. Residents with Associate and Doctoral degrees are not included in this chart

Table 4b: Education – Statistics represented as percentages of population over the age of 25
(Source: U.S. Census Bureau; American Community Survey)

	Chinatown 2009	% change from 2000	New York 2009	% change from 2000
Population over 25 years of age	29,109	4.5	5,643,911	6.95
Less than 9 th grade	30.19%	-47.65	21%	-19.05
High school or equivalent	22.46%	48.03	26%	13.89
Some college	7.92%	-15.62	19.9%	4.12
Bachelor degree	15.48%	72.25	19.6%	32.78
Graduate or professional degree	7.63%	146.5	3.0%	30.46

Conclusion

Education levels improved across NYC but CB3 Manhattan experienced more significant improvements than the entire city. Arguably, some of the education improvements can be attributed to gentrification and the continued influx of educated immigrants. Other contributing factors include the emphasis on education within families for second and third generation residents. The data showed that the percentage of CB3 residents with less than a 9th grade education dropped two to three times more than NYC levels. Local CB3 residents with a bachelor degree also increased more than twice the city's statistics. While we are unable to determine the exact cause for the improvements in education statistics in our study, we hope that some, if not most, of the gains, were made because young residents are staying in school longer.

VIII. Labor

Introduction

Employment in CB3 and NYC continues to change as the local economy adapts to the changing national economic climate. Since 2000, many residents have found new types of employment as the economy continues to shift towards professional and service industries. Even with this shift, NYC still employs thousands of residents in traditional industrial and "blue collar" jobs like construction, transportation, and sanitation services. The following section examines types of employment for residents within CB3 and NYC. These statistics only provide data regarding the jobs that CB3 residents have, but the statistics do not provide any information as to the location of these jobs. Nevertheless, it is very probable that some of the following employment statistics include specific jobs within CB3.

Examination

In the East Village, residents working in construction decreased by 17.8% and in manufacturing by almost 21.8%. Wholesale and retail trades lost only a few jobs during this time period but transportation and warehousing jobs increased by 12.4%. Residents working in finance and insurance experienced the largest surge with a 45% increase since 2000. And, professional, scientific, and management sectors increased by 24.5% which accounted for the largest labor sector in the neighborhood at 28.8% of working residents employed in these areas. Educational services and health care increased by a modest 7.3% and public administration jobs decreased by 11.4%.

In the Lower East Side, residents working in construction jobs rose by a very modest 4.4% but those working in manufacturing declined by 63% from 2,349 to 863 workers. Information jobs increased by 18.3% and finance and residents working in insurance field increased by 78% over that same time period. Professional, scientific, and management jobs almost doubled, and educational services and health care employment increased by 47%. Educational services and health care jobs

accounted for the largest labor force in the neighborhood at 20.7%, but the professional, scientific, and management category followed closely behind with 19.7% of the labor force working in those sectors. Public administration increased by almost 80% and arts and entertainment employment decreased by 15%.

In the Two Bridges neighborhood, residents working in construction jobs rose an impressive 31.8% while those employed in manufacturing jobs dropped by 44.4%. Wholesale trade jobs increased by 121% and retail trade jobs increased by 18.2%. Finance and insurance jobs increased by a 31.2% and professional, scientific, and management jobs increased by 10.4%. Arts, entertainment, and food services jobs increased by 17.2% and public administration increased by 40.8%. Arts, entertainment, and food services also accounted for the largest sector of labor in neighborhood with 20.6% of the workforce.

Chinatown residents experienced a significant decrease of 50% for those working in manufacturing, but experienced a 21.5% increase in wholesale trade and a 26.6% increase in retail trade employment. Information jobs increased by 23.3%, finance and insurance jobs increased by 39%, and professional, scientific, and management jobs increased by 61%. Educational services increased by 40% and public administration rose by 127% but still accounted for a small portion of the labor force. Sharing labor trends with Two Bridges, the largest labor sector was arts, entertainment, and food services with a 22.7% share of the neighborhood labor force.

New York City experienced a 13.9% rise in construction, a 25.8% decrease in manufacturing, and a 31.24% rise in finance related jobs and now make up 10.6% of NYC's labor market. Education services employment rose by a steady 20.7% and arts and entertainment rose by 24.15% over that same time period. The rise in arts and entertainment employment brings the total labor sector to almost 9.5% of the entire NYC labor market. Public administration employment also rose by about 8.5%.

Table 5: Labor Statistics**(Source: U.S. Census Bureau; American Community Survey)**

	East Village 2009	% change from 2000	Lower East Side 2009	% change from 2000	Two Bridges 2009	% change from 2000
Civilian employed population 16 years and over	38,368	7.13	18,104	12.13	8,479	7.26
Construction	1.83%	-17.82	3.03%	4.38	2.78%	31.84
Manufacturing	3.1%	-21.81	4.77%	-63.26	7.96%	-44.44
Wholesale Trade	1.71%	-0.46	2.34%	-5.57	5.97%	121.93
Retail Trade	6.82%	-2.64	7.79%	-2.47	8.34%	18.23
Finance, insurance, and real estate	13.19%	45.08	9.58%	77.85	6.89%	10.40
Professional, scientific, and management	20.82%	24.50	19.67%	99.38	9.68%	41.55
Educational services, health care, and social assistance	16.82%	7.32	20.30%	47.33	19.92%	2.05
Arts, entertainment, and recreation	14.08%	-1.26	14.79%	-15.01	20.59%	17.18
Public Administration	2.45%	-11.39	3.78%	79.32	3.9%	40.83

*Please note that this chart does not include all labor statistics as reported by the US census. The chart only includes labor statistics most applicable for this report. Additionally, these statistics represent the types of employment residents actually have and do not represent where these jobs are located.

Table 5b: Labor Statistics (Source: U.S. Census Bureau; American Community Survey)				
	Chinatown 2009	% change from 2000	New York 2009	% change from 2000
Civilian employed population 16 years and over	16,110	9.12	3,808,779	13.94
Construction	3.06%	-5.01	5.4%	31.79
Manufacturing	9.29%	-50.25	4.5%	-25.84
Wholesale Trade	3.51%	21.46	2.7%	2.22
Retail Trade	9.53%	26.65	9.4%	17.38
Finance, insurance, and real estate	8.50%	39.09	10.6%	31.24
Professional, scientific, and management	10.97%	61.31	12.3%	16.81
Educational services, health care, and social assistance	14.66%	38.85	25.4%	20.71
Arts, entertainment, and recreation	22.68%	0.47	9.4%	24.15
Public Administration	3.87%	127.37	4.2%	8.54

*Please note that this chart does not include all labor statistics as reported by the US census. The chart only includes labor statistics most applicable for this report. Additionally, these statistics represent the types of employment residents actually have and do not represent where these jobs are located.

Conclusion

As mentioned earlier, the labor statistics provide data for the jobs that residents currently have, but offer no information regarding the location of employment. Chinatown and the LES have historically been home to many garment factories. But after the September 11th attacks, about 200 garment factories closed, resulting in a significant loss of manufacturing jobs within the neighborhood. Although Chinatown lost a number of manufacturing jobs, wholesale and retail trade numbers continued to rise with increasing consumer demands from the influx of Asian immigrants. Asian American residents now make up a significant 12.8% of the entire NYC population. Seemingly, as current citywide trends continue and more consumer oriented businesses targeting the needs of Chinese and other Asian immigrants expand, wholesale and retail employment in Chinatown will continue to increase. In regards to the LES and East Village, the data shows a steady increase in professional, technical, and management jobs as education levels continue to rise in these areas. As noted earlier, the correlation between higher education and higher incomes is quite strong in these neighborhoods as compared to lower levels of

education and income in the Two Bridges and Chinatown neighborhoods. Interestingly, Two Bridges benefitted strongly from housing construction between 2003 and 2007 which resulted in a 31% increase in construction jobs. In contrast, the East Village experienced an 18% decline in construction employment, as this neighborhood became more populated by more educated and wealthier residents. In other words, property owners in the East Village, the Lower East Side and Chinatown experienced a soaring increase in their housing values due to the housing boom, but the most tangible benefit to Two Bridges residents was the increase in construction jobs citywide.

IX. Income

Introduction

CB3 residents experienced steady gains in income except for the Two Bridges neighborhood. A possible explanation for this is the large number of NYCHA housing developments within the Two Bridges neighborhood where residents did not, for the most part, benefit from the strong economy. Although CB3 income statistics are lower than NYC, the East Village and the LES may soon equal and potentially surpass citywide income levels in the near future, if trends continue. However, it is unlikely that Chinatown and Two Bridges income levels will equal NYC income statistics anytime in the near future.

Examination

Despite overall rising incomes over the examined time period, the rise in income was not distributed equally among the residents of CB3. The median household income in the East Village rose 34.85% from \$36,243 to \$48,874 and the median family income grew 34% from \$34,775 to \$46,594. A closer examination revealed that household incomes below \$10,000 per year decreased by 20.5% (14.1% of 2009 households), the \$10,000 to \$14,999 cohort decreased by 10.3% (7.5% of 2009 households), and the \$15,000 to \$24,999 cohort decreased by 18.7% (9.75% of 2009 households). Moderate income households that earned between \$35,000 and \$49,000 decreased by 25% (10.5% of 2009 households), and \$50,000 to \$74,999 income households decreased by 11.3% (14.4% of 2009 households). Every income cohort below \$75,000 per year dropped by double digit percentages over the examined time period. At the high end of the income spectrum, households that earned between \$150,000 and \$199,999 rose by 125% (5.7% of 2009 households) and households that earned more than \$200,000 per year jumped by 115% (6.35% of 2009 households).

The median household income in the Lower East Side increased by 61.5% from \$24,192 to \$39,082 and the family income rose by 35% from \$27,289 to \$36,833. Households that earned under \$10,000 per year dropped by 31.4% (15.8% of 2009 households), and households that earned between \$10,000 and \$14,999 decreased by 5.5% (10.6% of 2009 households). The \$15,000 to \$24,999 cohort decreased by 24.2% (11.8% of 2009 households) and the \$25,000 to \$34,999 cohort dropped by 33.7% (12.1% of 2009 households). Every income cohort below \$50,000 per year dropped by double-digit percentages over the examined time period. At the high end of the income spectrum, households that

earned between \$100,000 and \$149,999 more than doubled (8.8% of 2009 households), \$150,000 to \$199,999 more than tripled (3.9% of households), and households that earned above \$200,000 per year also tripled in number (3.65% of 2009 households).

Table 6: Household Income Trends – Statistics represented as percentages of household populations (Source: U.S. Census Bureau; American Community Survey)

	East Village 2009	% Change from 2000	Lower East Side 2009	% Change from 2000	Two Bridges 2009	% Change from 2000
Less than \$10,000	14.12%	-20.50	15.81%	-31.43	26.91%	-10.40
\$10,000 to \$14,999	7.46%	-10.29	10.60%	-5.47	13.72%	16.36
\$15,000 to \$24,999	9.75%	-18.17	11.79%	-24.24	15.49%	16.53
\$25,000 to \$34,999	8.85%	-24.18	8.04%	-33.68	8.10%	-34.19
\$35,000 to \$49,000	10.50%	-24.85	12.07%	-5.59	7.79%	-38.48
NYC median household income \$50,173						
\$50,000 to \$74,999	14.42%	-11.33	14.67%	30.05	14.99%	27.52
\$75,000 to \$99,999	10.84%	33.65	10.64%	105.68	6.86%	55.25
\$100,000 to \$149,999	12.00%	55.49	8.82%	159.10	4.02%	76.88
\$150,000 to \$199,000	5.71%	125.57	3.91%	206.00	0.67%	-12.70
\$200,000 or more	6.35%	115.57	3.65%	210.87	1.45%	230.56
Median Household Income	\$48,874	34.85	\$39,082	61.55	\$21,346	3.70
Median Family Income	\$46,594	33.99	\$36,833	34.97	\$28,903	9.33

Table 6b: Household Income Trends – Statistics represented as percentages of neighborhood household populations				
(Source: U.S. Census Bureau; American Community Survey)				
	Chinatown 2009	% Change from 2000	New York 2009	% Change from 2000
Less than \$10,000	18.56%	-11.49	11.12%	-30.16
\$10,000 to \$14,999	10.57%	-9.13	6.22%	-11.66
\$15,000 to \$24,999	16.15%	-10.23	10.49%	-9.84
\$25,000 to \$34,999	10.81%	-3.26	9.57%	-15.87
\$35,000 to \$49,000	12.12%	5.85	12.46%	-11.76
NYC median household income \$50,173				
\$50,000 to \$74,999	12.94%	12.39	16.47%	-0.39
\$75,000 to \$99,999	7.60%	76.05	11.04%	22.94
\$100,000 to \$149,999	5.41%	21.37	11.64%	51.28
\$150,000 to \$199,000	2.63%	83.76	4.76%	91.65
\$200,000 or more	3.21%	283.61	6.24%	83.04
Median Household Income	\$29,658	27.54	\$50,173	31.02
Median Family Income	\$32,399	31.02	\$55,562	32.65

Two Bridges experienced very modest growth with only a 3.7% rise in the median household income from \$20,585 to \$21,346. Family incomes fared only slightly better with a 9.33% increase from \$26,437 to \$28,903. Households at the bottom end of the income spectrum decreased slightly with a 10.4% decrease for households that earned less than \$10,000 (27% of 2009 households). Despite overall positive trends, households that earned between \$10,000 and \$14,999 rose by 16% (13.7% of 2009 households) and also increased by 16.5% for households that earned between \$15,000 and \$24,999 per year (15.5% of 2009 households). Low-income households earning between \$25,000 and

\$34,999 decreased by 34% (8.1% of 2009 households), and households earning between \$35,000 and \$49,999 decreased by 38.5% (7.8% of 2009 households). Moderate income households that earned between \$50,000 and \$74,999 increased by 27.5% (15% of 2009 households), and households that earned between \$75,000 and \$99,999 increased by 55.2% (6.8% of 2009 households). And, the number households that earned over \$200,000 per year more than tripled but still account for a very small proportion of households (1.45% of 2009 households).

Chinatown experienced a positive median income growth of 27.5% from \$23,253 to \$29,658. Family incomes also rose by a steady amount of 31% from \$24,728 to \$32,399. Despite rising incomes, many households still live below the poverty line. Very low-income households that earned below \$10,000 decreased by only 11.5%; 2,550 households remained within that income bracket in Chinatown (18.5% of 2009 households). Households that earned between \$10,000 and \$14,999 dropped by a modest 9% (10.6% of 2009 households), and households that earned between \$15,000 and \$24,999 decreased by 10.2% (16.2% of 2009 households). Moderate income households that earned between \$35,000 and \$49,999 rose by a modest 5.8% (12.1% of 2009 households) and households that earned between \$50,000 to \$74,999 increased by 12.4% (12.9% of 2009 households). High income households did increase significantly but the overall numbers remain relatively small. Out of the 13,741 households in Chinatown, 803 households earned more than \$150,000 per year (5.8% of 2009 households).

The median household income in NYC grew by 31% from \$38,293 to \$50,173. Family incomes closely mirrored household income increases with a 32.6% increase. Despite the overall increases in income, 17.3% of households still earned below \$15,000 per year. Just over 20% of households earned between \$15,000 and \$35,000 per year compared to 23.2% in 2000. Middle income households earning between \$75,000 and \$99,999 per year rose by almost 23% but still only accounted for 11% of households. High income households experienced pretty significant growth over this time period. Households that earned between \$100,000 and \$149,999 increased by 51% (11.6% of 2009 households), households in the \$150,000 to \$199,999 category jumped by 91.6% (4.7% of 2009 households), and households that earned over \$200,000 rose by 83% (6.2% of 2009 households).

Conclusion

Despite rising incomes in all three of the four CB3 neighborhoods, median household incomes remain below NYC statistics, especially in Two Bridges and Chinatown. The median income in Two Bridges in particular, continues to remain about 60% below the NYC median household income. Chinatown's median household income rose by 27.5% but still remains over \$20,000 less than NYC. The LES median income rose by over 60% but yet again remains significantly below the NYC median household income, despite sharp rises in residents earning between \$100,000 and \$199,000. East Village incomes may soon equal and surpass NYC levels within a few years, if current trends continue. The LES is also experiencing gentrification and if current trends continue, middle and higher income white residents will soon account for over 50% of the neighborhood population. Arguably, the lack of gentrification kept median income levels from rising in Two Bridges, while lower education levels play a role in the economic disparity for these two neighborhoods.

X. Housing

Introduction

CB3 experienced a housing price explosion since 2000. Median housing prices and rental prices increased much more than NYC, with the East Village, the LES, and Chinatown median housing prices now exceeding NYC statistics. Despite the huge increase in housing prices, neighborhood household and family incomes remain below NYC statistics. These alarming statistics clearly portray the mismatch between incomes and housing costs. Resident incomes rose but not nearly as much as housing prices, making CB3 even less affordable for many lower and working class families. Additionally, rent deregulation plays an important factor in rising housing prices. In 1997, the State of New York enacted laws to deregulate rental housing across the city.¹ By enacting these guidelines, landlords could increase rental rates without restrictions once apartment prices for vacant units reach the \$2,000 per month threshold. As a result of the rent deregulation, CB3 has experienced a great surge in rising rental prices as rental units exceed \$2,000 per month.

Examination

The East Village median house price rose 171% from \$243,283 to \$660,111 in less than a decade. The median gross rent rose 48% from \$747 to \$1,105 in the same time period. In 2000, 52.4% of renters paid less than \$800 per month in rent but by 2009, the number had dropped to 38% of renters. On the high end 13.6% of renters paid over \$1500 per month in rent but in 2009, the percentage jumped to 35.9% of renters. The East Village was hit hardest by rent deregulation. Almost 20% of renters paid at least \$2000 per month in rent and an additional 16.1% of renters were close to the threshold. Many more rental units (\$1500 to \$1999) are susceptible to passing the \$2000 threshold within the next few years, which will only exacerbate the shortage of affordable housing.

¹ <http://www.housingnyc.com/html/guidelines/decontrol.html> (Last accessed March 14, 2011).

**Table 7: Housing - Statistics represented as percentages of neighborhood renter populations
(Source: U.S. Census Bureau; American Community Survey)**

	East Village 2009	% Change from 2000	Lower East Side 2009	% Change from 2000	Two Bridges 2009	% Change from 2000
Median House Value	\$660,111	171.33	\$528,413	321.63	\$466,740	248.08
Median Gross rent	\$1,105	47.93	\$764	56.24	\$494	16.78
< \$300	9.6%	-38.46	13.3%	-51.81	29.3%	-20.81
\$300-\$599	17.3%	-27.31	22.6%	-33.92	30.5%	-17.12
\$600-\$799	11.2%	-13.85	17%	14.09	17.7%	22.92
\$800-\$999	8.2%	-38.81	9.7%	15.48	8.6%	8.86
\$1,000-\$1,249	9.1%	-21.55	7.9%	43.64	5.7%	103.57
\$1,250-\$1,499	8.8%	1.15	5.6%	1.82	2.1%	320.0
\$1,500-\$1,999	16.1%	111.84	11.4%	178.05	3.8%	533.33
\$2000+	19.8%	253.57	12.6%	223.08	2.4%	2300.00

The Lower East Side statistics paint a picture of escalating values. The median price of a house skyrocketed 321% from \$125,326 to \$528,413 and the median rental price rose 56% from \$489 to \$764 per month. In 2000, 61% of renters paid less than \$600 per month, by 2009, the number had dropped to 35.9%. At the higher end, only 8% of renters paid over \$1,500 per month in rent, by 2009, the number jumped to 24%. The LES also experienced a shift in rental units from rent stabilized apartments towards rent deregulated units. In 2009, 12.6% of renters paid at least \$2,000 per month in rent, and an additional 11.4% percent paid \$1,500 to \$1,999 per month in rental fees.

The median house price in the Two Bridges neighborhood increased by a substantial 248%, from \$134,088 to \$466,740. And, the median rental price increased by a more modest 16.8%, from \$423 to \$494 per month. In 2000, 37% of renters paid less than \$300 per month and by 2009, the number had dropped to 29.3%. Renters that paid between \$300 and \$599 per month accounted for 37% of the population in 2000, but had decreased to 30.5% by 2009. High end rental prices increased only marginally during this time period. Renters that paid over \$1500 per month accounted for 0.7% of the rental population, and, within 9 years, the number had risen to 6.2%. Even Two Bridges was susceptible to a rise in deregulated apartments. Almost 2.5% of renters paid at \$2,000 per month, followed by an additional 3.8% of renters paying between \$1,500 and \$1,999 per month. Although the median gross rent continues to remain relatively low in Two Bridges, a greater number of renters are becoming susceptible rent deregulation.

Chinatown also experienced substantial increases in housing prices over the examined time period. The median housing price rose by 254%, from \$151,517 to \$537,863. The median rental price rose by a significant 47.6%, from \$506 to \$747. In 2000, 65.7% of renters paid less than \$600 per month in rent, by 2009, the number had fallen to 34.2% of renters. Renters that paid above \$1250 per year accounted for 2.4% of the renter population in 2000. In 2009, that same number increased to 12.3% of renters. These statistics show that Chinatown is also subject to increasing rental prices due to market forces and rent deregulation. Although a relatively small proportion of renters in Chinatown pay at least \$2,000 in rent, the percentage increase from 2000 was significant (0.2% to 4.2% of total renter population).

Table 7b: Housing – Statistics represented as percentages of neighborhood renter populations
(Source: U.S. Census Bureau; American Community Survey)

	Chinatown 2009	% Change from 2000	New York 2009	% Change from 2000
Median House Value	\$537,863	255.00	\$501,000	126.49
Median Gross rent	\$747	47.63	\$1,029	45.96
< \$300	12.8%	-40.74	7.0%	-40.67
\$300-\$599	21.4%	-51.58	11.2%	-55.70
\$600-\$799	24.6%	23.00	12.8%	55.72
\$800-\$999	17.9%	126.58	16.8%	-9.98
\$1,000-\$1,249	11.1%	184.62	19.1%	103.61
\$1,250-\$1,499	3.7%	164.29	11.8%	181.48
\$1,500-\$1,999	4.4%	450.0	11.9%	214.47
\$2000+	4.2%	2000.00	9.4%	173.63

New York City housing prices experienced a more modest increase in the median house price from \$221,000 to \$501,000 for a 126% increase. Median gross rent jumped by a more significant 46%, from \$705 to \$1029. And, following rental price trends of CB3, rental prices continued to shift upward. The number of residents that paid below \$300 per month in rent dropped by 40.7%, residents that paid between \$300 and \$599 dropped by 55.7%, and the percentage of residents that paid between \$600 and \$799 per month fell by 55.7%. Renters that paid between \$1000 and \$1249 doubled, and renters paying more than \$1250 per month almost tripled. In 2000, 10.9% of citywide renters paid over \$1250 per month in rent, by 2009, the number had jumped to over 33%. Rent deregulation affected all residents of NYC over the last decade. Almost 10% of NYC renters pay at least \$2,000 per month in rent

and an additional 11.9% of renters pay between \$1,500 to \$1,999 per month. If current trends continue, many of these rental units will be subject rent deregulation in the coming years.

Conclusion

Housing in CB3 experienced quite a shock over the last decade. NYC housing prices rose significantly since 2000 but the LES experienced an increase of over 300%, while private housing prices increased in Chinatown and Two Bridges grew by about 250%. The East Village median house price growth rate was also larger than NYC but proportionally less than the other three neighborhoods. And, the East Village, LES, and Chinatown now have higher median housing prices than NYC. To put these increases in context, nation-wide home prices typically rise about 3% a year under “normal” circumstances, and this year, in New York City, home prices are expected to rise on average 3.75%, with high end condos rising perhaps as high as 10% to 15%. Rent in the East Village, LES, and Chinatown also rose proportionally faster than NYC, whereas Two Bridges experienced modest rental price increases due in large part to subsidized housing. The substantial increases in neighborhood housing prices compared to household and family incomes result in a mismatch between residents, income, and available housing options. NYC has long been an expensive city to live in compared to most other places, but the skyrocketing housing prices within CB3 make it even more difficult for working class residents to continue living there.

XI. Conclusion

CB3 Manhattan experienced a variety of socioeconomic, educational, immigration, and housing changes since 2000. While property owners benefitted greatly from the surge in market value within CB3, the neighborhoods still fall below NYC statistics in a number of vital demographic and socioeconomic categories, while poor families bore the brunt of rising rents.

Gentrification continues to play a central role in the reshaping of CB3 and many other NYC neighborhoods. While gentrification often bring some positive changes (lower crime rates, improvements to schools, parks, sidewalks and other infrastructure, new businesses open up) it tends to dislocate poorer working class families as housing prices rise much faster than incomes. There are ways to combat some of the effects of gentrification through preserving and building affordable housing, access to higher education and job training yet government resources are insufficient to address these challenges. In these neighborhoods, many of the residents can only afford to pay about 25%-30% of market rate rents (2 bedrooms apt rents – subsidized \$800 vs. market-rate \$3200). Incomes at the bottom end of the spectrum have stagnated while incomes at the high end and market rate rents continue to spiral upwards. The vast disparity in incomes exacerbates the housing crisis.

CB3 also continues to attract a diversity of immigrants from Europe, Asia, and Latin America. The East Village and LES foreign born European populations continue to expand as immigrants from Asia and Latin America decrease. In contrast, the majority of foreign born immigrants that move to either Two Bridges or Chinatown are Asian. Interestingly, Chinatown's lost 10% of its foreign born Asian population as the percentage of these residents bypassed Chinatown or moved away. This loss is in stark contrast to the rapid growth experienced in neighborhoods throughout Queens and Brooklyn.

About Two Bridges

Two Bridges Neighborhood Council is an independent community development organization that has among its purposes the provision of affordable housing to low-income persons, and is devoted to the social and economic development of the Lower East Side community. True to its founding philosophy, the organization is committed to enhancing the physical, social, cultural and economic aspects of life for people of all age groups, together with other individuals, groups and associations, and will foster improved relations and bring about a better understanding among people of all races and religions.

Board of Directors of Two Bridges Neighborhood Council

Frank T. Modica, Chairman
Victor J. Papa, President

Project Staff

Robert Weber, Urban Planning Consultant
Ashkahn Pajoohi, Urban Planning Intern

Address

275 Cherry Street, New York, NY 10002

Phone

(212) 566-2729

Website

www.twobridges.org