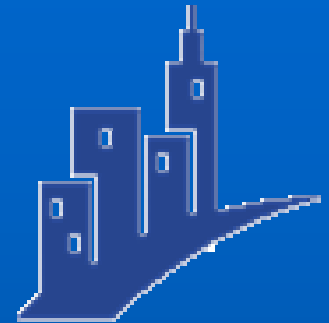


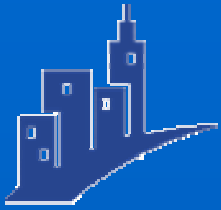
# The Brookings Institution

Metropolitan Policy Program  
Bruce Katz, Director



## New York: Organizing for Success

HPD/CUNY Seminar Series in Housing and Community Development  
May 26, 2005



# New York: Organizing for Success

I

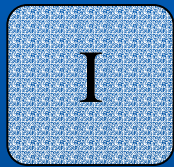
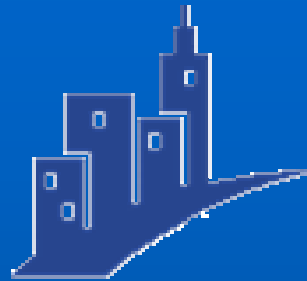
What are the general trends affecting the city and metropolitan area?

II

How do these trends affect housing?

III

Where does New York go from here?



What are the general trends affecting the city and metropolitan area?

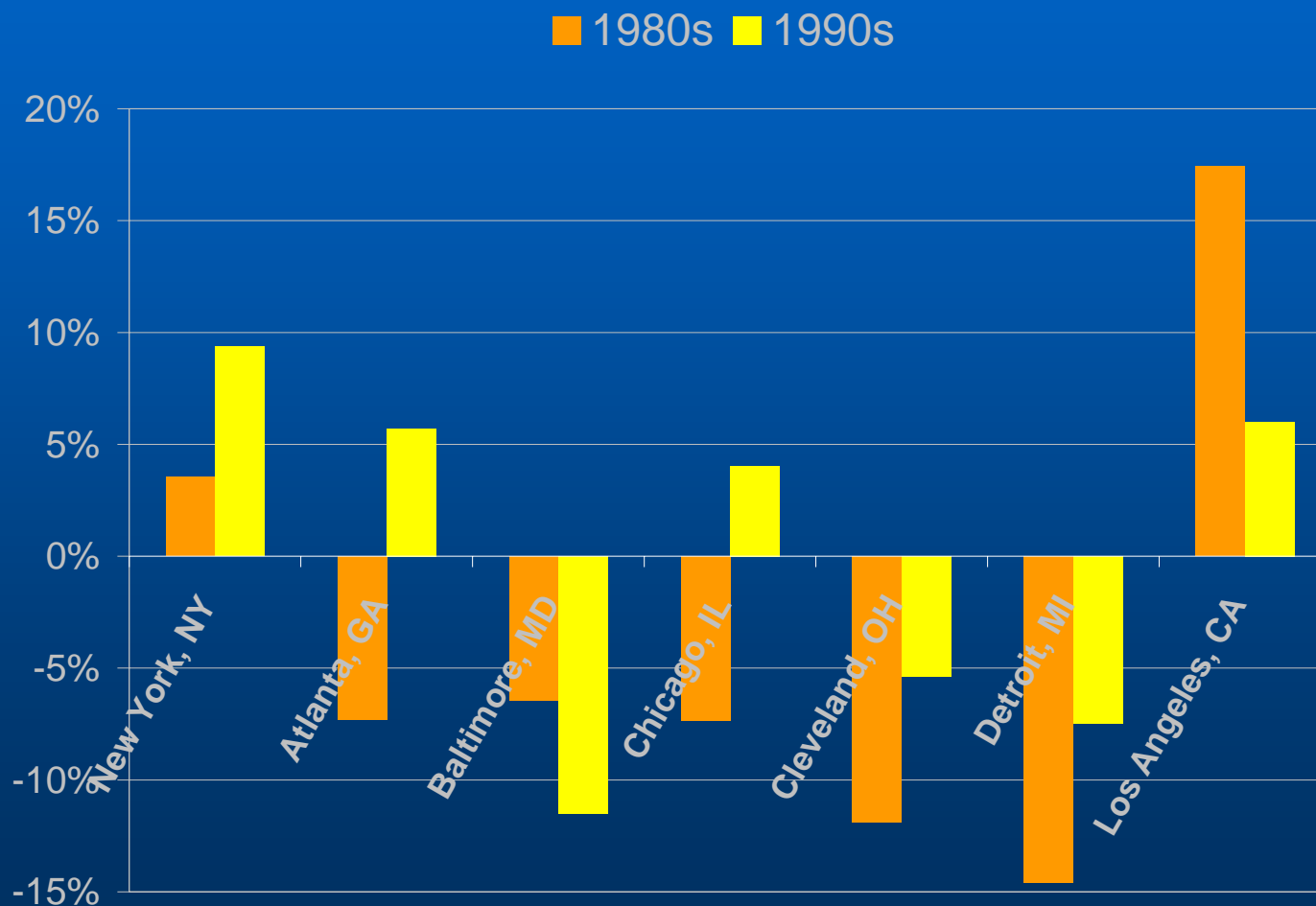


1. New York City's population grew in the 1980s and 1990s, remaining by far the country's largest city



Unlike many major cities, New York City grew in both the 1980s and 1990s

Percent change in population, 1980-2000





And New York City maintains it's comfortable lead as the nation's largest city

City  
population,  
2000

Central City	City Population 2000	Rank
New York, NY	8,008,278	1
Los Angeles, CA	3,694,820	2
Chicago, IL	2,896,016	3
Houston, TX	1,953,631	4
Philadelphia, PA	1,517,550	5
Phoenix, AZ	1,321,045	6
San Diego, CA	1,223,400	7
Dallas, TX	1,188,580	8
San Antonio, TX	1,144,646	9
Detroit, MI	951,270	10

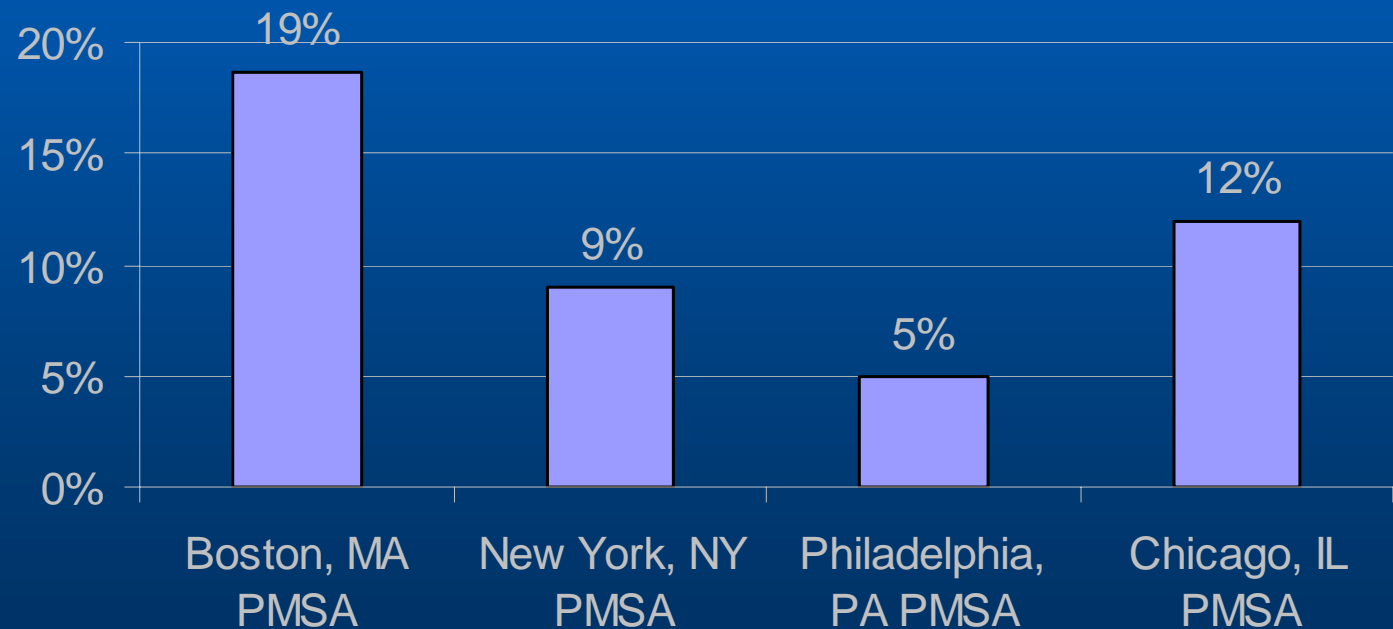


2. The New York metro grew at about the same rate  
as the city



# The New York PMSA had moderate growth over the 1990s

Percent change in  
population, 1990-  
2000







## Making the metro the 2nd largest metro area

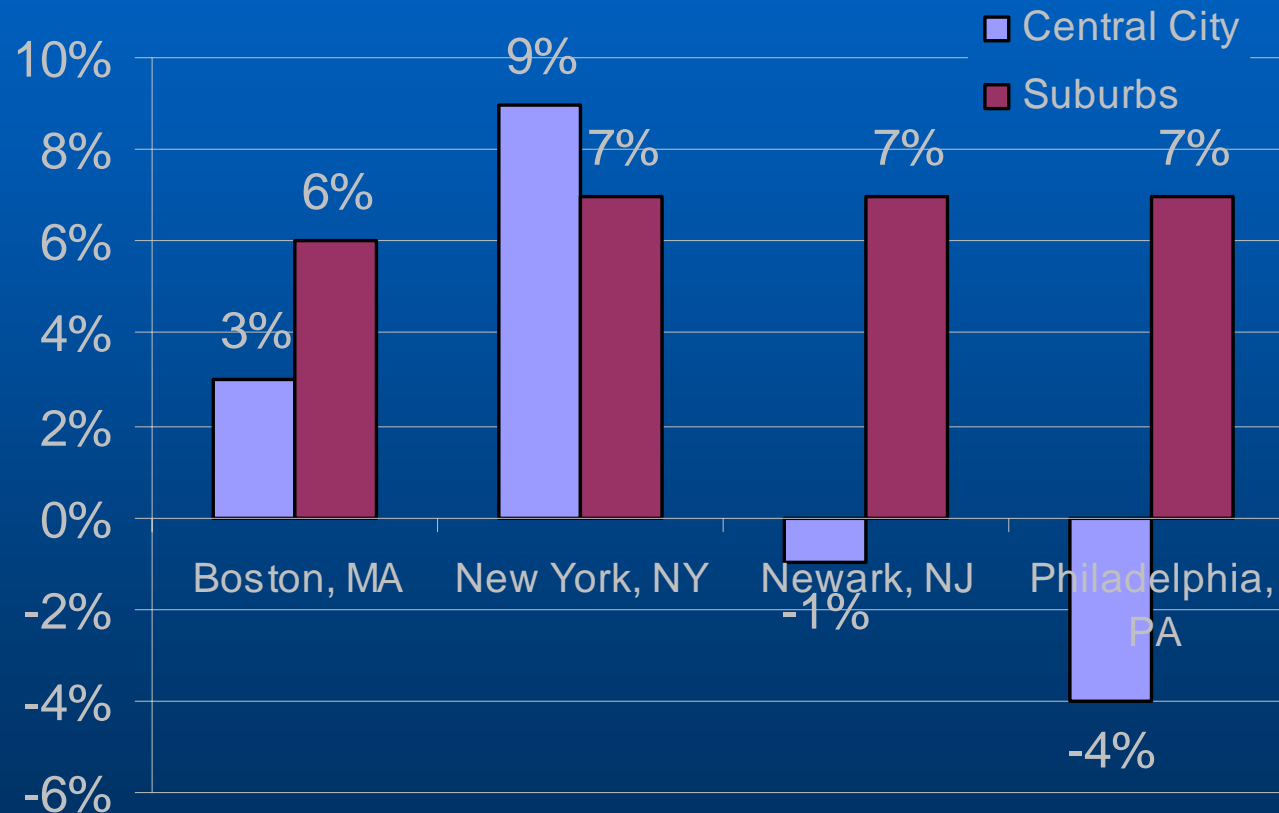
MSA  
population,  
2000

Metro Population	
MSA	Rank
Los Angeles PMSA	1
<b>New York PMSA</b>	<b>2</b>
Chicago PMSA	3
Philadelphia PMSA	4
Washington PMSA	5
Detroit PMSA	6
Houston PMSA	7
Atlanta MSA	8
Dallas PMSA	9
Boston PMSA	10



Uncommon in the Northeast, New York saw faster growth in its cities than its suburbs

Population  
growth, 1990-  
2000



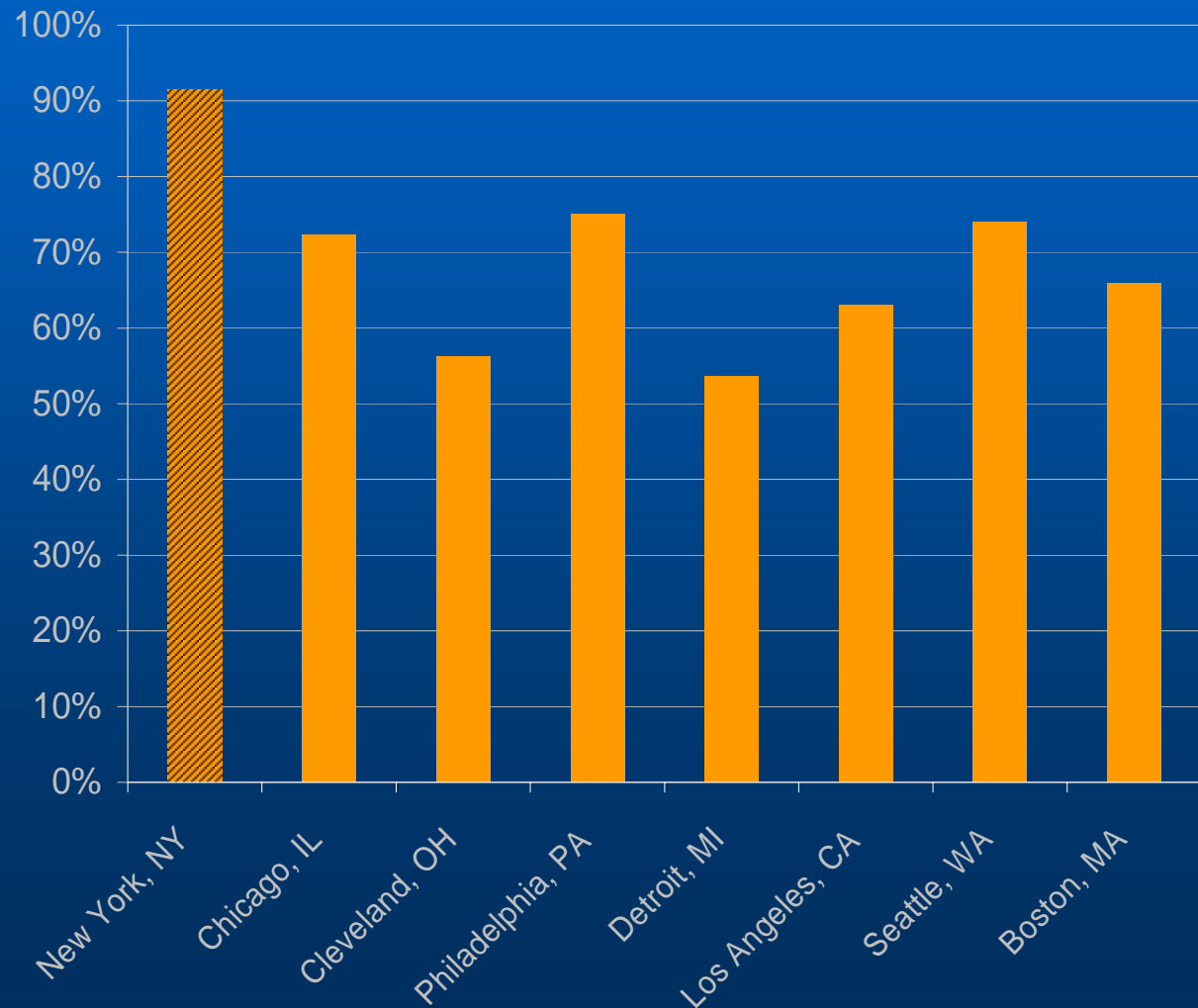


### 3. Centralized employment gives New York City a competitive advantage over many other U.S. cities



Over 90 percent of New York City residents work within the city, the greatest proportion of any major city

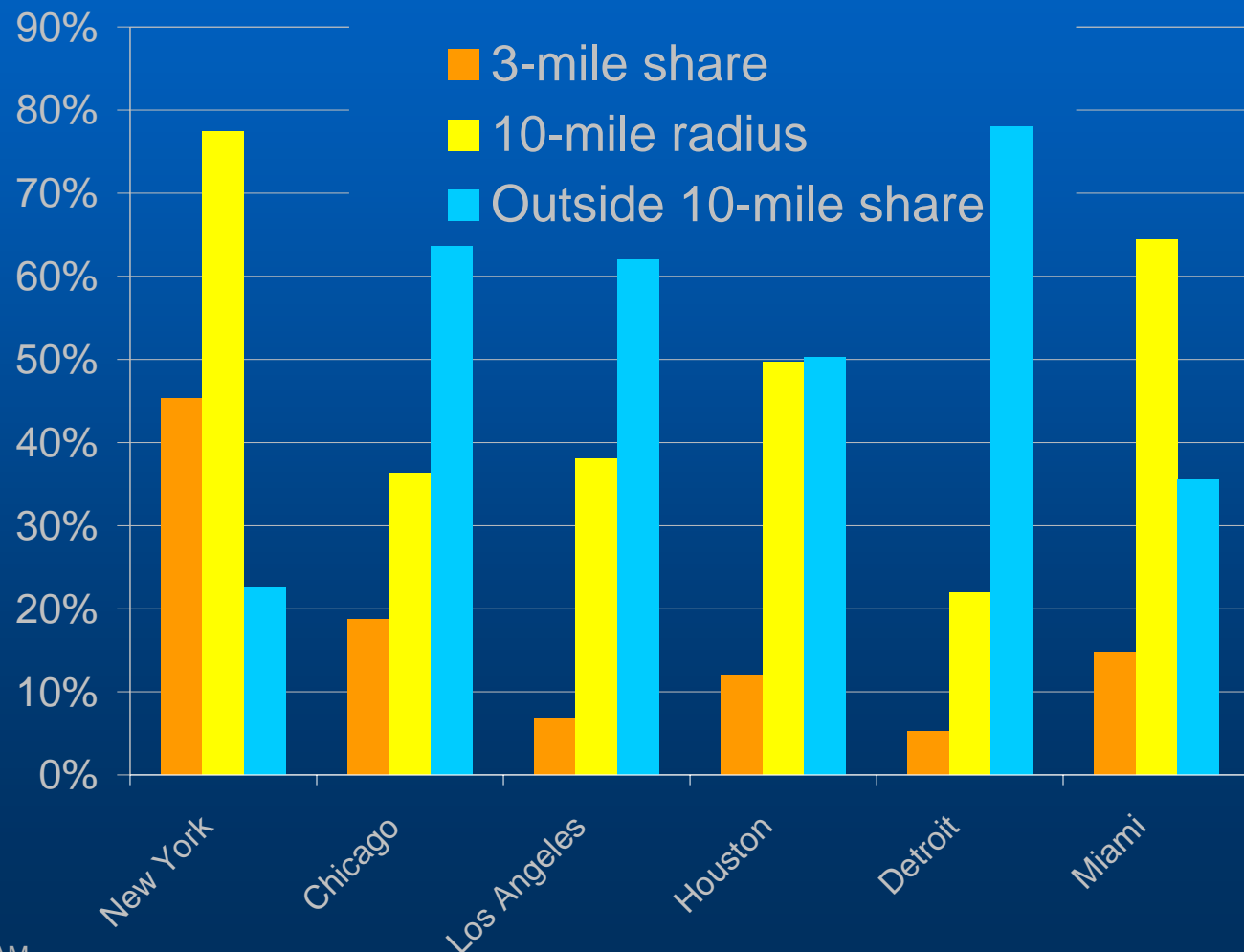
Percent of residents working in city, 2000





Only 23 percent of jobs in the New York metro are located over 10 miles from the central business district

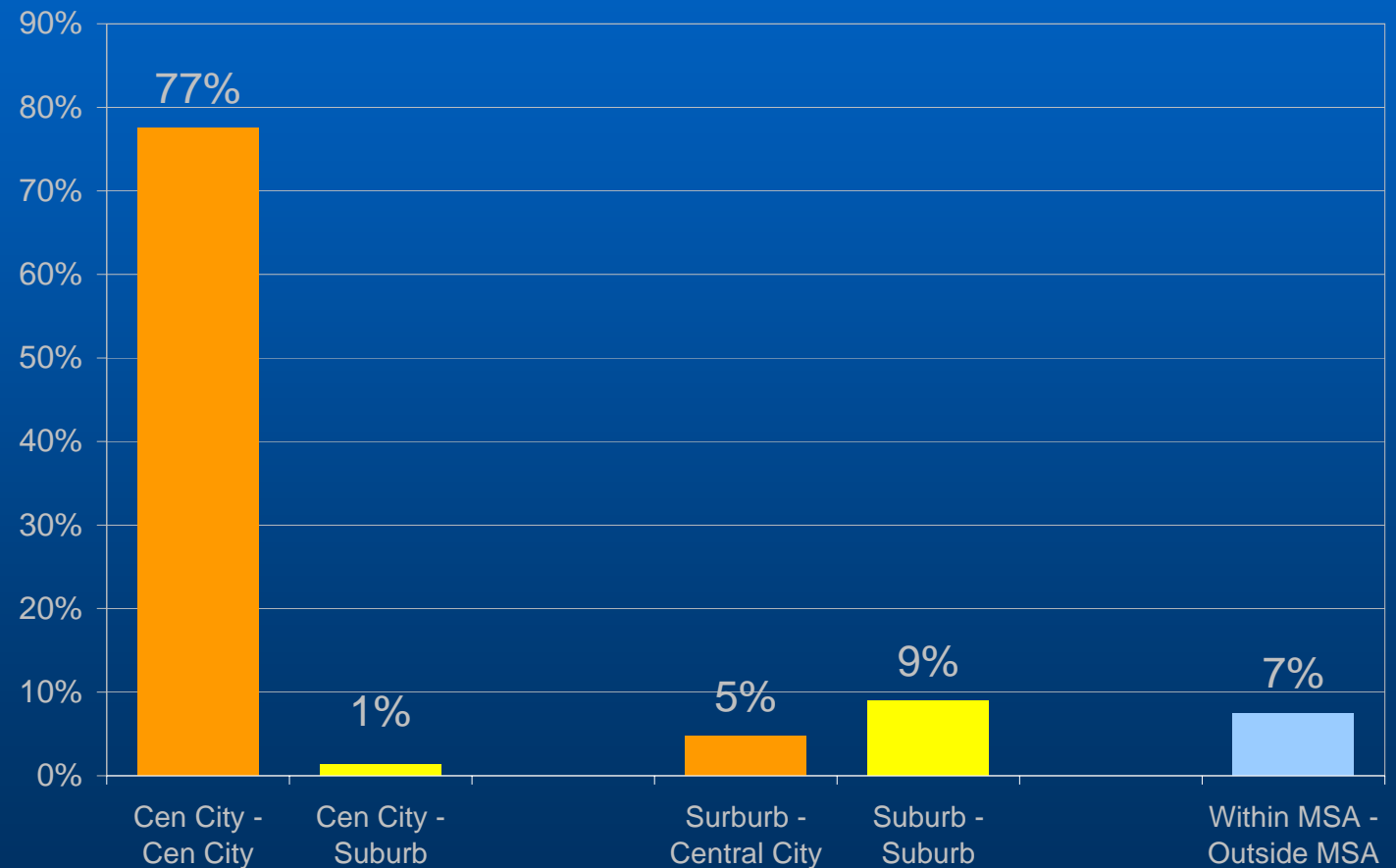
Share of jobs within 3-, 10-, and greater-than-10-mile radius of center, 1996





A large majority of all New York metro commutes begin and end within the city

Share of commute trips by origin and destination, 2000



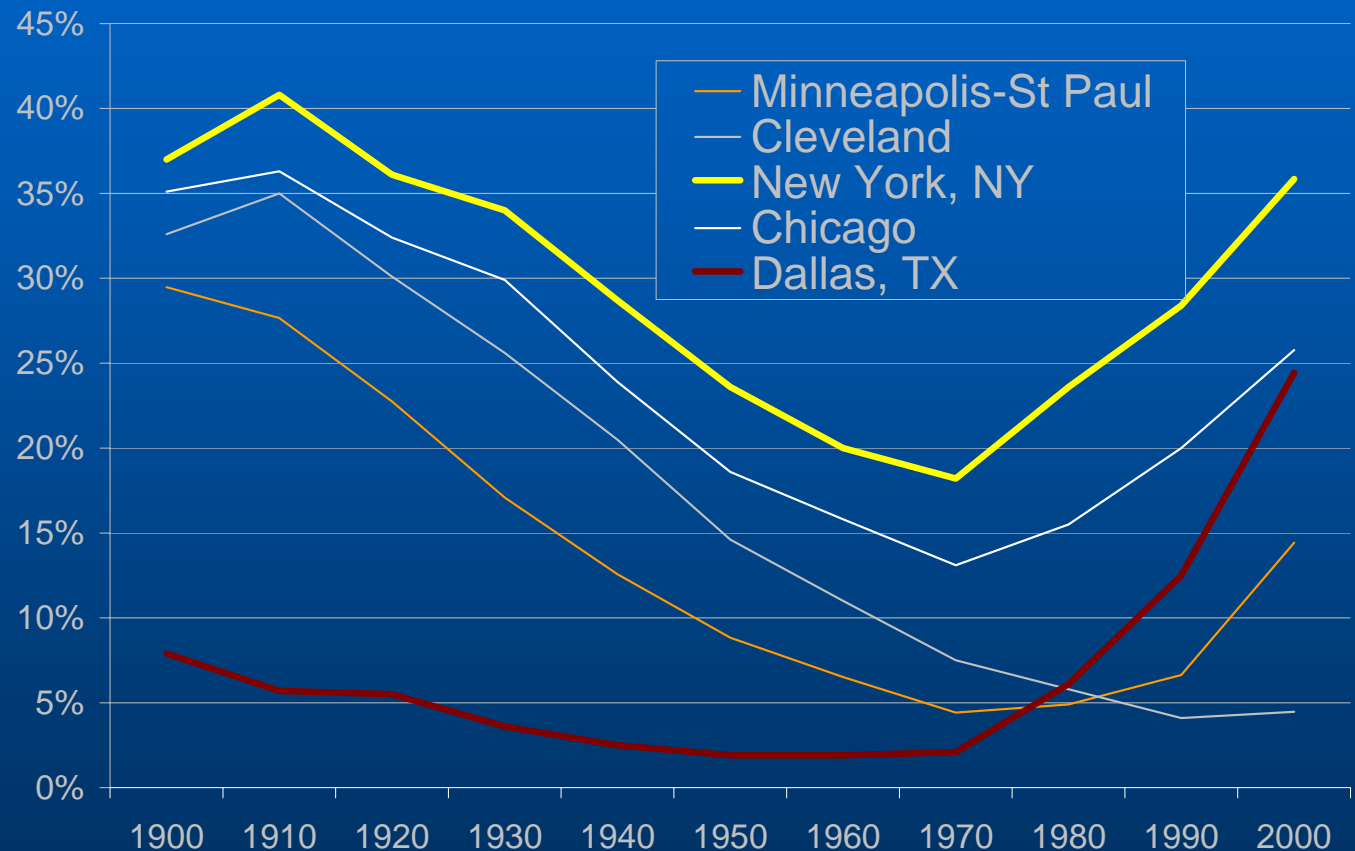


## 4. The New York region is a continuous immigrant gateway



The city of New York is a continuous gateway, with new immigrants spurring an increase in share of foreign born

Percent of foreign  
born residents,  
1900 - 2000







In 2000, approximately 36% of New York's resident population was foreign born

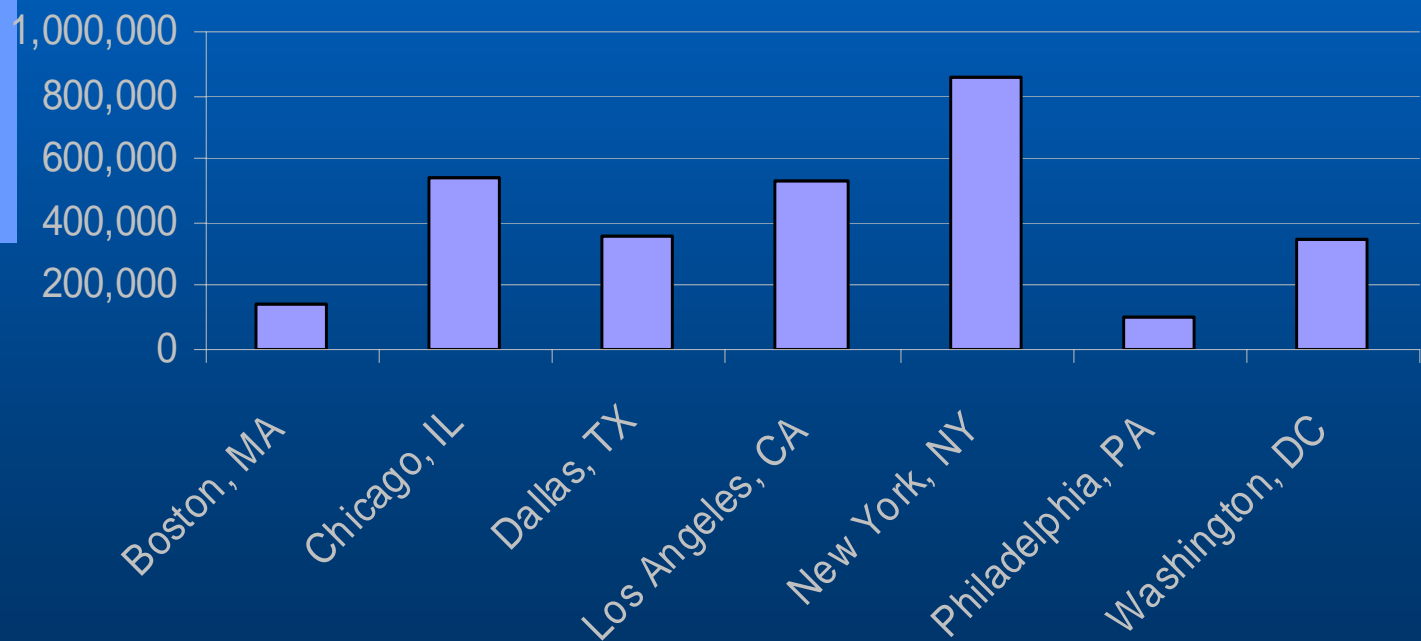
Percent foreign-born,  
2000

Foreign Born	
Central City	Percent
Miami	59.9%
Los Angeles, CA	40.9%
<b>New York, NY</b>	<b>35.9%</b>
Oakland, CA	26.6%
Boston, MA	25.8%
Dallas, TX	24.4%
Newark, NJ	24.1%
Chicago, IL	21.7%
Phoenix, AZ	19.5%
Denver, CO	17.4%



The New York Metro also attracted the largest net gain in foreign born residents among its peer cities

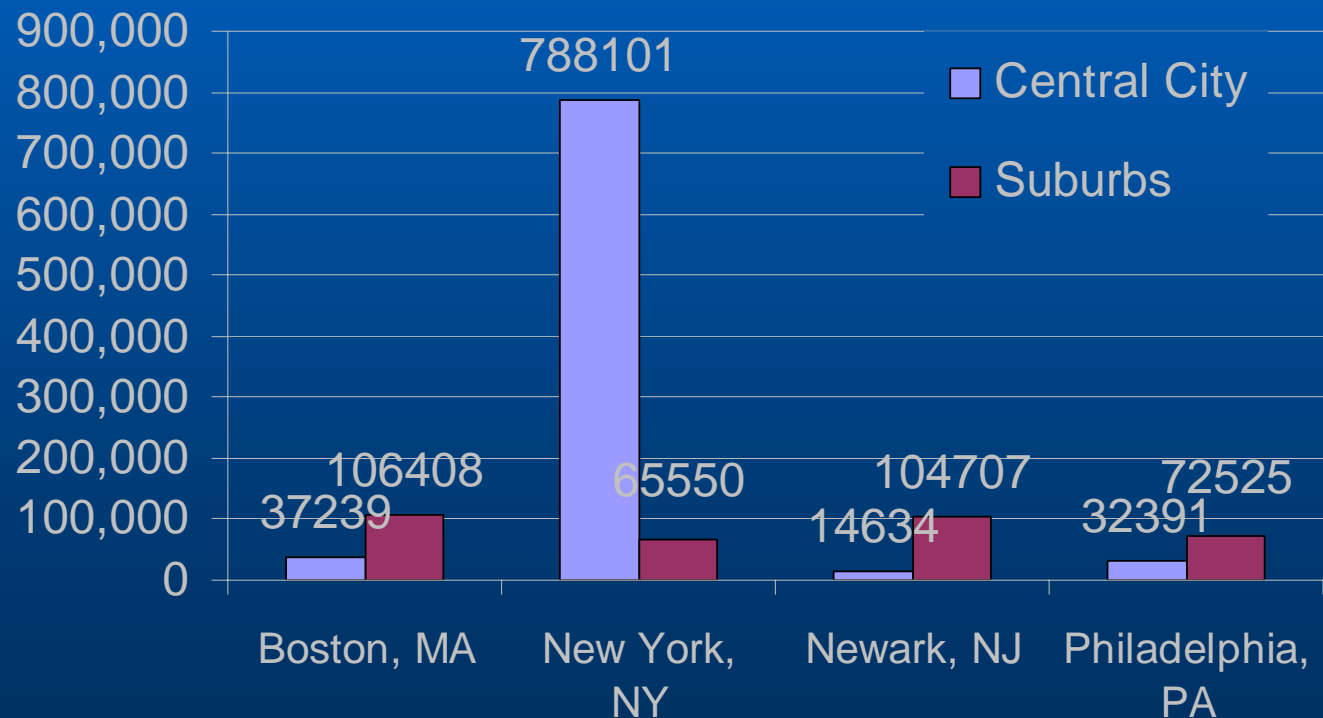
Absolute change  
in foreign born  
residents, 1990 –  
2000, (city +  
suburbs)





Unlike other northeastern cities where immigrants located largely in the suburbs, New York added roughly 12 times as many foreign-born residents in the city as in its northern suburbs

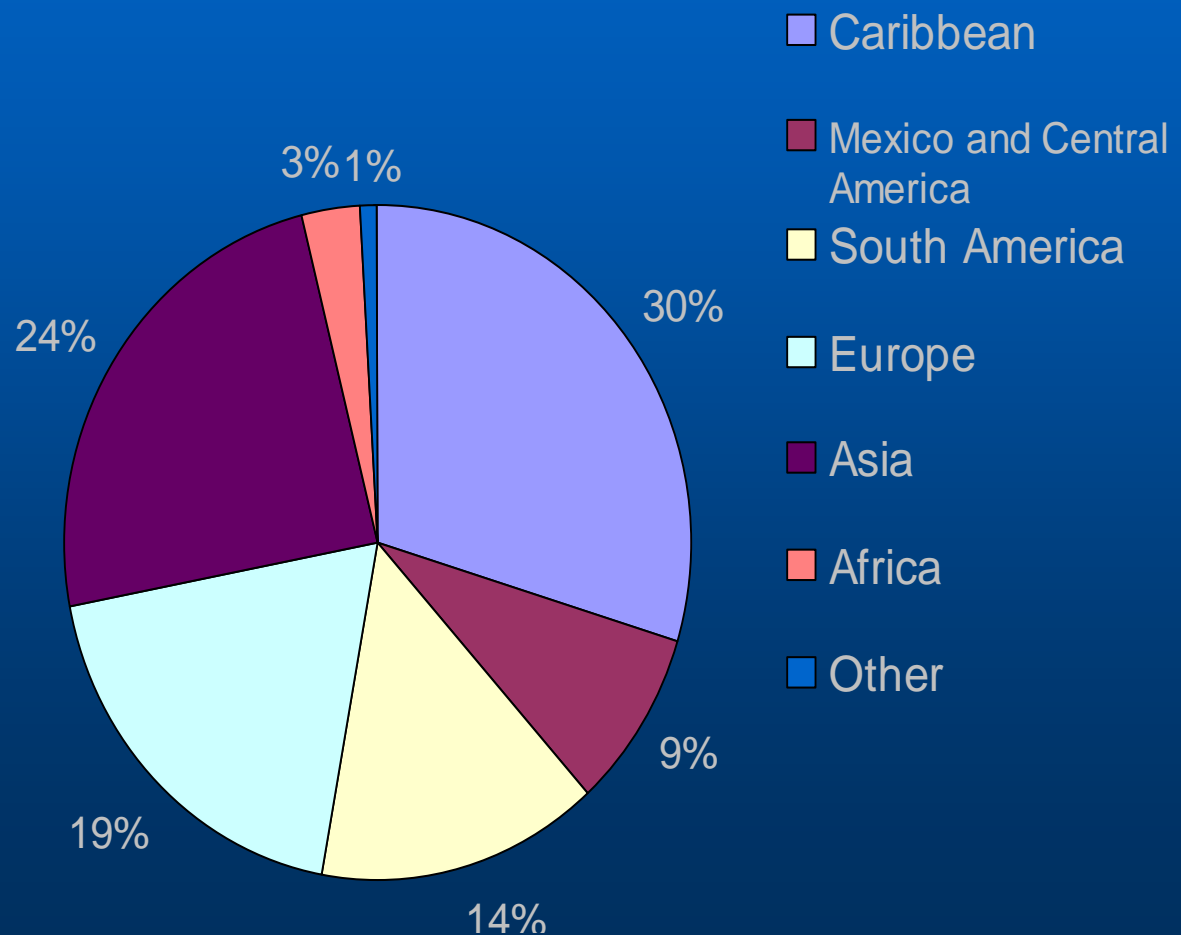
Absolute change  
in foreign born  
residents, 1990 –  
2000, (city vs.  
suburbs)





New York City has one of the most diverse foreign-born populations in the U.S., with the Caribbean representing the most common source region

Share of foreign  
born by country of  
origin, 2000





## 5. New York City has become more diverse



Of the 100 largest cities, New York has the 23<sup>rd</sup> largest share of non-White population at 65 percent

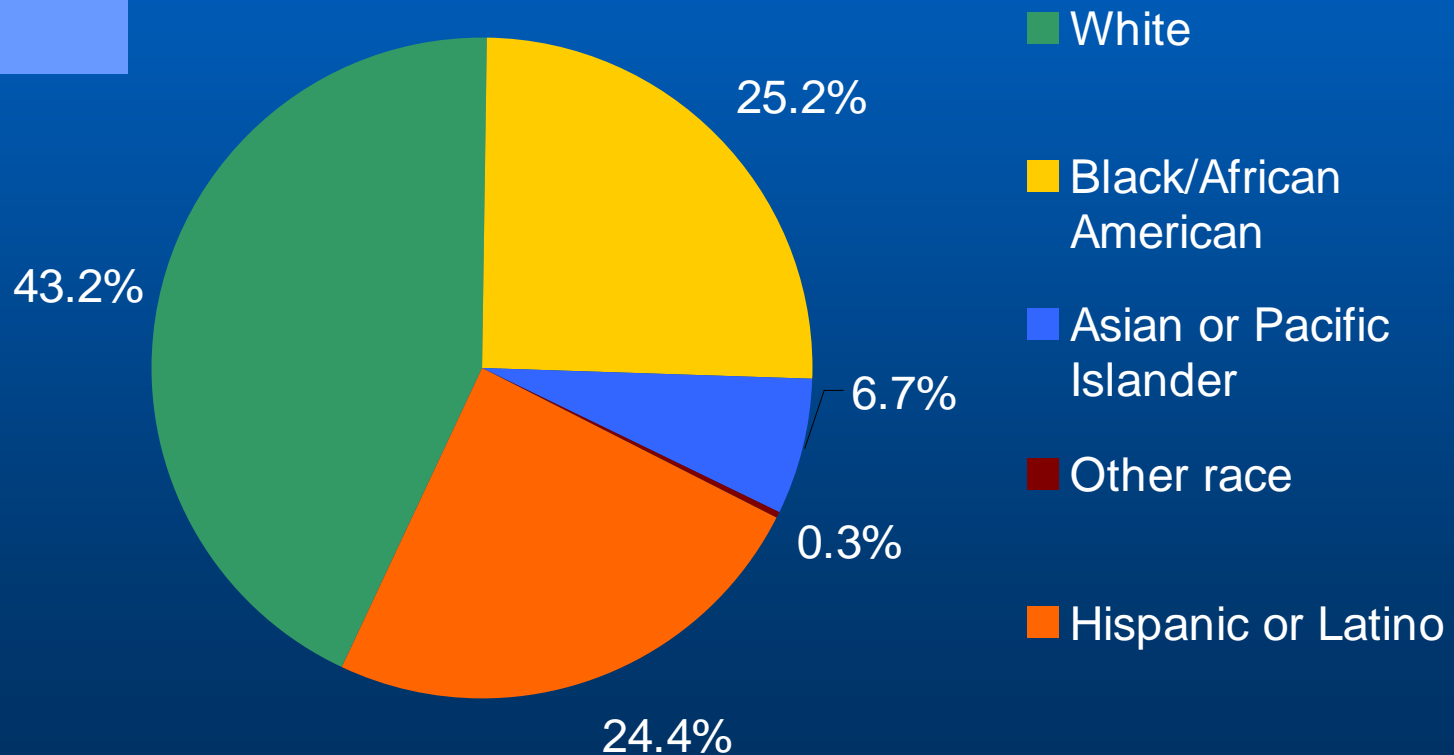
Share of non-white  
and Hispanic  
population, 2000

	Non-White Share	
	2000	Rank
San Antonio, TX	68.2%	18
Stockton, CA	67.8%	19
Long Beach, CA	66.9%	20
Memphis, TN	66.7%	21
Dallas, TX	65.4%	22
<b>New York, NY</b>	<b>65.0%</b>	<b>23</b>
Anaheim, CA	64.1%	24
San Jose, CA	64.0%	25
Fresno, CA	62.7%	26
Richmond, VA	62.3%	27
Corpus Christi, TX	61.5%	28



In 1990, whites made up 43 percent of New York City's population

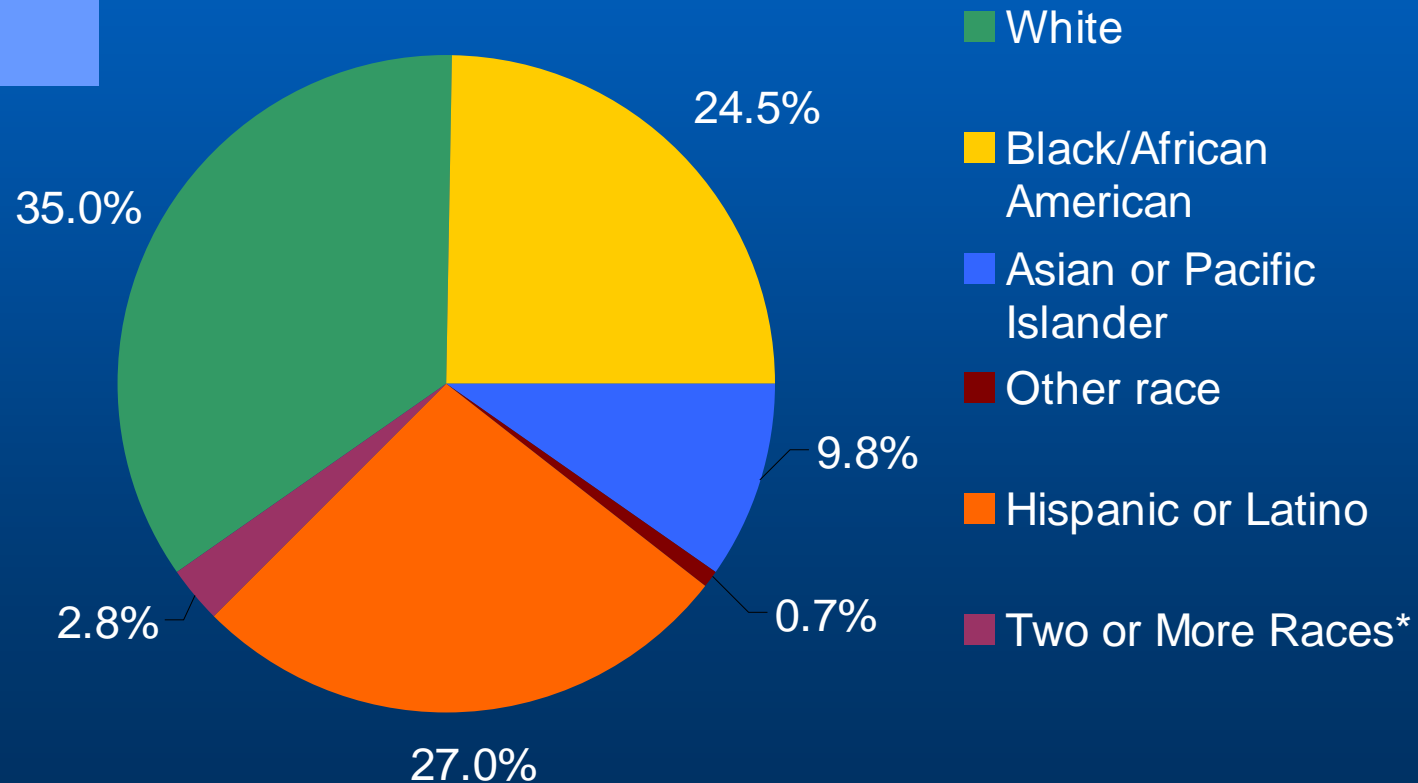
Percent share of  
population,  
1990





By 2000, the white population dropped to 35 percent

Percent share of  
population,  
2000

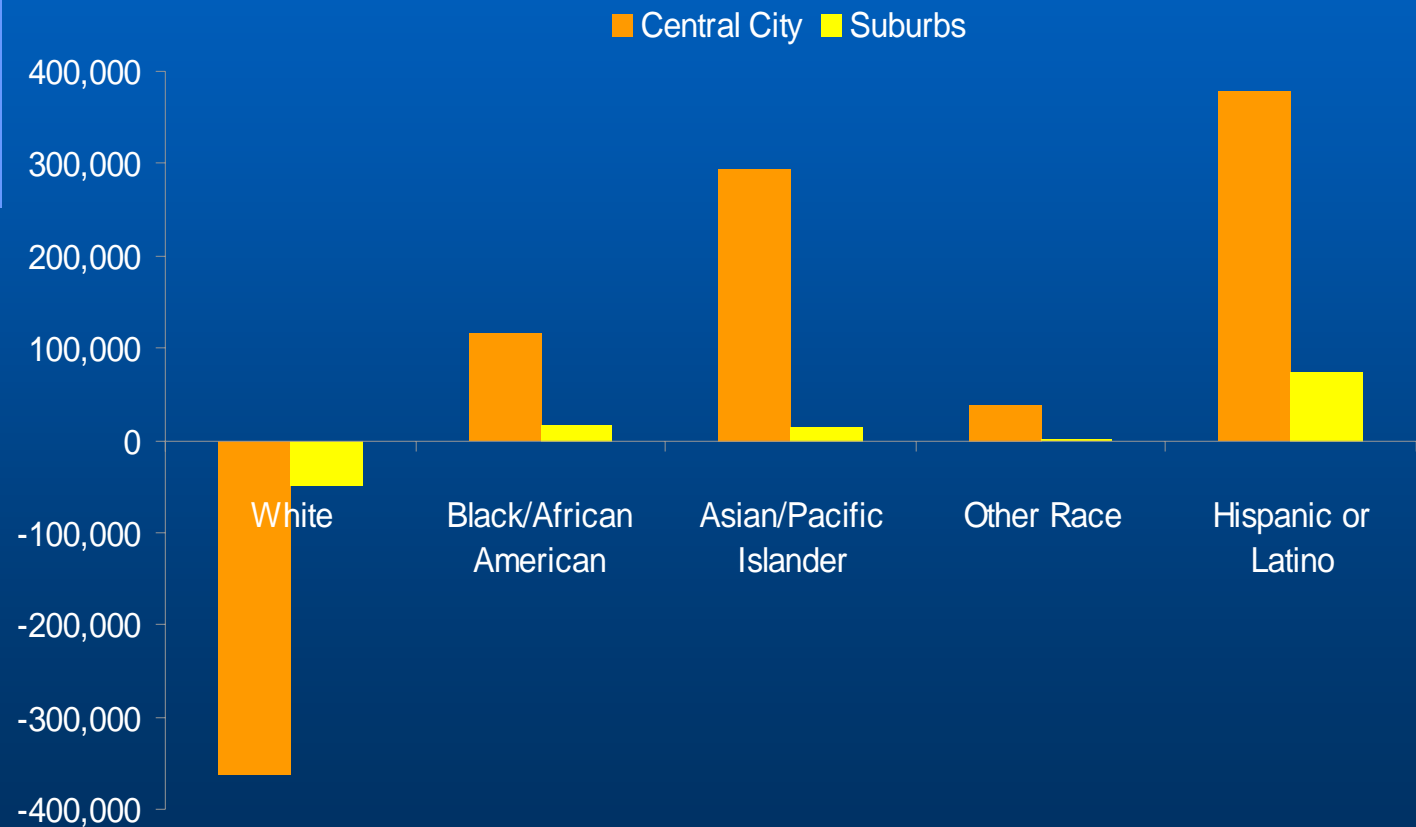






Hispanic and Asian populations grew rapidly in New York during the 1990s while the white population shrank considerably

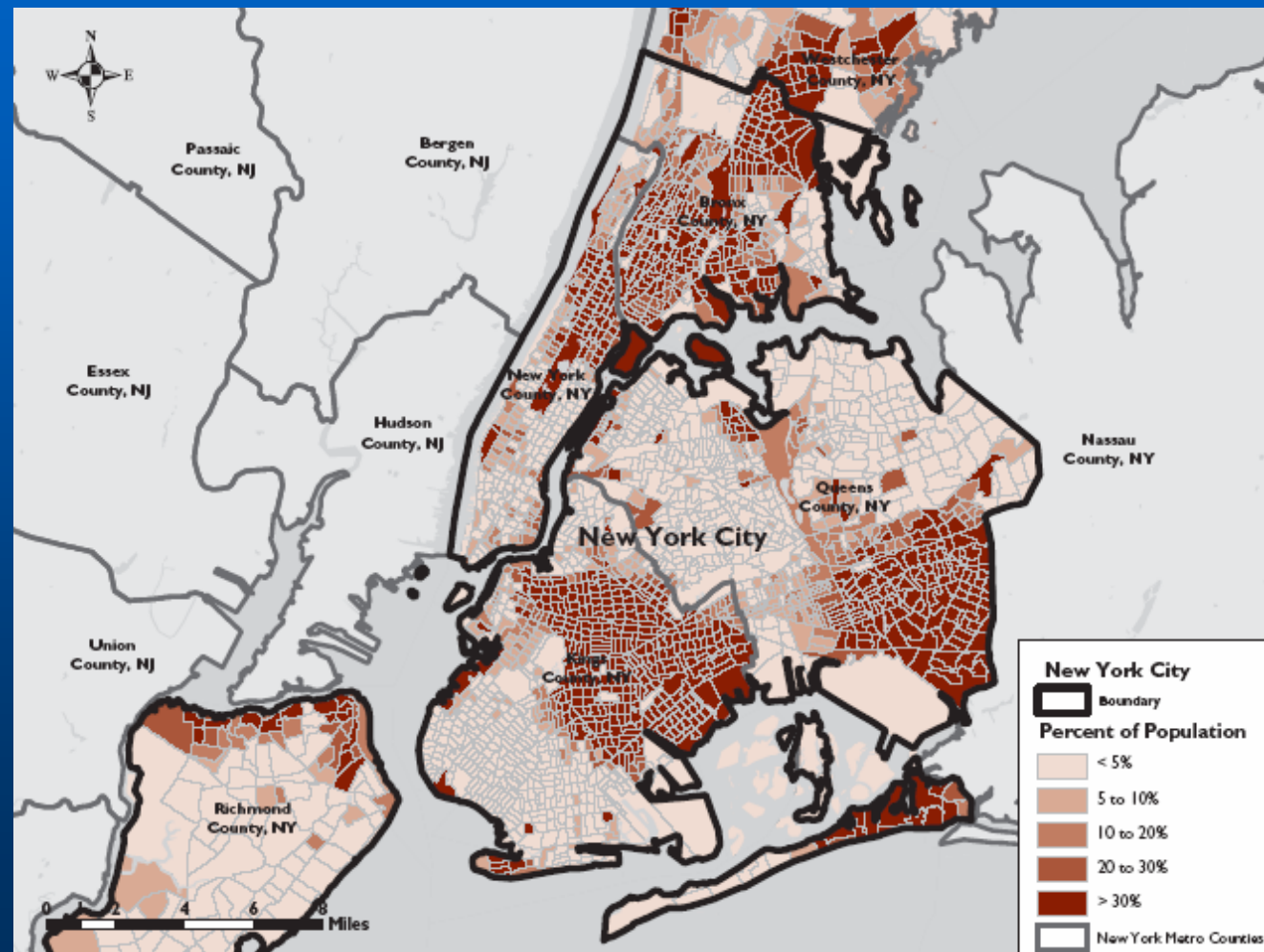
**Absolute change in  
population,  
1990-2000**





The black population in the city is concentrated in Harlem, the south Bronx, eastern Brooklyn, and Jamaica

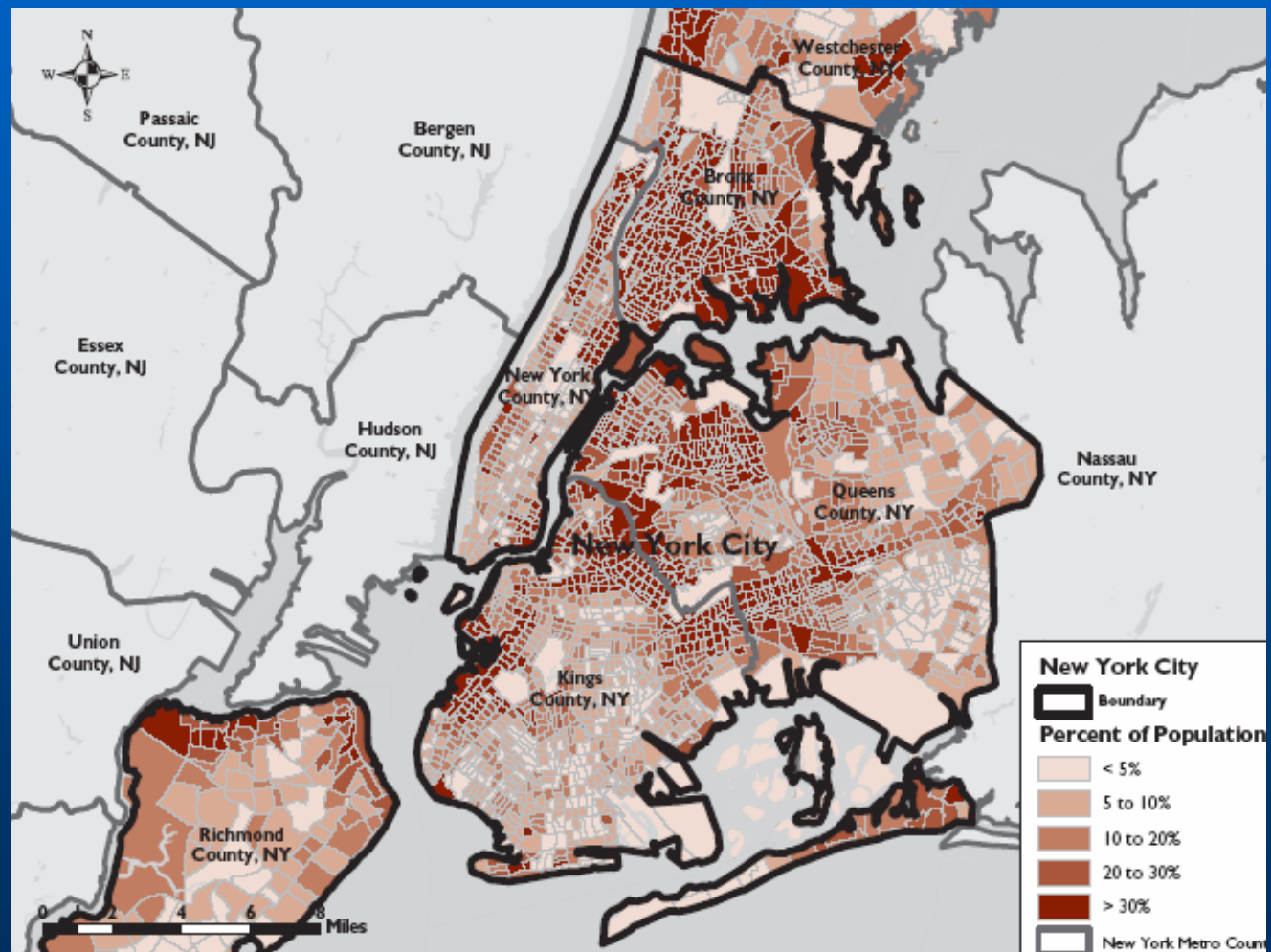
Percent Black or African-American, 2000





Hispanics represent a large share of the population in Washington Heights, the Bronx, Williamsburg, and western Queens

### Percent Hispanic - Latino, 2000



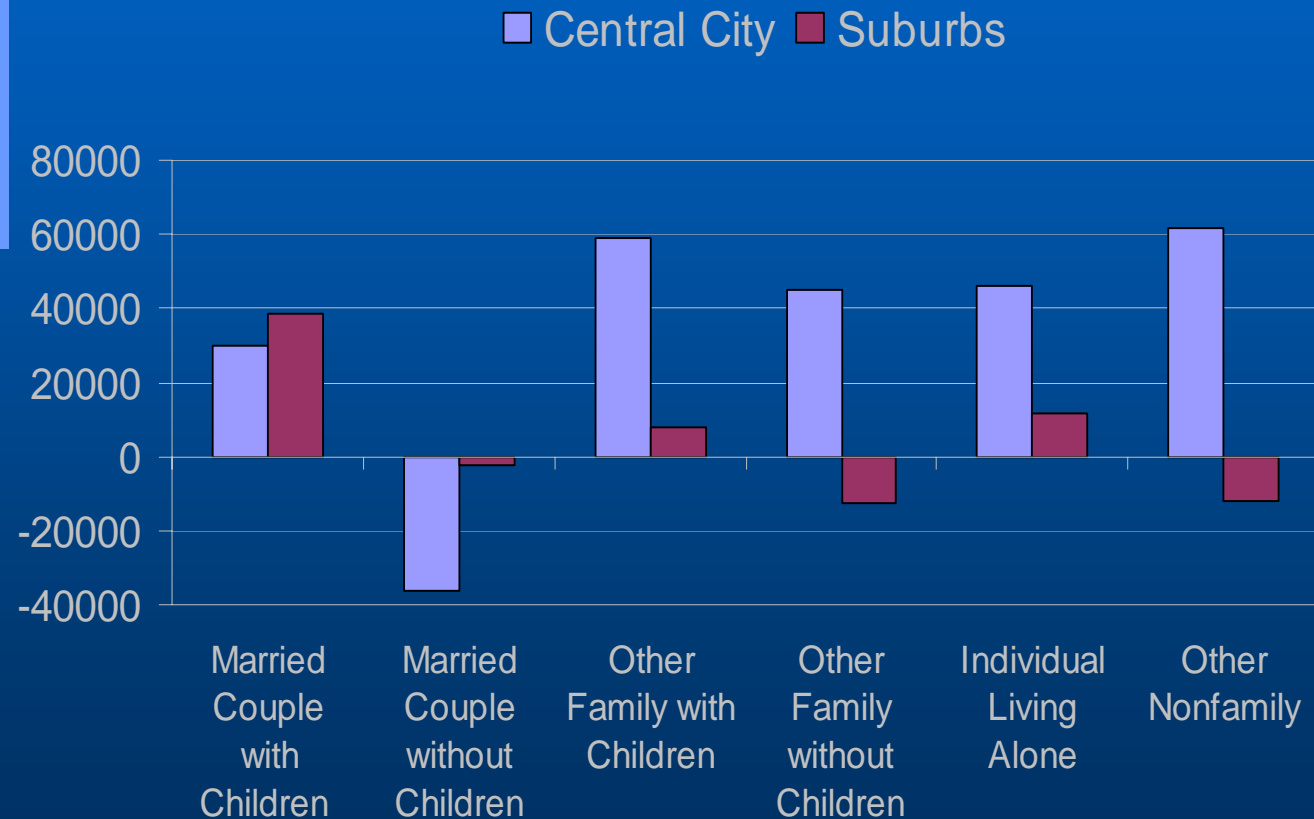


## 6. The household composition of New York has changed



New York and its suburbs lost childless married couples during the 1990s, but gained households of all other types, including married couples with children and single-parent families

**Absolute change  
number of  
households by type,  
1990-2000**





7. The New York region has a mixed record regarding educational attainment



## New York ranked near the middle of the 100 largest cities in educational attainment

Share of population  
aged 25 and over with  
a bachelors degree,  
2000

Central Cities	2000	Rank
Tulsa, OK	28%	36
Virginia Beach, VA	28%	37
Dallas, TX	28%	38
Jersey City, NJ	27%	39
<b>New York, NY</b>	<b>27%</b>	<b>40</b>
Houston, TX	27%	41
Cincinnati, OH	27%	42
Lubbock, TX	27%	43
Pittsburgh, PA	26%	44



The city ranked slightly better in percentage change in educational attainment during the 1990s

Percentage point  
change in share of  
population aged 25  
and over with BA,  
1990-2000

Central Cities	Educational Attainment	
	1990-2000	Rank
Montgomery, AL	5%	29
Lincoln, NE	5%	30
Cincinnati, OH	4%	31
Columbus, OH	4%	32
<b>New York, NY</b>	<b>4%</b>	<b>33</b>
Spokane, WA	4%	34
Raleigh, NC	4%	35
St. Petersburg, FL	4%	36
Tacoma, WA	4%	37





The New York metro had the 26th highest level of educational attainment among the 100 largest metros

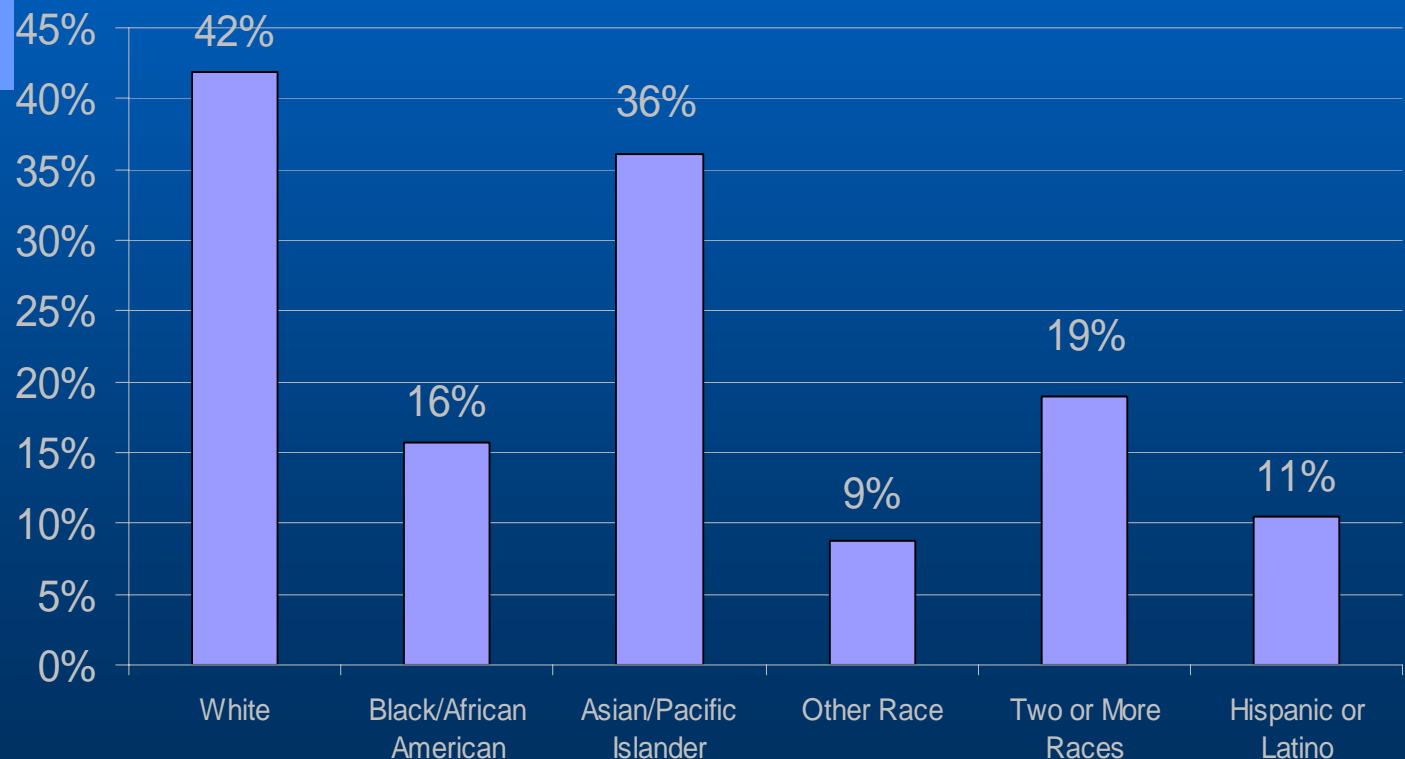
Share of 25+  
population with BA,  
2000

Metro areas	Educational Attainment	
	2000 Rank	
Richmond--Petersburg, VA MSA	29.2%	23
Baltimore, MD PMSA	29.2%	24
Columbia, SC MSA	29.2%	25
<b>New York, NY PMSA</b>	<b>29.2%</b>	<b>26</b>
Columbus, OH MSA	29.1%	27
Portland--Vancouver, OR--WA PM	28.8%	28
Kansas City, MO--KS MSA	28.5%	29
Albuquerque, NM MSA	28.4%	30
Albany--Schenectady--Troy, NY M	28.2%	31



Within the city, large disparities in educational attainment levels persist among race and ethnic groups

Share of 25+  
population with BA,  
2000





## 8. Income outcomes varied across the region and among racial/ethnic groups



New York's median income ranks roughly in the middle of the 100 largest cities

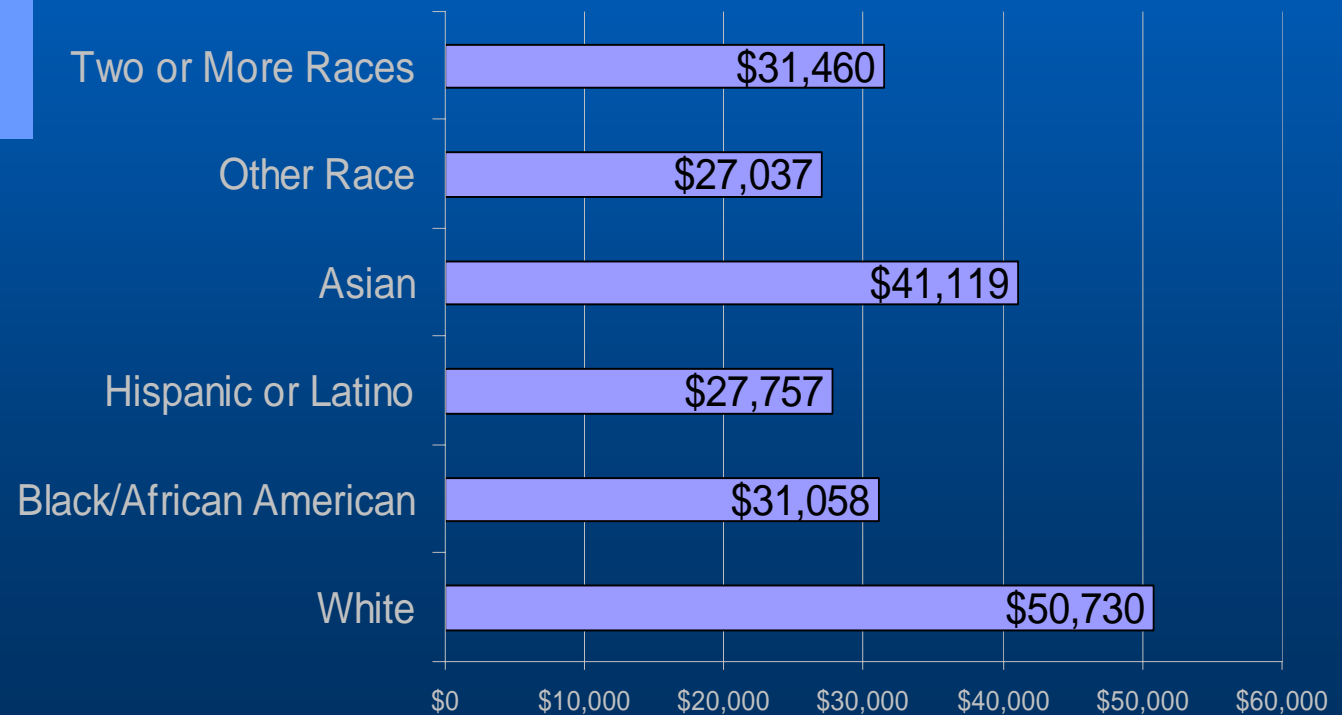
Median household  
income, 1999

Central City	2000	Resident Median Income Rank
Boston, MA	\$39,629	41
Denver, CO	\$39,500	42
Nashville-Davidson, TN	\$39,232	43
St. Paul, MN	\$38,774	44
Chicago, IL	\$38,625	45
Des Moines, IA	\$38,408	46
<b>New York, NY</b>	<b>\$38,293</b>	<b>47</b>
Albuquerque, NM	\$38,272	48
Minneapolis, MN	\$37,974	49
Columbus, OH	\$37,897	50
Tacoma, WA	\$37,879	51
Jersey City, NJ	\$37,862	52



Whites had the highest median income among the racial/ethnic groups in the city, while Hispanics had the lowest

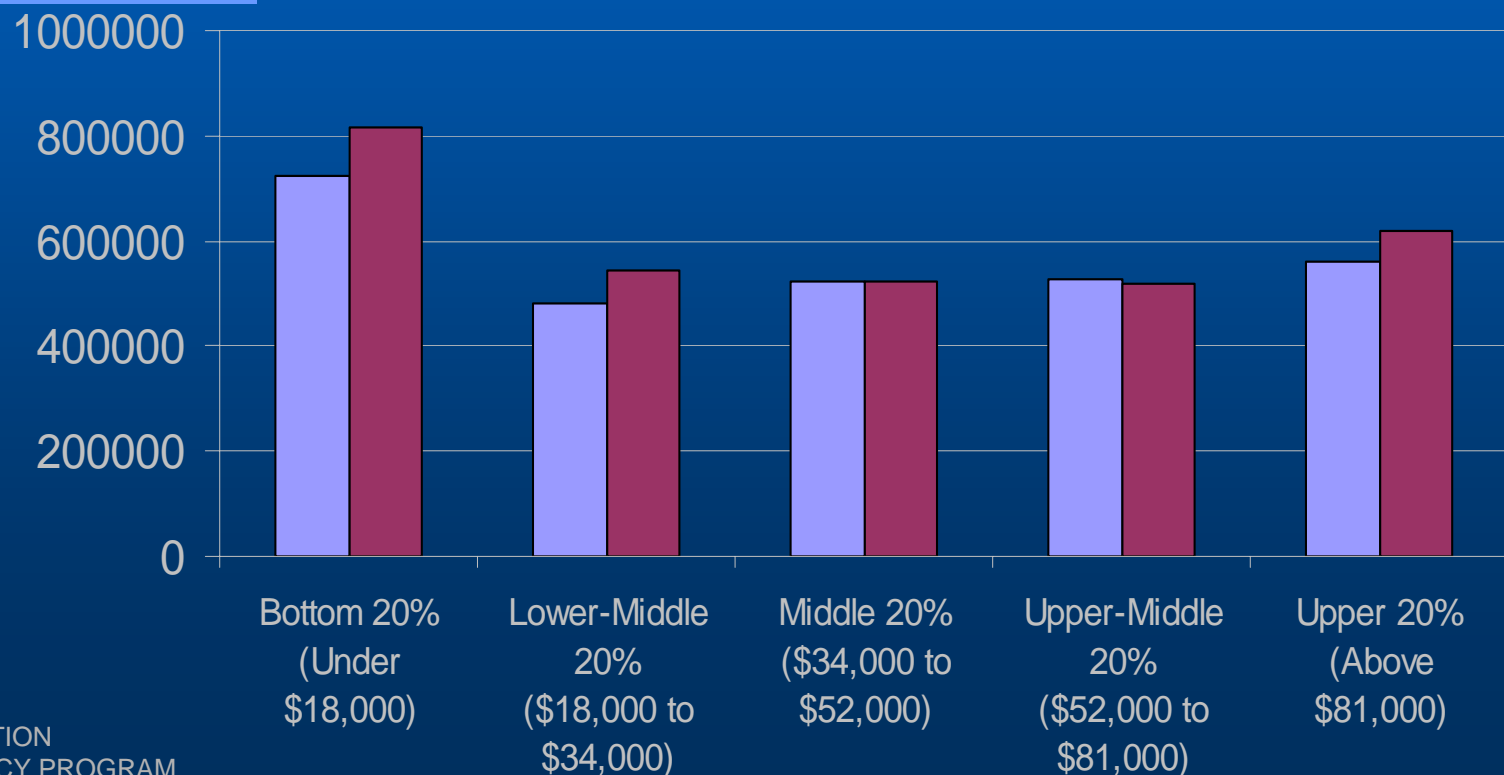
Median household  
income per  
racial/ethnic groups,  
2000





While the number of middle-income households in New York was stable in the 1990s, the number of lower-income and high-income households grew rapidly

Number of households  
by national income  
quintile, 1999





New York ranked in the 77<sup>th</sup> of the country's 100 largest cities in share of residents living in poverty

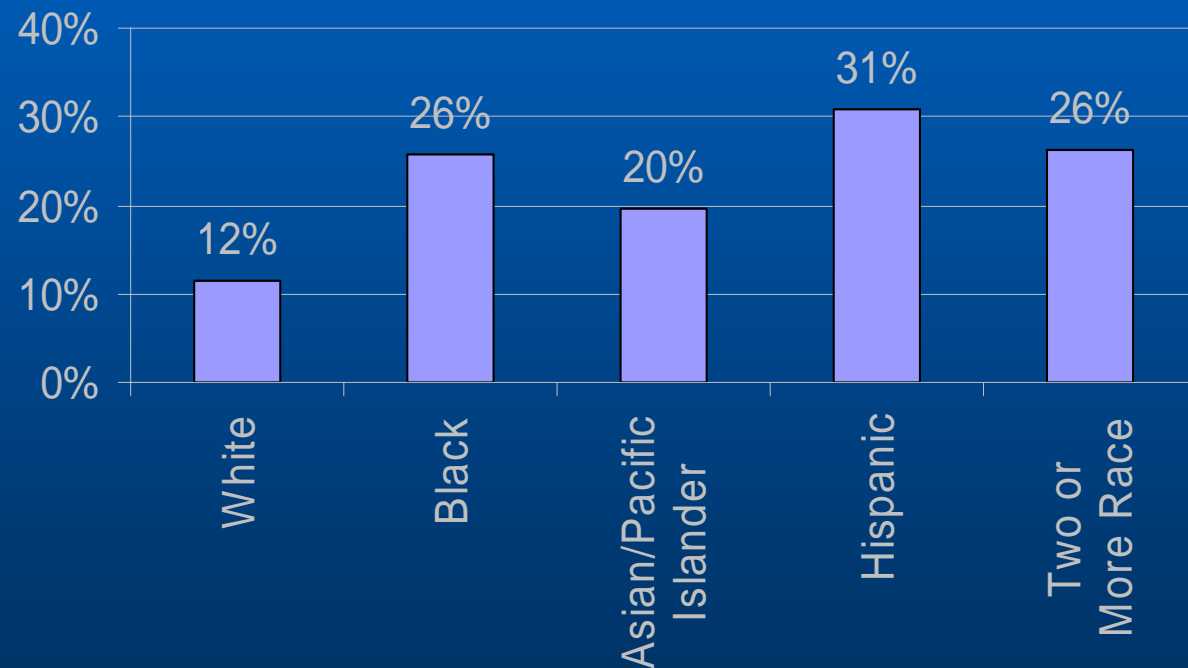
Share of Persons  
living below  
Poverty line,  
2000

Central Cities	Persons in Poverty	
	Percent	Rank
Washington, DC	20%	73
Pittsburgh, PA	20%	74
Memphis, TN	21%	75
Mobile, AL	21%	76
<b>New York, NY</b>	<b>21%</b>	<b>77</b>
Milwaukee, WI	21%	78
Richmond, VA	21%	79
Louisville, KY	22%	80
Cincinnati, OH	22%	81



Almost 1 in 3 Hispanic residents in the city lives below poverty

Share of persons  
living in poverty by  
race/ethnic group,  
2000

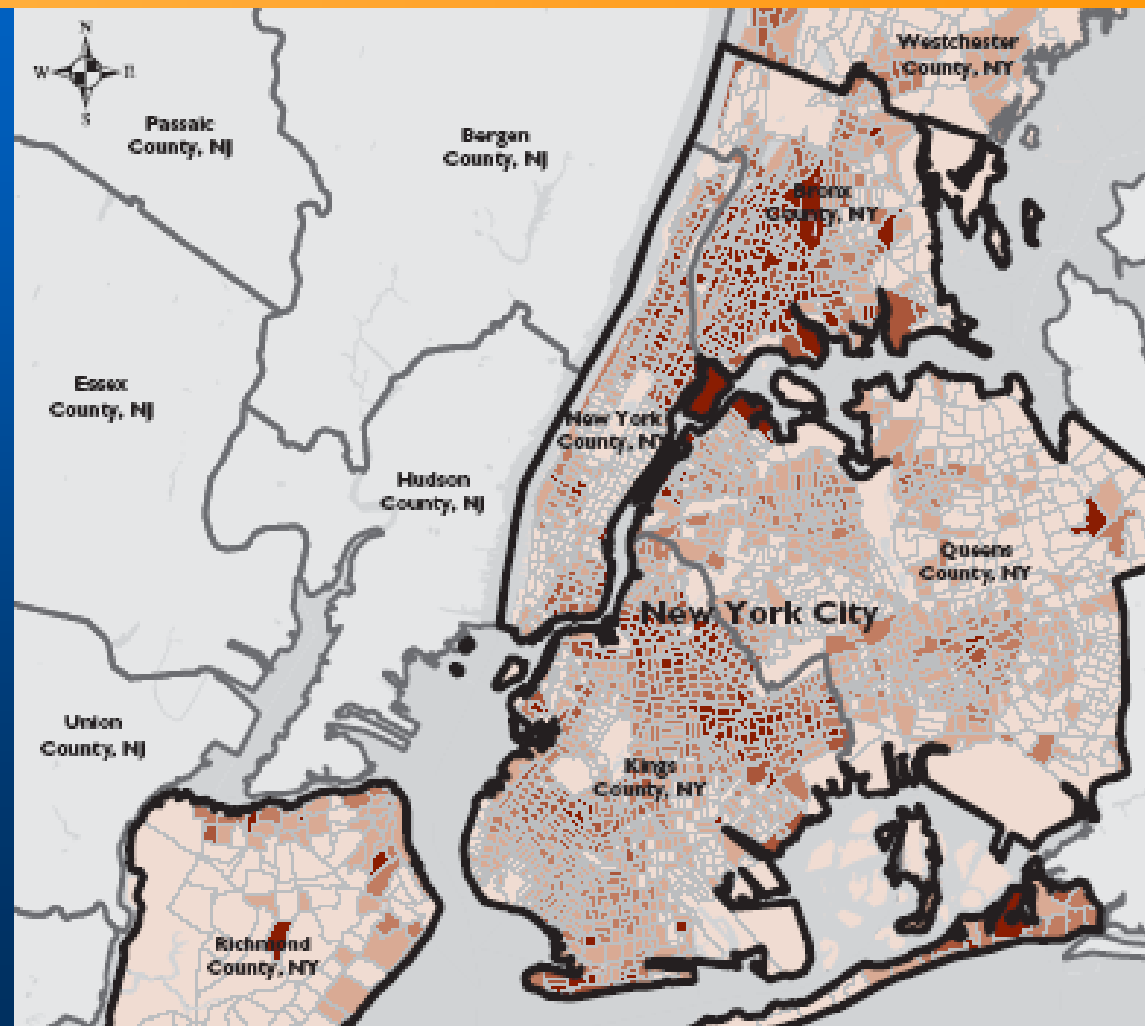
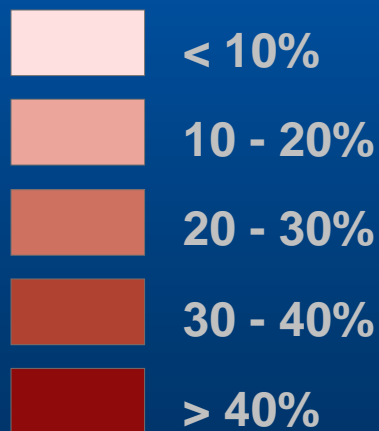






Neighborhoods with high poverty rates were found throughout northern Manhattan, the south Bronx, and East New York

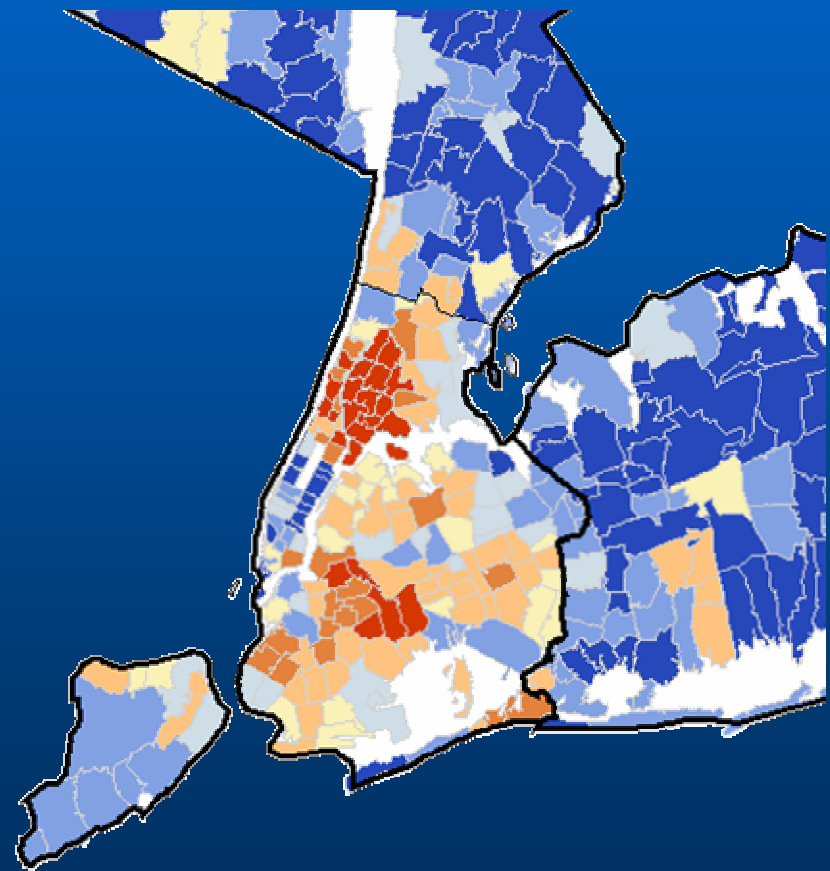
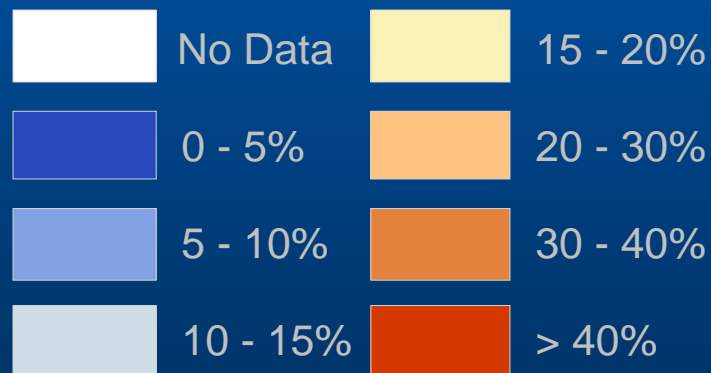
Share of Persons  
living below the  
Poverty line,  
2000

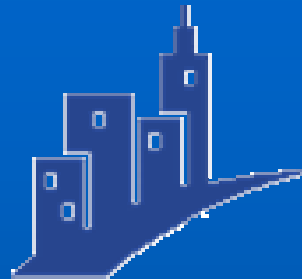
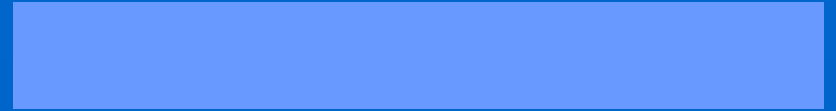




In the New York metro, EITC recipients are concentrated in northern Manhattan and East New York

Share of tax filers receiving the EITC, 2000 (tax year)





How do these trends affect housing?



## II

### How do these trends affect housing?

Broader wage and price trends affect renter affordability



Broader wage, stock, and price trends affect homeownership



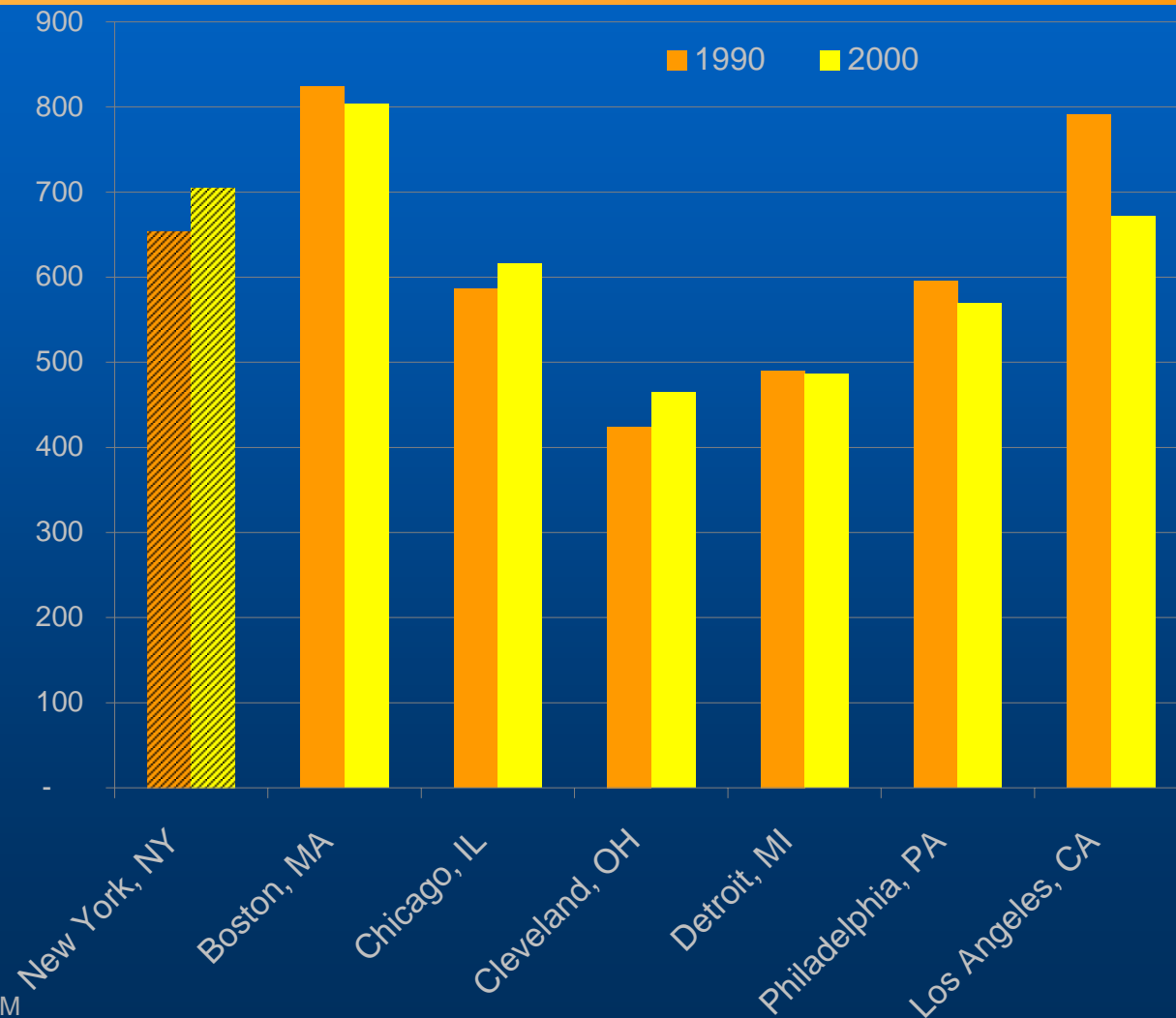
The location of subsidized housing has multiple impacts





## Rents in New York are among the highest in the nation

Median Rent,  
1990-2000





Of the 100 largest cities, New York has the 35<sup>th</sup> highest share of renters paying at least 30 percent of their income on rent

Share renters  
paying at least 30%  
of income on rent,  
2000

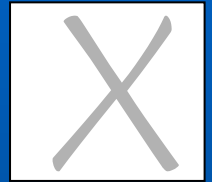
	Percent	Rank
Yonkers	40.9%	32
Pittsburgh	40.8%	33
Cleveland	40.7%	34
<b>New York</b>	<b>40.7%</b>	<b>35</b>
Norfolk	40.2%	36
Boston	40.2%	37
Atlanta	40.2%	38
Detroit	40.1%	39
Baltimore	40.0%	40



## II

### How do these trends affect housing?

Broader wage and price trends affect renter affordability



Broader wage, stock, and price trends affect homeownership



The location of subsidized housing has multiple impacts





## New York has by far the largest share of multifamily housing units

### Multifamily housing units, 2000

<i>Rank</i>	<i>Living Cities</i>	<i>Total Housing Units</i>	<i>Multifamily Housing Units</i>	<i>Percent</i>
<b>1</b>	<b>New York, NY</b>	<b>3,200,912</b>	<b>1,945,829</b>	<b>60.8%</b>
2	Washington, DC	274,845	135,111	49.2%
3	Miami, FL	148,554	65,919	44.4%
4	Los Angeles, CA	1,337,668	586,956	43.9%
5	Dallas, TX	484,053	207,215	42.8%
6	Boston, MA	251,935	107,316	42.6%
7	Atlanta, GA	186,998	76,674	41.0%
8	Seattle, WA	270,536	108,486	40.1%
9	Newark, NJ	100,141	39,990	39.9%
10	Chicago, IL	1,152,871	456,700	39.6%





Median home values are the thirteenth highest of the nation's largest 100 cities...

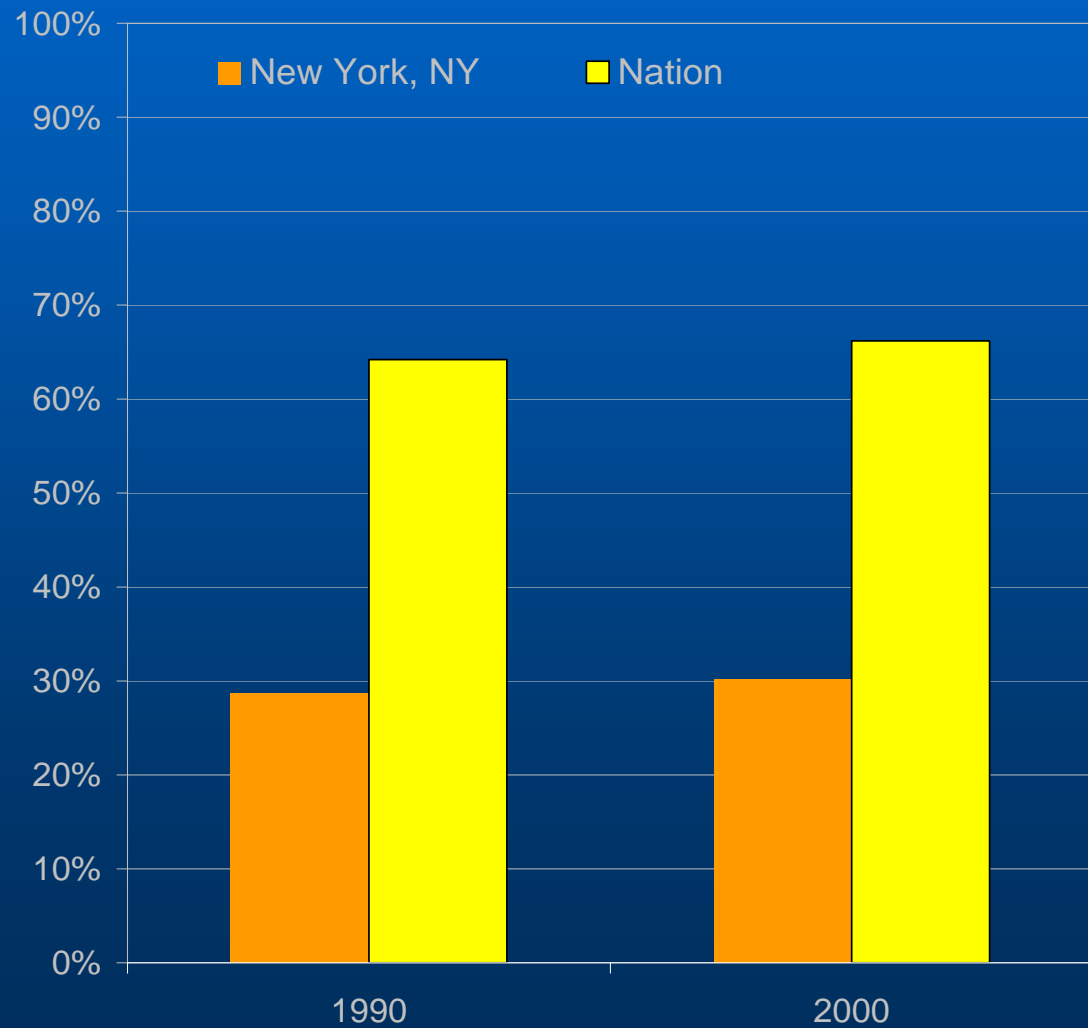
Median Value of  
Owner-Occupied  
Housing Units,  
2000

	Median Value	Rank
San Diego	\$233,100	9
Los Angeles	\$221,600	10
Scottsdale	\$220,800	11
Anaheim	\$213,800	12
<b>New York</b>	<b>\$211,900</b>	<b>13</b>
Long Beach	\$210,000	14
Boston	\$190,600	15
Santa Ana	\$184,500	16
Denver	\$165,800	17



Though homeownership rates rose slightly in the 1990s...

### Homeownership rate, 1990-2000





New York actually has the third lowest percent of homeowners of the 100 largest cities

Homeownership  
rate, 2000

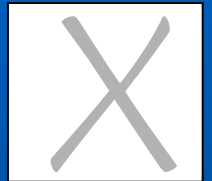
Rochester	40.2%	90
Cincinnati	39.0%	91
Los Angeles	38.6%	92
Glendale	38.4%	93
Irving	37.3%	94
San Francisco	35.0%	95
Miami	34.9%	96
Boston	32.2%	97
<b>New York</b>	<b>30.2%</b>	<b>98</b>
Jersey City	28.2%	99
Newark	23.8%	100
Average	52.8%	



## II

Where do housing challenges and state policy fit in?

Broader wage and price trends affect renter affordability



Broader wage, stock, and price trends affect homeownership



The location of subsidized housing has multiple impacts





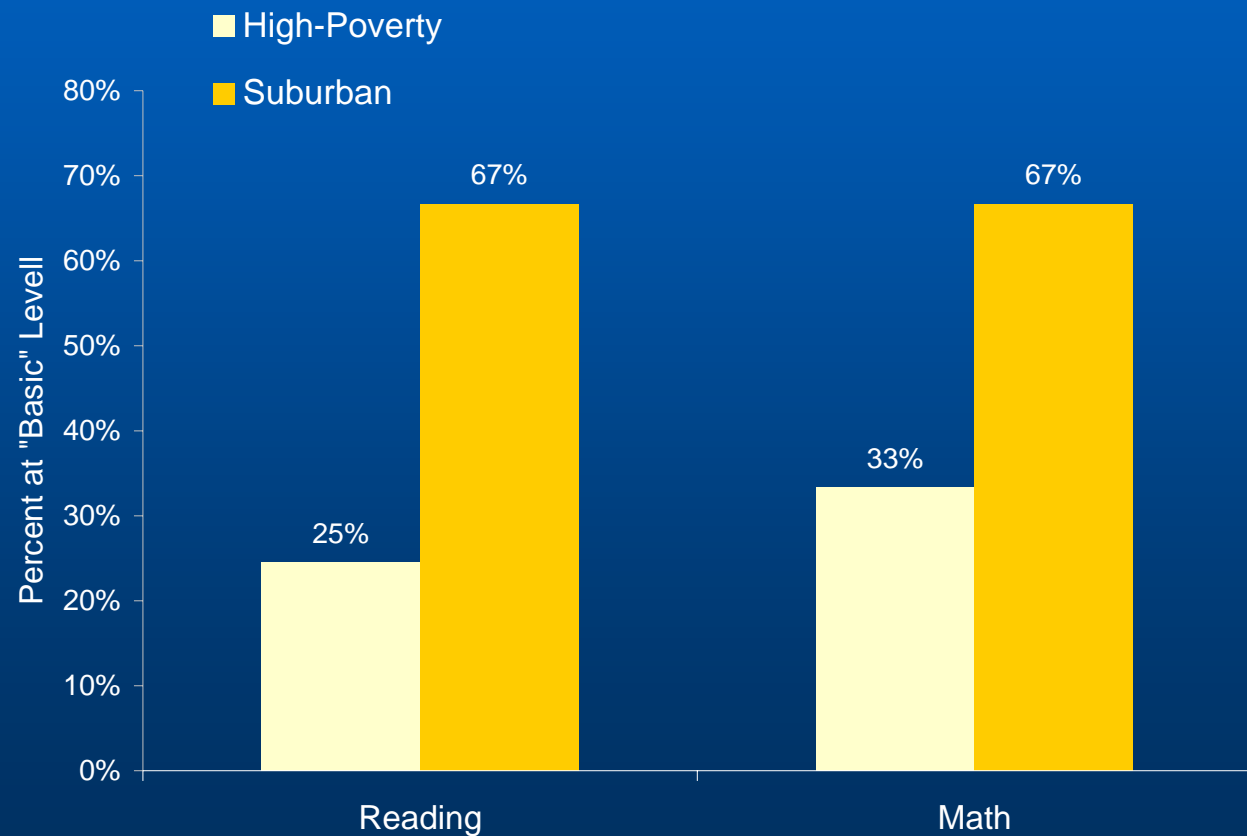
## Affordable housing remains concentrated in low-income neighborhoods

- 21% of New York's LIHTC units are in neighborhoods of concentrated poverty – neighborhoods with poverty rates of 40% or more



## Children from high-poverty neighborhoods are at greater risk for school failure than their suburban counterparts

Educational achievement rates, fourth grade students





Evidence is mounting that living in high-poverty neighborhoods has negative health implications

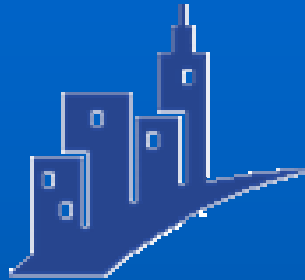
↑↑ Asthma

↑↑ Diabetes

↑↑ Obesity

↑↑ Heart Ailments

↑↑ Cancer



Where does New York go from here?





*"As the devolution  
of housing poli-  
cies continues to  
unfold, there is  
great potential  
for state and  
local leaders to  
build upon the  
experience of  
the past while  
bringing fresh  
thinking to a  
new generation  
of approaches."*



CENTER ON URBAN AND METROPOLITAN POLICY  
THE BROOKINGS INSTITUTION  
AND THE URBAN INSTITUTE

## Rethinking Affordable Housing Strategies: An Action Agenda for Local and Regional Leaders

Bruce Katz and Margery Austin Turner<sup>1</sup>

*Housing policies and programs have undergone a dramatic transformation in the past several decades. The greatest change has been the federal devolution of affordable housing programs to state and local leaders, often in partnership with the private sector. This devolution, coupled with major market and demographic changes occurring in local communities, has created wide demand among state and local stakeholders for facts to help them understand "what works" in affordable housing. To that end, the Brookings Institution Center on Urban and Metropolitan Policy and the Urban Institute joined forces to examine the major lessons from 70 years of housing policies and how those lessons can inform local approaches. This action agenda, derived from the findings of that policy review, details seven principles for action to help state and local policymakers, advocates, practitioners, and foundations design more effective housing programs and strategies that truly meet the diverse needs of today's families and communities.*

Since the mid-1980s, the nation's affordable housing policies and programs have undergone a profound transformation. After decades of initiatives that were designed by Washington and administered by the U.S. Department of Housing and Urban Development (HUD) and its predecessors, a palpable shift toward state and local control has dominated federal thinking. With the enactment of the Low-Income Housing Tax Credit in 1986 and the HOME program in 1990, federal policymakers essentially devolved responsibility for the design and implementation of affordable housing policies to a myriad of state and local housing agencies.

As with other domestic policies, devolution remains a work in progress. Across the nation, state and local government leaders are struggling to implement federal policies—and to effectively use available resources—in communities with significantly different market conditions, residential patterns, regulatory regimes, and local goals. These leaders—and their partners in the corporate, civic, and real estate communities—routinely ask several questions: What lessons can guide state and local efforts to design and implement effective affordable housing strategies? What affordable housing strategies have proven to be successful? In short, what have we learned from almost seven decades of trial and error in affordable housing policy?

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## Seven principles for success

1. Make Policy Goals Explicit
2. Tailor Housing Strategies to Local Market Conditions
3. Housing Markets are Regional
4. Income Policy is Housing Policy
5. Regulatory Policy Makes a Difference
6. Race Matters
7. Implementation Matters

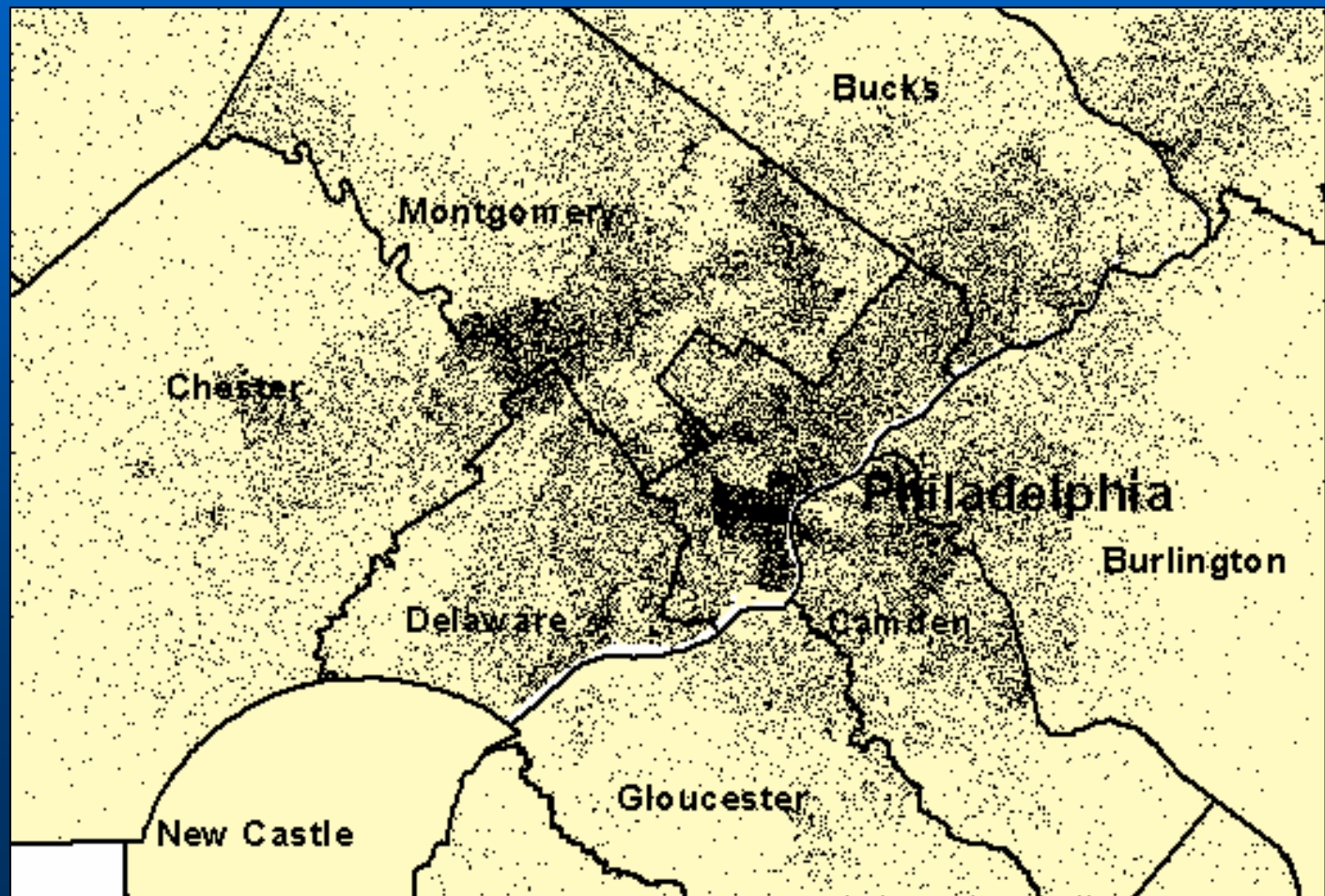


## Principle Three: Housing markets are regional— Housing policies should be, too

Private Sector  
Jobs,  
2000

Source:  
U.S. Census  
Bureau Zip Code  
Business Patterns

• = 50 jobs





# Housing markets are regional—Housing policies should be, too

- Do not cluster affordable homes in low-income neighborhoods, especially in the core
- Enable low-income households to live closer to employment centers and better schools



Aim for this...



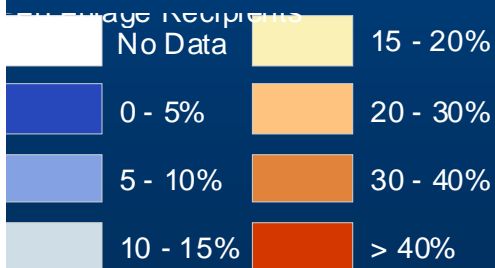
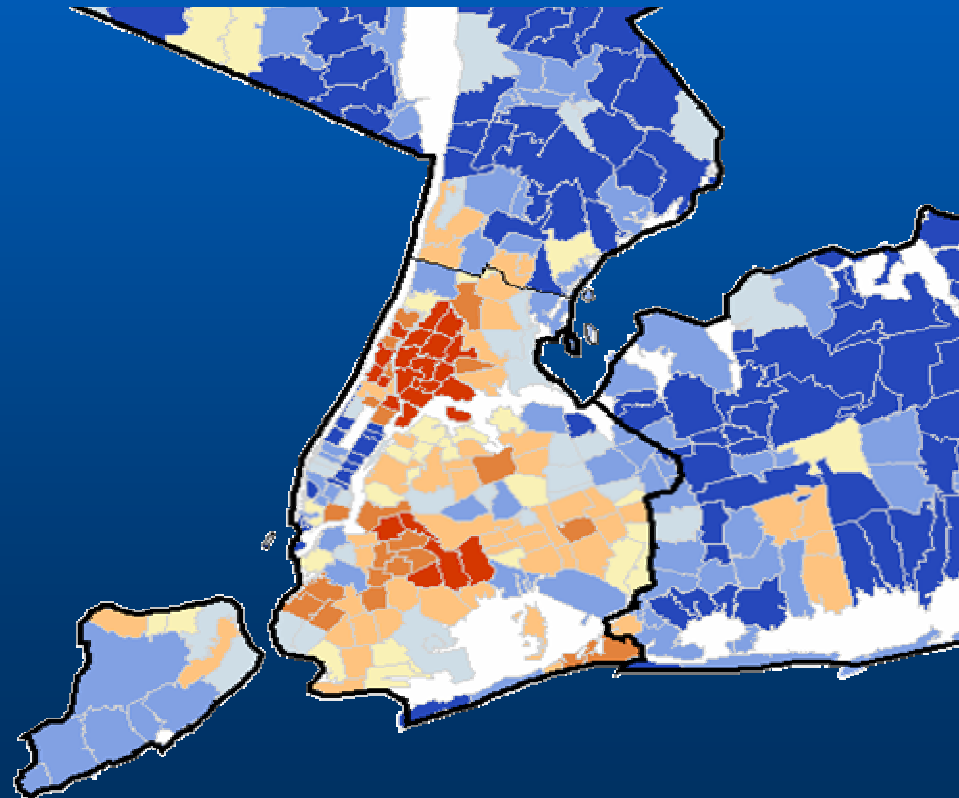
...instead of this



# Principle Four: Income Policy is Housing Policy

Percent of filers  
claiming the EITC  
varies widely  
across the city

Percent of filers  
claiming the  
EITC, Tax  
Year 2001



BROOKINGS INSTITUTION  
METROPOLITAN POLICY PROGRAM



# Income policy is housing policy

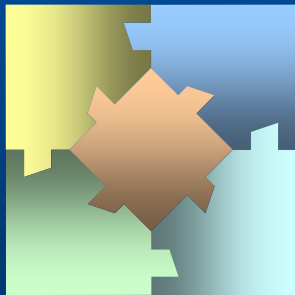
- Local leaders can impact household incomes and, by extension, housing affordability
- Raise the incomes of working families through earned income tax credit, nutrition assistance, health care, and child care

***Think of affordable housing as  
workforce housing***



## Principle Seven: Implementation Matters

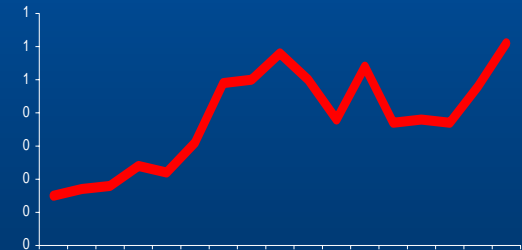
***Housing policy needs to be implemented in an integrated, accountable and sustainable fashion***



Integrated



Accountable



Sustainable



## Implementation matters

- Housing programs should connect directly with other neighborhood interventions (e.g., schools)
- Hold implementing agencies accountable through performance measures
- Economic integration is the principle vehicle for sustainability





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- Research Topics
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## METROPOLITAN POLICY PROGRAM

Brookings > Metropolitan Policy

*Redefining the challenges facing metropolitan America and promoting innovative solutions to help communities grow in more inclusive, competitive, and sustainable ways.*

### ANNOUNCEMENT

#### Urban Center Becomes Metropolitan Program

In a major promotion, the Center on Urban and Metropolitan Policy this month became the Brookings Metropolitan Policy Program—and the first new Brookings department established since 1948. The new status reflects the rising importance of metropolitan issues to the domestic and global challenges Brookings seeks to address.

read an open letter from Brookings President Strobe Talbott

### METROVIEW

**Deficits by Design Plague Metro**  
by Robert Puentes  
*The Washington Times*  
June 21, 2004

[News Index](#)

### METROPOLITAN GROWTH

#### Mechanisms for Market-Based Land Use Control

Using case studies and a national survey, this paper examines transfers of development rights (TDRs) and other market-based land preservation techniques like mitigation banking and density transfer fees.

### IMMIGRATION

#### Washington Goes Polyglot

Metro Washington's "limited English proficient" (LEP) population

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