East Harlem: An Inquiry into Development
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Prologue

Stepping from the 125th street Metro North stop onto the street below, one isn’t awestruck by poverty and grit, instead they are presented with chain stores and a bustling movement of people, trying to get to the subway or Metro North stations or finagling a way into the stores. East Harlem has been in the midst of a commercial and residential development process for the past 22 years involving federal, local, and private investment. East Harlem was not always like this, nor is it like this in the rest of the neighborhood. East Harlem has been notably resistant to the pressures of gentrification. East Harlem has a history similar to that of many poor neighborhoods in New York City but what is at work in today in El Barrio can be understood as the future of New York City, the spread of the supply and demand game among the wealthier residents of the city. Before delving into the role of development in the neighborhood today, we need to understand the demographic history of El Barrio, focusing on the role of community organizations, private and governmental investment, and most importantly the role of housing markets in NYC.
Chapter 1: The Evolution of East Harlem

Introduction

East Harlem is the neighborhood between 96th and 143rd streets, sandwiched in between 5th avenue and FDR drive, bordered by Central Park, Harlem, and the Upper East Side. ¹

East Harlem began to develop in the mid to late 1800s as the demand for housing increased. Historically East Harlem has been dense, from historical maps we can see the area as being highly populated and dotted with small homes instead of the larger complexes on the Upper West Side and the farmland that continued into what we now call Morningside Heights and Harlem. ² East Harlem was never a wealthy enclave; instead the neighborhood consisted of immigrants from poor and working class backgrounds who lived in ethnic enclaves. Regardless, developers saw the appeal of the neighborhood and began buying up land, especially alongside the New York and Harlem Railroad along now known as Park Avenue. It was this establishment

² See map 2 East Harlem, New York, New York [map]. Scale undetermined; generated by Madeleine Sims; using “google.maps.com”. https://www.google.com/maps/place/East+Harlem,+New+York,+NY/@40.8004342,-73.9597582,14z/data=!3m1!4b1!4m5!3m4!1s0x89c2f60f3189564d:0x1f81ef1c88b10115e18m2!3d40.7957399!4d-73.9389213
Sims

of transportation that accelerated Upper Manhattan’s development and led to the residential East Harlem we know today.

Gentrification is a hotly contested term in academia, and so are its effects on neighborhoods under going a gentrification process. For our purposes, the definition of gentrification proposed by Loretta Lees et. al in their book *Gentrification* will be the model for our analysis:

“**Gentrification**: the transformation of a working class or vacant area of the central city into middle-class residential and/or commercial use”

-Gentrification*³, Loretta Lees, Tom Slater, Elvin Wyley

The term gentrification pulls a strong reaction out of most people. Readers and residents can see many negative aspects to gentrification yet see some benefits. Gentrification can pull in new investment to areas with poor infrastructure and lacking commercial development. But for residents who oppose gentrification under whether improving their own neighborhood will result in their own displacement? Improving aging infrastructure is a constant struggle for cities, in particular New York City. However, some current efforts to do so are extremely controversial.

One can look at the current state of the New York City Housing Authority (NYCHA), currently behind on an estimated $18 billion in repairs according to the NY Times in capital

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repairs and still operates at a multi-million dollar deficit.\(^4\) NYCHA is considering taking a revolutionary approach to solving their crisis by facilitating the transfer of land and easing of restrictions for developers, in short leasing the park space around public housing for developers to create housing. By giving up strict control over neighborhoods, like NYCHA is with their open space, can set the stage for aggressive gentrification. Gentrification can alter neighborhoods so much that previous residents can no longer reside nor afford their neighborhoods. New commercial development can bring in new restaurants and businesses like grocers or vegetable stands, solving the problem of food deserts in many low-income neighborhoods. However, these new businesses might not be tailored to the poor, or are affordable at lower incomes. Instead, these businesses can choose whom they cater to.

**History of East Harlem**

East Harlem developed like many other outer neighborhoods in New York City, evolving from farmland to suburbs and finally to urban neighborhoods. The population of East Harlem began to expand in the beginning of the 1800s with immigrants and settlers. As developers saw these new populations move in, land speculation and residential development began to take place, though very, very slowly. In the 1830’s with the construction of the New York and Harlem railroad along what is now Park Avenue, this helped accelerate development but it did

not match post Civil War expectations for the area where industrialization was taking hold and beginning to shape neighborhoods. However, post Civil War East Harlem saw the migration of Irish and German immigrants from the overcrowded Lower East Side along with the construction of what are now called Old Law Tenements. These tenements were constructed under the Tenement House Act of 1879. Some call them “dumbbell tenements” due to their dumbbell like shape needed to comply with the new laws requiring every habitable room to have a window into an airshaft. The thinking with this law was to create better ventilation in railroad style apartments; however this eventually created sanitation issues as the air vents in between apartment buildings were filled with garbage and other waste.\footnote{Dolkart, Andrew. \textit{The Architecture and Development of New York City: Living Together}. Columbia University: Digital Knowledge Ventures. Columbia.edu. 2003. Accessed March 27, 2016. \url{http://ci.columbia.edu/0240s/0243_2/0243_2_fulltext.pdf}.} Despite this development, East Harlem remained mostly farmland until the 1880s.

By the late 1880s a wave of Italian immigrants, displaced from the overcrowded Lower East Side, moved in as transit lines were established in the neighborhood. The establishment of the New York elevated railroad (or the ‘EL’) accelerated the development of the neighborhood. With this mode of transportation in place by the late 1800s, East Harlem became one of the most populated and well-connected neighborhoods in Upper Manhattan. When transportation was booming and not long after the Italian migration, Eastern Europeans followed, increasing the neighborhoods population as they escaped from the Lower East Side. At the same time, the Irish, German and Jewish settlers began to disperse, with many leaving the city for suburbs.
springing up further outside the city limits. The establishment of the Italians in the neighborhood was cemented with the Mount Carmel and Saint Cecilia Italian language Roman Catholic churches. St. Cecelia was established in 1873 as East Harlem began to attract more business and cement itself as a working class neighborhood, though its permanent building residence was not to be completed until 1884. The Mount Carmel church, like St. Cecelia’s still exists today, but it is better known, as it is the second established Italian Catholic Parish of New York City.\(^6\) With its cornerstone laid in 1884, the church retains a strong presence in East Harlem though its parishioners are decreasingly Italian.

During the period of Italian migration, land speculation and development in East Harlem increased, finally catching up with the development predicted after the Civil War. This development was marked by immense private investment in residential development as developers sought to provide housing for the increasing working class population. This shift in development marked its urbanization, no longer was it a suburb of New York City, it truly was transforming into the city itself. This development also cemented the cycle of migration the neighborhood experienced (and continues to experience today); the migration pattern took place as follows: immigrating to the lower East Side, moving to East Harlem and finally moving out elsewhere to the suburbs. At this time, the suburbs were beginning to have an impact on the settlement patterns of people in New York City. As WWII ended, the housing crisis began, soon

\(^6\) The establishment of catholic parishes at this time convinced with the arrivals of Italian and Irish Catholics.
suburbs and towns like Levittown began to pull people out of cities, in part thanks to better public transportation.

The Italian migration to East Harlem resulted in the largest Italian community in the country during the 1930s being established in East Harlem. Though the height of the Italian presence in East Harlem was in the 1930s, Italian Harlem wouldn’t exist for much longer. The interwar period saw Puerto Rican, West Indian and African American immigrants and migrants moving in to participate in the World War II economic boom. The textile industry located in East Harlem was pulling in workers to deal with demand created by WWII, and as such more people moved into the neighborhood. By the 1940s, Spanish Harlem had been established. Post-war East Harlem was a time of the consolidated of the Puerto Rican population, but also a period of disinvestment. The Puerto Rican community had quickly made its mark on the community, as markets tailoring to the Puerto Rican community began to spring up (La Marqueta notably) but also Spanish became more prevalent in the neighborhood. However, this same period marked the decline of the built infrastructure of the neighborhood. Redlining practices plagued the neighborhood, coupled with an increasing density, topping out at 142,000 people per square mile. Housing was literally crumbling and living conditions deteriorated.

8 East Harlem Land Use Studio. Pratt Institute. PLAN 365. 2010
What was disinvestment? As the middle class grew and moved into the suburbs poorer and often minorities moved into older, denser neighborhoods. Because their incomes were lower and this population had a higher rate of joblessness they often struggled to pay rent, couple this with a national increase in fuel prices problems begin to emerge because landlords were unable to collect the rents necessary to cover these increasing costs. Deteriorating living conditions and an increased federal awareness of crumbling housing in urban centers led to the creation of the Federal Slum Clearance Act, which directly affected NYC and East Harlem. The slum clearance in total razed 171 acres of land in East Harlem and led to the establishment of the New York City Housing Authority (NYCHA). The influx of NYCHA and public housing in East Harlem will be explained in detail later on, but it is important to note that the implementation of public housing can be considered one of the most impactful movements in East Harlem’s history.

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**East Harlem Today**

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East Harlem today remains an ethnically diverse neighborhood. But it is changing rapidly. For the past 60 years East Harlem has been known as Spanish Harlem or El Barrio, a tribute to its Latino, and notably Puerto Rican population that has been a majority in the growing neighborhood. Though still majority Latino and African American, the demographic make up of East Harlem is shifting away from Puerto Rican. Still today, East Harlem remains a Puerto Rican and African American stronghold; according to American Community Survey estimates for East Harlem23.4% of the population declaring their sole race as Puerto Rican and 30.3% of residents declared black or African American as their sole race.\(^\text{10}\) For our purposes the percentage of change is also interesting when trying to determine how East Harlem has evolved in recent history. In general, East Harlem remains one of the faster growing neighborhoods for immigrant populations, according to the NYC DCP. East Harlem had a gain of more than 5,000 foreign born residents from 2000-2007 bringing the neighborhoods total population born abroad to 25%.\(^\text{11}\) This trend mirrors East Harlem’s history in the 19\(^{th}\) and early 20\(^{th}\) centuries and remains a working class and immigrant neighborhood.

With 46.3% of residents identifying Latino, a lot of the neighborhood speaks Spanish. An estimated 40.6% of the population speaks Spanish, and only 47.1% speak solely English. Of

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those that speak a language other than English, 20.8% speak English “less than very well.”

Spanish is spoken proudly on the streets, and not knowing Spanish here places you in an awkward position. From street corner conversations to advertisements on storefronts, Spanish is everywhere. It is not added on to the bottom of posters as a courtesy to residents, it’s the headline. Spanish can be seen as the linking factor between different ethnic groups and nationalities in East Harlem. Having Spanish be the norm of the neighborhood draws in residents (especially new immigrants) who are familiar with the language and Latin culture.

As of 2014 (according to ACS estimates for 2010-2014), 30.3 % of the population identifies as Black or African American however that population has experienced decline over the past decade, totaling 11.6% in the northern section and 12% in the southern section. East Harlem’s other main group, Puerto Rican makes up 23.4% of the population. However it’s the trend that is interesting. The Puerto Rican population is declining in North and South sections of East Harlem; in the northern section there has been a decline of 13.7% and in the southern half, a decline of 18.1%. As the Puerto Rican population declines the Dominican and Mexican populations are increasing. The Dominican population has nearly doubled in the northern section and increased by 71.5% in the southern half of East Harlem, which is indicative of the general increase in Dominican immigration, who in 2011 were the largest foreign-born

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population in NYC according to the Newest New Yorkers Report released in 2013. In East Harlem, the pattern persists and Dominicans represent the second largest share of foreign-born residents with 5,352 residents or 17.6% of the foreign-born residing in East Harlem. However, the largest share of foreign-born residents belongs to Mexican immigrants who make up 23.6% of the foreign-born population and consists of 7,172 residents. East Harlem is ranked fifth among NYC neighborhoods that attract the highest number of Mexican immigrants.

What explains the decline in the Puerto Rican population in East Harlem? According to a 2008 New York Times article Puerto Ricans are being pushed out by increasing Dominican and Mexican immigration but also added that middle-class buyers are a pushing factor. Together this pattern can explain the shift in population or the “revolving-door” historical dynamic of population movement in East Harlem. However, it is the middle-class populations moving in that shatter this pattern. The white population in North East Harlem grew more than double (117.9%) from 2000-2010 while in the southern section grew by 54.6%. U.S Census tract 184 experienced a 700% increase in their population (from 52 people to 367 people) and had no concentration of white people suddenly had 123 white people living here.

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14 ibid, p 71
The idea that populations are always revolving in East Harlem is a bit theoretical, as there are always exceptions; however when we look at when people moved into neighborhoods it gets interesting. In East Harlem, 22% of residents moved into their current homes since 2010 (to 2014 at the time the ACS survey was conducted). 38.2% of residents moved in between 2000 and 2009, while 17% of residents moved in between 1990 and 2000. While this does not encompass the entire population there are a few key points to pull from this data. The first is that many residents in East Harlem are new to their homes, potentially not to the neighborhood, but are new to their current apartment. Coupled with a high rate of immigrants moving into the neighborhood, we can explain this as a symptom of a shifting population. What kind of housing are these people moving into recently is however difficult to answer. We can hypothesize that much of this movement is with newcomers moving into the neighborhood, into luxury housing, not into affordable units or public housing. Whereas the populations that moved into their homes between 1990 and 2000 may signify that these residents were able to lock into rent-stabilized housing or got apartments in public housing.

To rent apartments, people need an income. The cost of living in NYC is consistently ranked among the highest in the country and in the world, though average expenses can vary drastically from resident to resident in East Harlem and in New York City. The American Community Survey breaks down the population into percentages, rather than average incomes allows us to see the disparities between people. According to the ACS, in East Harlem just
below 30% of the population live beneath the federal poverty line and 19.3% of the population
makes less than $10,000 a year. With 45.3% of the population on some form of social or
income assistance, the presence of concentrated wealth in pockets of the neighborhood
highlights this extreme. The chart below shows that incomes in East Harlem are all
represented. It is however the concentration of those making under the federal poverty line that
raises an eyebrow. East Harlem is a traditionally working class, low-income neighborhood. So
why is there a relatively significant concentration of people making more than double AMI for
NYC ($77,000)?

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<td>$200,000 or more</td>
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Figure 1: Income breakdown for East Harlem residents, data obtained from ACS 2010-2014 estimates

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17 These types of assistance include SNAP, Medicaid, income cash assistance, social security, etc.

Chapter 2: Housing

The Buildings

East Harlem consists of three main types of residential buildings: walk-ups, super bloc public housing and new high rises. Walk-ups are one of the most prevalent types of pre-war housing in East Harlem, however they are the grand buildings that most are used to. Instead these walk-ups\(^\text{19}\) are usually no more than 5 stories and were former tenements. These buildings helped spur the growth of East Harlem in the late 1800s by providing low-cost housing to immigrants and migrants from the Lower East Side. These buildings are typically dumbbell shaped, designed with a railroad style layout (Figure 3), a typical design for immigrant housing (and in accordance with the Tenement Act of 1867 which required a window or ventilation shaft in each sleeping room) but problems like overcrowding still persisted.

\(^{19}\) Walk-ups have no elevators, hence the need for walking.
To understand East Harlem is to understand the built environment and its history. Today 21.3% of existing housing was built before 1939. During periods of urban renewal and slum clearance 1950-1970, 46.9% of the existing housing stock was constructed and is still standing. During the 80s and 90s however, this construction declined, and only 9.3% of the existing housing stock was built during this time period. The early 80s were a boom time in terms of home appreciation. The areas that grew the most in terms of home prices were poorer areas (notably in Upper Manhattan) and which had low home ownership rates. During this time, East Harlem had a 355% increase in home values. Does this mean East Harlem suddenly had become a hot market? Not quite. The area was still poor and a financial risk for investors. In the early 90s, this boom in home values declined. In East Harlem values dropped by 43% but from the late 90s to early 2000s East Harlem home values increased by a staggering 499.6%. Does this mean East Harlem had the most expensive real estate in NYC? Not by a long shot, but this shows a general increase of home values since the period of disinvestment in the 1970s.

We see an increase in the housing stock between 2000 and 2009, where 10.9% was built. This point is interesting, because it shows that most of the housing development pre-1980 was from federal housing project subsidies. But in the 1980s and 1990s what happened? This period

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20 In Manhattan, home values grew by over 150% according to data compiled by the Furman Center.
21 Note that these figures represent a small amount of housing in East Harlem, as ownership rates were low and continue to hover around 6%. Most of the residents are renters.
23 ibid
was a low point in the number of building permits issued by NYC and could be explained by
the neglect of developers to invest in the still recovering neighborhood. The early 2000s to
present day are seeing resurgence in building in East Harlem much of it attributed to developers
capitalizing on subsidies and a competitive real estate market.

![Figure 3: Building Age for East Harlem (Source: NYC HPD)](https://www.habitatNYC.org/pdf/advocate/Pratt421a.pdf)

What is being constructed today in East Harlem is in direct contrast with the walk-ups
that are right next door. The new construction is primarily high-rise apartments (and condos),
something that the neighborhood is used to, though in a different capacity. Public housing in the
neighborhood, such as the Taft Houses, tends to be high density. The built composition of

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housing units is also of interest. A majority of the building stock contains more than 50 units (68%), with another 16% located in buildings between 20 and 49 units. But let’s break down what this means. The prevalence of high density buildings in East Harlem means one of two things, that residents are either living in public housing or in new luxury high-rises, though it is doubtful that high rises exceed 50 units; instead they are more likely to hover around 20-49 units. The buildings housing 1-5 units and 6-19 units are low-rise (often tenement style) buildings that are indicative of older buildings.

![Diagram: Building Sizes in East Harlem (Source: NYC HPD)]

Though East Harlem has a large share of low-rise tenements, they do not house a lot of the residents. Instead many residents live in high-density public housing, often called super
blocks. This style of construction is immediately recognizable as public housing, with its “tower in the park” style. In brief, the style most prevalent consists of multiple blocks connected to each other (side streets removed) with in these blocks there are high-rise buildings surrounded by park space. Though these buildings dominate the skyline, newly constructed luxury towers are competing for height in the area, since land is limited and expensive, building higher is cheaper.

**Section 8 Housing**

In the 20th century, after periods of disinvestment and neglect from city officials. East Harlem was flagged as a location for urban renewal, a term coined by HUD to clear blighted neighborhoods. This “slum clearance” would be the birth of NYCHA projects in East Harlem, as low-rise tenements were razed, high-density high-rises were constructed, often creating super-blocks. By 1967, when the last NYCHA project was completed in East Harlem, 171 acres or 18% of land in East Harlem had been razed and replaced with NYCHA projects. NYCHA buildings created barriers, but also created green space. Super-blocks dominated the public housing design of East Harlem during the push for section 8 housing, however. Super-blocks are blocks of land often used for containing many residential buildings, these blocks are noticeably different because the cross streets that normally divide blocks are replaced with green
space, effectively creating larger blocks. Super-blocks effectively model Le Corbusier’s design for the future of cities, la ville contemporaine (modern city) and radiant city plans both imagined street life to be had not on the street but in the buildings themselves. This design left open space to residents with the idea that green space will help human health, but it was not intended to be used by businesses. Though some argue that additional open green space would help resident health, especially when considering the density of neighborhoods (and in particular asthma rates among children in East Harlem\textsuperscript{25}), it however breaks with the landscape of neighborhoods in general. From observations in East Harlem, it is easy to note where Section 8 housing is located, not only because of the architectural design but also because of the break in commercial districts because of the super-blocks and zoning changes made in the 60’s that encouraged buildings to have open green space surrounding them. The “tower in the park” design breaks with the community’s lower-rise mixed-use development that is prevalent in the neighborhood and is a contributory factor to the charm of the neighborhood. East Harlem is not the glass covered high rises of lower Manhattan.

Public Housing houses 34,240 people in East Harlem, that’s 28% of the neighborhoods population, 9% of all NYCHA residents live in East Harlem. With a strong public housing infrastructure, it can be theorized that what has helped East Harlem resist the rise of gentrification is the sheer amount of housing and stereotypical fears that comes with public

\textsuperscript{25} Asthma and children are closely linked. In East Harlem, like many working class neighborhoods, there is a high incidence rate of asthma in children where there are 11 hospitalizations for asthma per 1,000 children in the neighborhood per year.
housing. Public housing projects in East Harlem are easy to spot because of their design, but they might soon be shadowed by high-rises being constructed on the green space surrounding the projects. NYCHA has a portfolio that includes $17 billion in unmet capital repairs and an operating deficit of $2.5 billion in the next decade. Though NYCHA has developed strategies to combat this deficit, none is more controversial than the sale of land surrounding housing buildings to developers to build market rate and affordable housing. First introduced by former Mayor Michael Bloomberg, the current de Blasio Administration has picked the idea back up.

The New York Times reported on this practice, where developers claimed that proximity to public housing shouldn’t affect buyers and that it doesn’t. One of the worries of the public regarding proximity to public housing is the prevalence of crime in these housing projects. The idea of section 8 residents being criminals isn’t relevant anymore, and this stigma should diminish according to developers. This stigma is further exacerbated by the fact that many housing units are located in the outskirts of boroughs or in industrial areas. However in East Harlem, public housing is located in the heart (and throughout) of the neighborhood, in particular along Park Avenue (see Map 3).

The Market

NYC experiences a constant shift in populations, people tend to live in the city for short periods of time and move elsewhere, this “churn” allows for people to constantly be moving in and out without changing the overall population. However NYC has experienced a 4.6%
population increase, while most of this is due to positive natural increase (more births than deaths) there was still a growth in migration. These people need places to live and they enter one of the most competitive housing markets in the world.

The housing market in New York City is one of the most expensive in the country and world. NYC consists of over 90 individual neighborhoods tucked into five boroughs; because each neighborhood is different each sales market is highly individual. The average cost per square foot in New York City is $1455, while the median sale price crept up to $1.3 million in NYC according to data provided by the real estate site, Trulia. However, with such high prices the market is competitive and formerly distant, poor neighborhoods are seeing an increase in their square footage prices in response to demand. The problem is the lack of supply and the city’s general low vacancy rate of 3.45%, means that there is intense competition for these scarce, necessary resources.

The housing market is complex and many factors influence it. However there are a few notable points to explain. The first is that the market is inelastic, meaning it cannot react immediately to changes in demand for various reasons such as construction costs, zoning restrictions and other restrictive measures. To change construction is very expensive, so developers keep their plans and attract their intended populations. Another important part of the city’s housing market is vacancy rates. There are two types of apartment vacancy. The first

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represents vacant apartments available for rent or sale. This type of vacancy is good for apartment seekers because it means that there are places available to live in. However, the Manhattan vacancy rate hovers around 1% in general. East Harlem has an overall vacancy rate of 8.4% (3.7% for rentals, 12.6% for sale). For an apartment seeker this is prime territory. Finding an apartment in Manhattan is hard enough, so searches must be targeted and East Harlem has the space for newcomers.

The other type of vacancy is actual vacant buildings or lots. If dilapidated or abandoned, these can be symbols for disinvestment in the neighborhood. East Harlem used to be known for the prevalence of vacant lots, symbols of citywide disinvestment during the later half of the 20th century. Now the story has changed, and developers are snatching these vacant lots up. Since the 1970s, NYC has acquired properties through in-rem\textsuperscript{27} foreclosure. The intention was to take these properties and help the neighborhood maintain a better image. However, the city’s fiscal crisis in the 1970’s prevented that from coming true. Instead many properties sat vacant and dilapidated for decades. The city created the Third Party Transfer’s program to help with their vacant lot and dilapidated building issues. The program, designed for dilapidated or foreclosed properties, transfers buildings directly to Neighborhood Restore, a non-profit organization. In turn, Neighborhood Restore works to identify developers to take these properties and maintain them as affordable housing. One of the key parts of this program is that the buildings and

\begin{footnotesize}
\footnote{In-rem foreclosure is the city taking properties that owe property taxes for an extended period of time or are located in areas considered “blighted.” (NYC.gov Department of Finance)}
\end{footnotesize}
properties must have existing tenants, and their housing must be maintained after the rehabilitation process is complete. But not all city property includes residential buildings. According to a 2016 Comptroller’s report on “Building an Affordable Future” it is suggested that the program be expanded to include vacant lots. Because this program does not cover vacant lots, there is fear empty lots that are sold will go to create market rate housing.  

These parcels span from small alleyway like areas like Image 1 (174 E 108th street) to larger parcels that are large enough for a building, see Image 2 (1761 Park Avenue). These properties are under the jurisdiction of city agencies such as HOD, DCAS and DSBS. In fact it is DSBS who controls most of the waterfront vacant land. Not all of this land looks like a dilapidated overgrown jungle. Some parcels are parks that have fallen out of maintenance and are prohibited from usage or parking lots that aren’t designated for use any longer. But why are these parcels vacant or dilapidated, and what were their former uses? Property not used, is inefficient and an eyesore for the community

**Rental Market**

The question of whether to rent or to buy is a fairly easy one to make depending on one’s income. In New York City, the average income for homeowners in 2013 is $80,000, while

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28 See map 8
29 Though short fences can be hopped for a quick game, these areas aren’t intended for use they can still be used.
Sims

for renters the average income was $41,500.\textsuperscript{30} We can conclude that renters make less than homeowners, yet the market that renters participate in is more volatile than the market to buy. With market rate apartments rents can vary greatly and respond immediately while in the market to demands, whereas sale prices typically maintain their rate or fall in a more stable formation. The rental market is more volatile, but is more varied and affordable than the ownership market. However average rents in East Harlem have grown by 53% since 2000, and for a neighborhood with an already low income, it is devastating but is indicative of the typical trend of increasing rent prices in NYC. The spread of apartments in the neighborhood is also of interest, especially when compared to the spread of incomes. Below there are two charts, both using data from the 2014 ACS survey, that pit income distribution to rent distribution.\textsuperscript{31} The question here though is affordability. What is affordable for a higher income range might be unavailable for a lower income, but what is affordable for the lower income will be affordable for the higher income. Before delving into the conclusions of these charts we must understand the caveats, in particular we don’t have population breakdowns that directly correspond to what their affordability ranges would be (the ACS uses different income ranges when describing populations). We can however conclude that this isn’t a balanced relationship because of the lack of housing for the lowest income ranges. For people making less than $35,000 a year there

\textsuperscript{30} Housing prices vary greatly in New York City, typically the farther away from Manhattan you are, housing prices decrease. Making $80,000 a year in Manhattan will not buy you an apartment, but it might help finance a smaller apartment in the Bronx or Queens.

\textsuperscript{31} Note that the income distribution is not only an estimate but also includes the incomes of residents of Section 8 housing. These residents typically have a much lower income than the rest of the neighborhood.
exists 43.6% of housing available to them, though this population makes up 56.9% of East Harlem. What this means is that there are people that are pushed into paying more than 30% of their incomes for rent.\textsuperscript{32}

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<td>$1000 to $1499</td>
<td>22.5%</td>
</tr>
<tr>
<td>$1500 or more</td>
<td>19.3%</td>
</tr>
</tbody>
</table>
Rent burden is something very familiar to NYC residents. Rent burden is the percentage of income that goes to pay rent. However, there are different levels of “burden,” which again divides residents into essentially levels of poverty. As it can be seen in the chart below rent burden is very present in East Harlem, especially in comparison to Manhattan. More than half the population lives as rent burdened; according to a chart published by the Furman Center, rent burden shows an increasing trend for tenants living in the neighborhood for more than five years and for recent movers.\textsuperscript{33} However the gravity of rent burden is not well conveyed on this chart. Paying more than 50% of one’s income on rent is astonishing, couple that with the average rent and family size in East Harlem we get this picture: a family of three making a household income of $30,857.\textsuperscript{34} Take this imaginary family and divide that income by two, and they have just over $15,000 to live on, that is not a lot.

\begin{footnotesize}
\textsuperscript{33} Though a close reading of the chart shows a decline in rent burden from 2005 to 2009, levels now exceed their highest point before this decline.

\textsuperscript{34} According to 2014 ACS average household size was 2.49, average family size was 3.5. Median income is $30,857 while mean is $57,125. This includes average incomes form section 8 residents incomes, which average $18,000 though these residents pay no more than 30% of their income on their housing.
\end{footnotesize}
Figure 6: Rent Burden (source: NYC HPD)

Ownership Market
The citywide ownership rate according to the 2014 ACS estimates is 32.5%, in Manhattan its 24.8%, while in East Harlem the rate is 6.9%. Based on US Census data compiled by the Furman Center, homeownership rates have increased in East Harlem from 2010 by 0.3%. This difference in ownership rates can be chalked up to the differences in home prices and income differences between the boroughs (and subsequently neighborhoods). However, East Harlem is different than other neighborhoods in Manhattan, the concentration of public housing is one of the highest in the country. This concentration of public housing and poverty in the neighborhood can explain the low home ownership rate. What is interesting though is the increase in home ownership in the past ten years, increasing by 31,000 units in New York City, while the homeownership rate in East Harlem has only increased slightly even with the increase

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in sales volume. According to a Furman Center report there has been an increase in sales volume in East Harlem from 50 units in 2000 to 132 in 2011. There is a concentration of homeowners along Second and Pleasant Avenues. This increase could also potentially be explained by the increase in luxury condominiums and housing being built in the past ten years. In addition the volume of sales has increased over the past ten years, from 50 sales in 2000 to 132 in 2011.  

East Harlem also experienced an increase in the amount of new certificates of occupancy, jumping from 210 in 2000 to 592 in 2011; this is indicative of an increase in construction. To further support this conclusion we can look at the changes in property tax liability, in 2000 was $58.1 million, and jumped to $93 million in 2011.

What is more interesting however is the change in median home price (and valuation) in East Harlem during the past 15 years. According to data compiled by the Furman center, the median sales price per unit of a condominium in 2000 was $570,367 while in 2014 was $718,000, indicating an upward trend. This is an incredible increase and is indicative of East Harlem being an emerging market (if not already emerged) in luxury housing. There are still low price units available in East Harlem, but the bulk of homes are broken down in the chart below by value. What is important to note is that there are only an estimated 7,022

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37 ibid
38 In 2013, the price surged to $840,849 from 2012’s $471,055. This is indicative of not a volatile market but most likely the type of building opened up during this time period.
Sims

owner-occupied units in East Harlem, which is still very low when compared to the citywide average.⁴⁰

<table>
<thead>
<tr>
<th>Value range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $50,000</td>
<td>4.4%</td>
</tr>
<tr>
<td>$50,000 to $99,999</td>
<td>5%</td>
</tr>
<tr>
<td>$100,000 to $149,999</td>
<td>1.5%</td>
</tr>
<tr>
<td>$150,000 to $199,999</td>
<td>2.5%</td>
</tr>
<tr>
<td>$200,000 to $299,999</td>
<td>7.1%</td>
</tr>
<tr>
<td>$300,000 to $499,999</td>
<td>20.1%</td>
</tr>
<tr>
<td>$500,000 to $999,999</td>
<td>33.6%</td>
</tr>
<tr>
<td>$1 Million or more</td>
<td>25.8%</td>
</tr>
</tbody>
</table>

Figure 8: Percentage of housing in East Harlem within the given price range

Affordable Housing and Rent Subsidies

In NYC there are 1,300,000 rent stabilized units (47% of city housing stock)\(^{41}\), and there were 27,000 rent controlled units remaining (1.2% of city total). In East Harlem, 16% of the housing stock is rent stabilized, but an unknown number are under rent control. To understand this we must understand the differences between rent-subsidized and rent-controlled and how they affect the market.

Rent Control applies to buildings constructed before 1947 in areas where a declaration has not been issued to end the postwar rental-housing emergency. To be in rent control the tenant or successor must have been living in that apartment continuously since before 1971. “If the rent controlled apartment becomes vacant, it either becomes rent stabilized or, if it is in a building with fewer than 6 units, it is generally removed from regulation.” Rent Stabilization however is the most prominent form of rental control in many buildings of more than 6 units constructed in before 1974, with certain exceptions. Though both these types of housing are controlled through government policies, their residents differ. In rent controlled housing (which is becoming more and more rare), residents makes on average $29,000 where the average rent for one of these units hovers around $900, making these living conditions to be affordable.

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Sims

is less than 30% of one’s income). The average income for rent-stabilized residents in NYC is $40,600 while the average rent is $1,200 per month. In conclusion, rent stabilized tenants pay more but they also make more. However, we cannot apply these numbers to East Harlem directly because the average income is below $40,600 and there is a high population of section 8 residents bringing the average down. We can however compare average rents in Manhattan with those in East Harlem; the average rent in East Harlem is according to an ACS five year estimate of $970, while in Manhattan is $1,833

Rent controlled tenants are statutory tenants, so they can live there their entire lives and pass on the rent control to their successors. If rent stabilized units had a rent of under $2000 in 2011, then the landlord can only increase rent 1% each year for a one year lease or 2.75% for a two year lease. Yet, if the tenant’s income exceeds $200,000 for two consecutive years or the rent reaches $2,500 the landlord can deregulate. Other than that, it is very difficult to evict or fail to renew the lease of a rent-stabilized tenant. Thus the idea of “marrying” a tenant. This leads to a low vacancy rate of rent-stabilized apartments that is even lower than the city’s general vacancy rate. Turning over a building can however be very lucrative for landlords, because it can facilitate either the rapid refurbishment of the building or its sale to a developer. Turning over buildings “illegally” typically involves some type of harassment to move tenants out. Landlords can face pressures by developers or the market in general to sell, especially as

[A successor in this case must have lived in that apartment concurrently with the leaseholder for at least two years before the leaseholder leaves the apartment or passes away.]
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land prices increase as they have in East Harlem.\textsuperscript{44} Though East Harlem has been relatively resistant to the loss of affordable housing, it can be more attributed to its relatively small presence in the neighborhood compared to other forms.\textsuperscript{45}

**Conclusion**

East Harlem is diverse in terms of housing, though low income housing is dwindling. The presence of Section 8 housing keeps the neighborhood relatively stable in terms of income diversity. Though there is a large presence of expensive housing, there are still apartments that rent out for less than $800, which is the average rent in East Harlem. However, it is the presence of rent burden that is most troublesome for the rental market. A 53% increase in rent costs for a neighborhood doesn’t go unnoticed and it seems to be reflected in the increase of overcrowding and the number of families entering homeless shelters.\textsuperscript{46} In 2014, 306 families who newly entered homeless shelters in NYC declared their last address being in East Harlem, the highest rate of any NYC neighborhood.\textsuperscript{47}

East Harlem has a varied housing market, that is constantly evolving. Before delving into our next chapter and exploring new developments lets summarize the patterns that

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\textsuperscript{44} Land prices remain cheaper than many Manhattan neighborhoods in East Harlem, another reason why developers choose to build here.

\textsuperscript{45} See Map 4

\textsuperscript{46} Overcrowding, according to a Furman Center report, increased from 1.9% in 2000 to 3.8% in 2010. This does not include undisclosed crowding which is theorized to be heavily present in Section 8 housing.

\textsuperscript{47} Association for Neighborhood and Housing Development. 2015: How is Affordable Housing Affected in Your Neighborhood? Chart. ANDH, Inc. 2015.
Sims

have appeared. What is happening in East Harlem today can be seen as growth, growth in
certain demographic groups and in construction. However what is most interesting is the growth
between the groups or classes in terms of equality and accessibility, including the questions this
brings up. With rents increasing and incomes for residents remaining low, the creation of
affordable housing can not keep up with the demand of a neighborhood where 55% pay more
than 30% of their income in rent. New construction is also very expensive, and with the recent
expiration of 421-A and its property tax subsidy developers are faced with making a higher
profit. Out of 153,000 units aided by 41-A in FY 2013, only 12,7000 were affordable, and these
units would eventually lose their stabilization once the property tax limit was up.48 The program
itself cost the government over $1 billion a year with only 1,000 units constructed on average.

Chapter 3: New Developments and the Government

What is going on in East Harlem?

To be brief, gentrification. But what is gentrification in the context of East Harlem? We have already delved into the history and current state of normal affairs, but we haven’t seen what changes are happening. This chapter will be about those changes. What happens in East Harlem doesn’t stay in East Harlem. People know about the neighborhood, and by people I mean white people. The city has a very active interest in the housing market in NYC, and in East Harlem. Beyond the presence of public housing (whether it be subsidized vouchers or Section 8) the NYC government wants housing, and though they push affordable housing heavily on the campaign trail some actions made in office might make you think otherwise. Property taxes are the city’s main source of revenue, and in NYC, those taxes are very expensive for building owners. Through various city policies taxes have been cut for developers who agree to construct affordable housing

Upper Manhattan Empowerment Zone

The Upper Manhattan Empowerment Zone (UMEZ) is part of a 1994 Clinton Administration program to provide federal funds and tax breaks to encourage economic growth in distressed urban areas. The UMEZ is one of nine areas that receive this type of aid, over $300
million was invested initially by public funds\textsuperscript{49} and includes the Harlem, East Harlem and Inwood neighborhoods. This is important to know when looking into what gentrification is and how the city plays a role in the neighborhood. Part of the UMEZ is the Cultural Industry Investment Fund (CIIF), established in 2004 as a way to support cultural institutions by helping to expand administrative support, organizational development and sustainability among institutions. It is important to note that to receive funding these institutions must have at least 70\% of their participation from Zone residents. The idea behind these grants is to support an already strong arts culture in Upper Manhattan but the institutions must create more than just art with this money including job creation and tourism growth.

Other large economic projects in the neighborhood are most notably the 125\textsuperscript{th} street Business Improvement District (BID) and the East River Plaza project. The 125\textsuperscript{th} street BID, though centered in Harlem extends to the edge of East Harlem. Originally established in 1993 the BID encourages commercial development by attracting new business and supporting established businesses. The BID maintains its operating expenses through an additional tax levied on shops located on 125\textsuperscript{th} street between Morningside and fifth avenues. The businesses along 125\textsuperscript{th} are varied, everything from pawn shops to Whole Foods. The 125\textsuperscript{th} street area benefited from a 2008 rezoning that allowed for higher density commercial districts, allowing

\textsuperscript{49} $100$ million from federal government equally matched by both the NY Governor and NYC mayor.
more business to move into the neighborhood as well as encourage higher density affordable housing.  

**THIRD PARTY TRANSFER PROGRAM**

The Third Party Transfer Program (TPT, also known as Neighborhood Restore) is a city-sponsored program established in 1996 to help the city manage in-rem foreclosed properties. By the time this program had been established the number of properties being managed by the city was beyond their capacity and Local Law 37 was passed. This law allowed for the transfer of a tax-delinquent property’s title to a new owner without the city ever taking the title itself. Before this program was established HPD was the largest landlord in NYC, and the city’s ownership of buildings averaged more than 19 years costing over $2.2 million to restore and sell all while losing out on an average of $200,000 in tax revenue. The properties were also in deplorable conditions as the city didn’t have the funds to constantly maintain them, the goal was to sell them as soon as possible but that required investment costing the city over $10 billion dollars. Though the program facilitates the transfer, Neighborhood Restore manages the

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50 See map 5  
51 This allowed the city to avoid management costs.  
52 [http://www.neighborhoodrestore.com/index_nr.html](http://www.neighborhoodrestore.com/index_nr.html)  
53 In a 1991 Housing and vacancy Survey published by HPD, 22.9% of city-owned in-rem foreclosed properties had reheating breakdowns and 76.9% of buildings had rodents present.
properties while seeking out a qualified developer. This program also allowed the city to implement in-rem strategies in areas the size of tax blocks allowing them to focus on strategic areas when developing them or selling to developers.

The program has taken interim ownership of 6,500 units and maintained 5,500 of those units as affordable housing through transfers to private developers (whether profit or non-profit). However, one of the city’s main goals with this program is to get these properties back up and running to house residents. The idea of the city not taking the title however is rooted in money. If they don’t take the title they are not responsible for restoring the property and repairing it for sale. Through Neighborhood Restore, communities benefitted because developers were chosen by organizations in the respective area, not voted on by council members in City Hall.

Though allowed to expire in 2016, 421-A was a controversial tax plan by the city in efforts to increase affordable housing. This was a voluntary program for developers where 20% of qualified projects must be set aside as affordable. The program, designed in the 1970s, was designed to entice developers to build residential properties as the city was concerned with disinvestment and a lack of housing being built. An exclusion zone was originally established between lower Manhattan and 96th street in efforts to direct construction to the outer boroughs and Upper Manhattan. Eligible projects were new residential construction that was to be built on vacant or mostly vacant land in certain areas of the city that had strong real estate markets as

54 Tax blocks are roughly the equivalent of a city block.
55 Meaning that the rent will not cost the resident more than 30% of their income
defined by the state legislature. The developers in return receive tax subsidies, where for 10-15 years are exempt from property taxes on the new construction for a certain number of years and do not have to pay construction taxes for a maximum of three years during construction. While this seems like a great idea to create affordable housing, we must think about lost revenue on this property versus the benefits of affordable housing. For example, 333 E 102nd has 12 on-site affordable units out of a total 230 units; they have a 20 year tax exemption and their annual foregone tax to NYC is $2,874,048 all for 12 units of affordable housing. In addition 1870 Lexington Avenue has 6 affordable units out of a total of 29 units and their 25 year exemption began in 2013, the city lose $417,054 every year in property tax revenue.

Many people saw problems with this program because it was voluntary and the idea of subsidizing market rate housing during a period of affordable housing crisis, leading to its demise in the political sphere. Though this tax legislation supported the creation of affordable housing, there were exemptions in this legislation that provided a loophole for developers to create 100% market rate housing and still maintain tax breaks. There are other subsidies that subsidize the creation of affordable housing and according to a 2003 report by the Independent Budget Office, 7% of the units subsidized through this program were available to low/moderate income families.

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56 Vacant or mostly vacant land according to HPD  
While the tax breaks were a large incentive for people, it did not convince every developer to create the affordable housing. In addition, some developers created a divide between those living in their affordable units and those living in the market rate apartments. Separations like “poor doors” or entrances located away from the buildings main entrance became a tactic for developers like 40 Riverside Boulevard (see image below).

![Figure 10: Market rate entrance left, poor door right.](image)

Property taxes are NYC’s largest source of revenue, and this program cost the city nearly $1 billion in foregone tax revenue all while creating some affordable housing, but mostly market rate housing. As of January 2016, the 421-A tax program has expired due to failed negotiations between developers and contract unions. The new legislative amendment that would have ensured the continuation of the program required all laborers to be paid union wages, which would increase costs for Mayor de Blasio’s affordable housing plan by an estimated $2.8 billion.

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Before expiration all of Manhattan had fallen into a Geographic Exclusion zone, where the program was no longer eligible. However, there still are units that were constructed before which remain in the program in East Harlem though their stabilization is constantly under threat of expiration.  

The fight for more affordable housing isn’t over yet and HPD along with the Department of City Planning (DCP) created, in tandem, Mandatory Inclusionary housing and Zoning for Quality and Affordability. Both these plans overarching goals is to support the preservation and development of affordable housing. However the following plans have not come without controversy. In initial hearings every Community Board district rejected the plans for various reasons including:

“Resolved, MIH’s proposed option to increasing new, permanently affordable units by permitting developers to provide the requisite affordable units in different zoning lots but in the same Community District or within ½ mile of the project must not be implemented as it exacerbates socioeconomic segregation and is clearly contrary to the MIH’s planning goal of fostering economically diverse communities.”

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61 See Map
62 Community boards represent a given neighborhood. Community Boards in NYC are representative bodies comprised of members appointed by the Borough President, members must have a significant stake in that community to be appointed. One of the board’s main responsibilities is to act as an advisor regarding land use and zoning issues.
In March 2016, the City Council approved MIH, Mandatory Inclusionary Housing, a plan created by the city of NYC, in conjunction with the HPD and DCP for the creation and maintenance of affordable housing. MIH and the creation of affordable housing will no longer be voluntary as it was under the 421-A tax plan; instead it will be mandatory for all new construction to implement one of the options presented in this plan. Though the creation of affordable housing is desperately needed, especially as many more families are becoming rent-burdened, some see this plan as city-sponsored gentrification because the housing it will create isn’t affordable enough or that the plan will accelerate the gentrification many neighborhoods are already experiencing. But to implement this plan requires rezoning, which involves the city’s second plan ZQA (which we will get to later on) and all zoning changes must be approved through the city council. This means the process to get these changes will be slow, but could change neighborhoods forever. This program is intended to replace 421-A, another controversial tax break plan. The plan includes the following options, though the City Council holds the power to make the choice and approve other options:

Option 1. For new construction 10% must be affordable housing set aside for 40% AMI, within the larger 25% of 60% AMI.

Option 2. 30% affordable housing reserved for 80% AMI with maximum annual income of $62,000.

(The City Council can add the following:)

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64 For example in a 100 unit building, 25 units must be set aside as affordable and ten of those apartments must be set aside for tenants making 40% of AMI. Option 1 was changed during council hearings to include deeper affordability, one of the main concerns from residents residing in poor neighborhoods (like East Harlem).
Option 3. Deep Affordability Option: 20% affordable housing set aside for 40% AMI\textsuperscript{65}

Option 4. Workforce Option: 30% set aside for 115% AMI, maximum family income of $89,000. Within this 5% will be set aside for families making 90% AMI and another 5% for families making 70% AMI

<table>
<thead>
<tr>
<th>AMI</th>
<th>Income for Single</th>
<th>Rent for Studio</th>
<th>Income for Household of 3</th>
<th>Rent for 2 bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>40%</td>
<td>$24K</td>
<td>$600</td>
<td>$31K</td>
<td>$775</td>
</tr>
<tr>
<td>60%</td>
<td>$37K</td>
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<td>$60K</td>
<td>$1500</td>
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<td>$1950</td>
</tr>
<tr>
<td>120%</td>
<td>$73K</td>
<td>$1825</td>
<td>$93K</td>
<td>$2350</td>
</tr>
</tbody>
</table>

*Figure 11: Data courtesy of New York City Land Use Division*

Another goal through this program is increasing the diversity of incomes in neighborhoods. Currently one can look from neighborhood to neighborhood and see huge income disparities. When looking at a block level, this can be seen block by block. What this plan would do is place low-income residents in the same buildings as higher income residents (as 421-A originally intended). The idea behind this is that if low-income populations are constantly surrounded by wealthier counterparts, this will eventually pull them out of poverty. We can look at the Moving to Opportunity program that modeled this type of mixed income housing program in attempt to pull people out of poverty. According to some studies on the effect of families in poverty moving to wealthier neighborhoods it was concluding that for children who moved under the age of 13 by their 20s had higher incomes than their counterparts.

\textsuperscript{65} This option must be used in conjunction with option 1 or 2.
and attended colleges at a higher rate. But with MIH, what will be different is that the rich will come to the poor areas. Displacement can happen with this type of reverse MTO movement. As the rich come in, businesses and culture will change to accommodate for this new market whereas in MTO cases the residents had to adapt to the new surroundings with the help of heavily subsidized housing.

Current zoning, according to a report by the city government, needs to be modernized and kept with best practices for design and construction. ZQA changes density and building use in many neighborhoods, in addition to changing building size and shape. The goals of this bill are to increase affordability through zoning changes (increasing building size for example) and improving the quality of buildings through innovative architectural designs. In regards to affordability, the plan includes a range of affordable senior housing and care facilities. 12% of the population of East Harlem is over the age of 65, and unfortunately the older you get the harder it becomes to live in a walk up building. These new zoning changes will allow for more senior housing (taller building heights) and improve elevator access in residential buildings. Floor limits will be established through this plan, no longer will developers be allowed to cram in as many floors (with low ceilings) as possible, instead as a quality of life measure ceiling heights will be stipulated. The plan also allows for mixed income housing through not only mandating density changes but also by changing floor limits and increasing building heights. This bill however did not escape unscathed and still faces scrutiny from city leaders and the
general public, including concerns over midblock rezoning which will encroach solar easements potentially blocking more sunlight from entering the street.

The architectural changes allowed in ZQA though intended to help neighborhoods maintain their character, could potentially alter it. One of the most notable changes will be for the allowance of a flexible envelope design. There is a history behind this and contextual zoning. In response to uproar over ‘tower in the park’ design that many NYCHA buildings follow, the ‘height factor building’ was created, but again it did not mesh with the architecture of the surrounding neighborhood because it still required open space around the base. This was considered a ‘non-contextual’ building style. In 1987, contextual zoning districts were created that required certain qualities to once again mesh new construction in with existing buildings, these included street wall locations requirements, maximum base heights in addition to maximum building heights which brought buildings back to the edges of their lot lines. ZQA also includes language to encourage higher density and allow for garden areas by increasing building heights.

ZQA also allows for new construction technologies that could drive down construction costs such as the usage of pre-fabricated concrete slabs to use as floor planks. These are narrower than what zoning law prior to ZQA allowed for so contractors were forced to use custom planks. By allowing for this change developers can maximize the inside space.

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66 A buildings envelope is the physical separation between the interior of the building and its exterior, such as walls, fenestrations and doors.
Modular buildings are a type of construction where units are constructed elsewhere then “stacked” on each other at the construction site. However because they are modular, when stacked are often taller than building heights stipulate. ZQA tackled this by allowing a developer to utilize “buildable space” and add any extra height to the overall building limit. In addition the first residential floor will be elevated five feet above street level, a change from current policies though many older buildings have this whether through mixed-use zoning (commercial on ground floor) or designed this way. Having the first habitable floor elevated improves quality of life fore residents of this floor because their windows will no longer look out directly into the sidewalk.

When it comes to building heights, it can get controversial. The higher you build, especially on mid-blocks, the less sun the street can receive. Yet, increased building height means more units and better retail space that allows for a more welcoming atmosphere. ZQA also allows for the construction of micro units, which will allow for single residents to live alone more inexpensively. Some argue that micro units, which hover around 300 square feet in size, are inhumane; while others see this as a solution to a growing need.

**The Effects on East Harlem**

Community Board 11 in conjunction with the Speaker and many other community groups put forth a Neighborhood Plan. This plan outlines the goals of residents and community organizations for East Harlem. Some examples of this include preserving the unique history and culture, ensuring efficient and high quality repairs for NYCHA developments, protect rent
Sims

stabilized units and increase the quality of employment opportunities available to East Harlem residents. This plan was created because East Harlem is one of the first four neighborhoods to be up-zoned under Mayor De Blasio’s new plan. The neighborhood acknowledges that changes are occurring, but is worried that this up-zoning will only accelerate these fears. The community report was compiled as an aid for policy makers and advisors when approving changes to the neighborhood through the land use zoning process.

According to the report, increasing density can be beneficial and harmful. While allowing for increased density can increase the amount of affordable housing available (as is intended by the plan), this will change the physical landscape of the neighborhood. How will existing infrastructure support an increased population? This is one of the questions the neighborhood is faced with, especially when it comes to schools. East Harlem schools could be inundated with new students. A predictor of this is what type of housing is being built. We’ve already established in the previous chapter that the people moving into newly constructed buildings are young, single people. Yet, with schools already at capacity in the district any additional population will increase pressure and new schools will have to be constructed.

Though many think when living in the city one does not need a car, according to data compiled by governing.com, only 55% of households do not have a car. That still leaves 45% of

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69 The land use zoning process involves after a review, going to a Community board vote, borough president vote, city planning commission vote and finally approval or rejection by the city council. This plan is intended to allow the community to define their needs and solutions instead of waiting on lawmakers to bring their solutions to the table.
New Yorker households with cars and those cars need somewhere to go. But does East Harlem need parking? According to the 2014 ACS survey, 82.9% of households have no access to a car. East Harlem also enjoys some of the best public transportation infrastructure in the city, and is a big draw for people to move into the neighborhood and lessens the need for a vehicle.

MIH poses another set of issues to residents and developers. East New York is the first to be rezoned, and according to a study published by City Comptroller Scott Stringer, the plan will actually be unaffordable to 55% of residents and displace 50,000 people. The affordability issue is highlighted here, because much of East New York makes less than the % AMI stipulated by MIH. One must also think about the impact this legislation will have on developers themselves, especially after 421-A failed after negotiations over union wages with workers went nowhere. Without 421-A, building in rezoned areas will be too expensive, no one will do it and according to REBNY, the city will lose out on 18,000 units in the next four years. Developers will not seek out re-zoned residential areas to build, which can lead to a decline in construction if these threats become true.

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Chapter 4: Concluding Remarks

What is going on in East Harlem isn’t uniform development; there are pockets of
development in a neighborhood that is already crowded. As can be seen in Map 6 there are areas
of the neighborhood that are more expensive than others when compared to resident incomes.
Blocks with a high median sale price to median income are. Yet by looking at this map another
interesting point comes up. Newcomers don’t seem to mind the proximity to public housing, in
particular along Central Park North. It is also interesting to note that most of the high ratios are
connected to the Upper East Side and Central Harlem; in addition these tracts are all connected
to each other in the neighborhood. What is also interesting to note is the area near the East River
Plaza experienced an increase in property prices and has a high sales price to income ratio. Just
north of this area is the Robert Wagner Houses, a NYCHA development.
East Harlem, like many New York neighborhoods, has crime and like many other areas has a gang problem. On April 19th, a joint FBI and NYPD task force swept through the Washington, metro North Plaza, and Lexington houses, arresting 32 people all on gang or drug charges. This early morning raid netted drug dealers that sold cocaine, crack, heroin, and marijuana “unfettered in the projects and surrounding streets officials said.”

Gang violence also claimed the life of 16-year-old Juwan Tavarez, who was shot in the head while with friends outside the Jefferson Houses, between 114th and 115th streets on Third Avenue. News outlets and NYPD reported this as an indiscriminate shooting, and mentioned that the two neighboring housing projects housed rival gangs. The Wagner houses, where Tavarev lived, is the home of the Flowboyz 20 gang, and their rival gang All Bout Money crew operates out of the Jefferson houses where Tavarez was shot. Though the death of Tavarez is shocking and devastating to the community, it doesn’t mean East Harlem is the center of the gang war NYPD is currently waging. The NYPD has been targeting “crews” or “smaller groups of young men who claim one or two blocks as their turf” with their gang task force team, in an effort to curb violence even though violence overall is on a downward trend. What does this mean for luxury housing and the residents, who are not familiar with gangs, who will undoubtedly move into it? Increased raids on crews in public housing can make neighborhoods safer for many, but will it solve the issues that drive young men to join crews? No, there is still extreme poverty, high unemployment and low education attainment rates for residents, now residents will have to deal with early morning


raids. In 2014, $210 million was set aside for public housing security; $15 million went to social programs, and $70 millions went to security cameras and extra cops.

Proximity to public housing does not seem to deter developers from constructing nor residents from moving close to public housing. Maps of recent sales, show sales being made all over the neighborhood, though there exists clusters between 115th and 119th streets. Because East Harlem has so many public housing projects that are large (span an entire block in many cases, if not more) the areas of market rate or subsidized housing are very concentrated. What is more disturbing is the rate at which they are losing their status as rent stabilized. Will this accelerate the process of residential gentrification? We can assume yes, for money. With apartments’ rents no longer under strict regulation, landlords have a few options: keep rent costs the same, increase rents, or sell the building. According to the East Harlem Neighborhood Plan, the neighborhood will lose on average 280 units per year for the next 15 years. The issue with this being concentrated is the presumption that entire blocks could gentrify at the same time. There are a couple issues with this, one of them being displacement. If many buildings are turned over quickly, where will the residents go? On the other hand, with MIH/ZQA in place there is the possibility that developers could decide not to pursue construction in this neighborhood because of the loss of construction subsidies provided by 421-A. Though only 16% of housing in East Harlem is rent stabilized, losing any percentage of that adds to the 22%

73 see map 7
that is unregulated, market rate housing.\textsuperscript{74} Losing stabilized apartments also adds pressure to other landlords to accelerate the destabilization of their buildings.

In terms of open space East Harlem is well served by Central Park and the open space surrounding NYCHA buildings.\textsuperscript{75} However, it is interesting to see the layout of open space in regards to where sales prices are increasing. There are few large lots of public land other than Marcus Garvey Park, Thomas Jefferson Park, and Central Park. The neighborhood is also scattered with playgrounds and community gardens for resident uses. North of 125\textsuperscript{th} street the picture gets stranger. NYC has a citywide goal of 1.5 acres of open space per 1,000 residents, though New Yorker for Parks\textsuperscript{76} has a goal of 2.5 acres per resident. In East Harlem if we disregard Randall’s Island and the north corner of Central Park there is only .77 acres per 1000 residents (add Central Park and that jumps to 1.45 acres per 1000 residents). As can be seen on this MAP, there isn’t much park space, however there is easier access to the waterfront and pushes for better development of that area.\textsuperscript{77} Another interesting note when looking at sales price increases is the area along Central Park. The area has become increasingly more expensive when compared to the area’s incomes; the area’s attractiveness could be linked to its proximity to the Upper East Side or Central Park.

\textsuperscript{74} 39\% of housing in East Harlem is government assisted, and 28\% is NYCHA.
\textsuperscript{75} Though this type of public space tends to bring fears out in people. Since there are no “eyes on the street” (as Jane Jacobs describes) there is a sense of fear in these areas.
\textsuperscript{76} New Yorkers for Parks is a civic organization that conducts research and makes policy recommendations to protect and enhance the city’s parks and their equal distribution among neighborhoods.
\textsuperscript{77} Note: there is no esplanade north of 125\textsuperscript{th} street.
The next step for East Harlem will be the interpretation of the city’s MIH and ZQA policies. Though initially rejected by CB 11 (and every other Community Board), CB 11 added recommendations or stipulations on how this bill should be changed to accommodate East Harlem. There are certain aspects of MIH and ZQA that have discriminatory practices, and communities are put in a difficult place, if they refuse the affordable housing to be provided (though discriminatory) must they settle with aging infrastructure or potentially no affordable housing? CB 11 was against the accommodation provided to developers to build affordable units in a separate building but on the same lot for the same reasons as the above, also against any provision for allowing “poor doors” or separate entrance for residents of affordable housing. MIH allowed for the placement of affordable units off-site, within ½ mile of the construction site. CB 11 claimed that this would exacerbate socio-economic segregation, and it would. By allowing developers to place units off-site, it could concentrate housing in un-desirable areas. In addition even with the additional options to accommodate for deeper affordability (40% AMI), 30% of East Harlem makes 30% AMI or less. Granted, the average income of a NYCHA resident in East Harlem is $18,000; there is still a sizable population who live under the poverty line. If these people are displaced form their current homes, even the affordable housing will potentially exacerbate their rent burden.

Gentrification is a tricky term that involves all aspects of life, but what NYC is doing is attempting to control gentrification through some city policies, yet at the same time encourage it under the guise of “development.” Sure the box stores that moved into East River Plaza in East
Harlem brought lower prices to residents, but what about proposed legislation through the Neighborhood Plan that would encourage changes that limited storefronts to 20 feet in an effort to curb the presence of box stores and maintain small businesses. Is isolating certain aspects of gentrification curtailing it, or just slowing the process? Culture is important to the neighborhood and it draws people to visit, especially cultural institutions such as the El Museo del Barrio. What East Harlem wants, derived from Community Board recommendations and organizations interests, is to improve the quality of life for residents and ensure their stability through a controlled housing market. Yet how can one reconcile the desire for improved quality of living (enhanced services) for current residents (and their housing stability) without promoting gentrification? Something will give in the case of East Harlem and lower income residents might just become part of the churn of NYC population that leaves only to be replaced with more affluent people.

**Works Cited**


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78 The UWS storefront limitations were done as a way to combat banks taking up much of storefronts in the neighborhood.


Images/Maps


Map 1: “Map of the borough of Manhattan, New York City”

Map 2: East Harlem, New York, New York [map]. Scale undetermined; generated by Madeleine Sims; using “google.maps.com”. https://www.google.com/maps/place/East+Harlem,+New+York,+NY/@40.8004342,-73.9597582,14z/data=!3m1!4b1!4m5!3m4!1s0x89c2f60f3189564d:0x1f81ef1c8b10115e!8m2!3d40.7957399!4d-73.9389213
