

“BUSINESS AS USUAL” OR “JUST BUSINESS”? A CRITICAL COMPARISON OF NEW YORK CITY REZONING INITIATIVES

Emily Holloway
Department of Liberal Studies, The CUNY Graduate Center
New York, NY, 10016

ABSTRACT: *Municipal zoning policies, particularly those enacted in competitive land markets like New York City, can have the effect of accelerating and even initiating processes of gentrification in economically- disadvantaged neighborhoods. The recently approved rezoning of the Jerome Avenue area of the Bronx, despite several informal victories in tenant protections and incumbent resident participation, fails to reconceive neighborhood development strategies that have proven negative consequences. The forthcoming restructuring of the area is reminiscent of the 2006 North Brooklyn rezoning, which severely diminished access to manufacturing and industrial land for firms and workers and shifted the balance of employment and affordability for the community. This paper underlines the significant similarities between the Jerome Avenue and North Brooklyn rezonings to demonstrate both the continuity of political ideology vis-a-vis land use decisions between two mayoral administrations and the probability of gentrification on Jerome Avenue.*

Keywords: *Gentrification, New York City, industrial land use, economic development*

INTRODUCTION

In 2014, the New York City Department of City Planning (DCP) announced initial stages of a plan to rezone a 92-block area of the Bronx along Jerome Avenue and adjacent neighborhoods. Under the aegis of Mayor Bill de Blasio’s ambitious affordable housing program (which vows to construct and preserve 200,000 affordable units by 2022), the rezoning is expected to add 3,228 dwelling units (DUs), 72,273 square feet of community facility space, and 20,866 square feet of commercial/retail space to the project area (The Jerome Avenue Neighborhood Plan). However, the plan fails to recognize the enormous economic and symbolic value offered by the existing commercial infrastructure currently protected by stringent land use guidelines. Jerome Avenue is widely-known as a vibrant, convenient, and dynamic corridor of auto repair businesses. Many of these businesses fall into pending “up- zoned” areas and will be forced to relocate due to inevitable market pressure.

Nearly fifteen years ago, Mayor Michael Bloomberg initiated a wide-ranging program of neighborhood rezonings to increase economic activity and revitalize the New York City real estate market. The 2005 rezoning of Greenpoint-Williamsburg is a dramatic example of the transformative capacity wielded by land use changes. Previously a bastion of both small- and large-scale manufacturing facilities, walk-to-work neighborhoods, affordable housing, and working-class families, the Greenpoint-Williamsburg communities are now among the most desirable, trendy, and expensive neighborhoods in the five boroughs.

Although the Jerome Avenue study area does not have the same volume of industrial-zoned land as Greenpoint-Williamsburg did prior to 2005, the pending land use changes present a striking analogy that warrants critical inquiry. Namely, that the inevitability of displacement for incumbent businesses and residents alike after upzoning counters official administration narratives on affordability preservation, economic growth, and a commitment to equity. This paradox is a consequence of the tools and paradigms dominating contemporary urban economic development: the leveraging of private development for city growth. Property-led economic development is a strategy of post-industrial cities that, through the rationalization of land use and property values, cedes city planning to the private market (Wolf-Powers, 2005). Zoning can be generally considered as a tool for the legibility for urban landscapes, one that determines exchange values by a hierarchy of uses (Wolf-Powers, 2005). For the rational private investor and builder, market logic dictates a maximization of land use to yield the highest returns. However, cities run on an independent logic, one that requires a balance of industry, demographics, prices and uses.

In this paper, I will provide a brief overview of the Greenpoint-Williamsburg rezoning and the Jerome Avenue rezoning. The Greenpoint-Williamsburg rezoning and its aftermath serve as a plausible touchstone to predict the likely outcomes of the Jerome Avenue rezoning. This narrative is framed by the paradigm of property-led economic development to both understand the political and economic dynamics prompting these choices and highlight the implicit dissonance between rhetoric and practice demonstrated by the de Blasio administration. An addendum to the zoning code is recommended to account for the market tendencies that incur commercial and industrial displacement

and protect incumbent businesses and industries.

LITERATURE REVIEW

Outsourcing Urban Planning

The introduction of the “growth machine” thesis in 1976 by Harvey Molotch (1976) initiated a new perspective on urban development strategies that emerged in a post-Keynesian political framework. Molotch attributes the commodification of urban land to diminished federal assistance following the international shift to neoliberal strategies of governance, which insisted on individual (municipal) responsibility for generating operating revenue and encouraging growth—essentially, governance by and through the market. In practice, this strategy yielded control of land-based assets to private interests while local government provided institutional support through rezoning and subsidies. This relationship offers a symbiotic cycle of exchange: land use decisions and development are ceded to the private sector, which builds in the interest of garnering the highest possible investment returns. Federally-divested municipal governments are thus able to improve property and income tax rolls and perpetuate growth (Molotch, 1976). Globalization and post-industrial paradigms incur disinvestment in lower- property-value-yielding industries, such as manufacturing, and encourage the growth of service economies. In turn, professional service employees with higher salaries produce higher income taxes. The cycle requires incessant cycles of growth to remain competitive at the global level and inevitably diverts municipal assets in the interests of reflexive perpetuation.

The growth machine concept has been updated and refined to reflect entrenched neoliberal governmentality in recent years. Embedded capitalist rationale in urban political strategies creates paradoxical imperatives (Weber, 2002) for policymakers and planners, who simultaneously seek private investment to shore up land values while balancing political constituency liabilities. This tension is visible in the many placatory concessions of redevelopment schema (Weber, 2002): community benefits agreements, job training programs, or affordable housing provisions. Rare is the investment decision whose public benefits outweigh private interests, however. Development strategies are couched in coded language that imply obsolescence of incumbent uses and residents to legitimize and catalyze cycles of accumulation and investment (Weber, 2002). Such strategies fall under broader definitions of property- or real estate- led economic development (Wolf-Powers, 2005).

Property-led economic development and state-sponsored gentrification

Property-led economic development relies on supply-side strategies to buttress urban development (Imrie & Thomas, 1993). These strategies adhere to aforementioned neoliberal paradigms in the rationalization and privatization of planning decisions, leveraging market interest in real estate with public subsidies and regulatory leeway. Myopically focused on improving the legible value of urban land, these strategies fail to integrate holistic models of growth and development of human capital, such as training and education, infrastructure improvements, and long-term planning (Imrie & Thomas, 1993, 90). Private-sector investment that is unwisely leveraged leaves local markets vulnerable to global economic shifts due to the mutability and fluidity of financial capital (Wolf-Powers, 2005).

At the micro-local level, gentrification is an inevitable consequence of the tensions between use and exchange values and a symptom of broad neoliberal governance strategies. Smith (2002) examines the emerging relationship between private actors and the state in implementing gentrification as a community investment strategy, wherein the urban landscape becomes characterized and revolutionized through a “generalized” process of gentrification (Smith, 2002) that is legitimized by institutional mechanisms. The consequence of urban strategies that capitalize on land use/value speculation is the spatial displacement of incumbent residents who can no longer afford their land, which further marginalizes lower-income workers and residents from the perpetually expanding city center.

Zukin (1982) examines the nascent stages of this local generalization in her case study of SoHo loft conversions. Formerly sites of small-scale manufacturing firms, these spaces were colonized in the 1970s by artists seeking affordable live/work studio units which captured the aesthetic imaginations of upper-income New Yorkers and their real estate brokers. Zoning regulations were relaxed and eventually restated to encourage these private investments in a declining downtown area, sending a clear message to remaining manufacturers that the use value had evolved. The city’s position was further crystallized through conversion subsidization programs to “rehabilitate” the area: a “symbolic death of an urban manufacturing center” (Zukin, 1982).

Curran (2005) shifts the discourse of gentrification from a strictly residential to a manufacturing-centered perspective. Focusing on Greenpoint-Williamsburg, both immediately before and after the official rezoning was underway, her research illustrates the phenomenologically identical hardships faced by residents and manufacturers

in gentrifying communities. This treatment holds local institutions accountable for these hardships, as displacement “is an active process, undertaken by real estate developers, city planners, policy-makers, landlords and even individual gentrifiers” (Curran, 2005). This institutionalization posits the generalization of gentrification as an expression of the “creative destruction capacities” inherent to capitalism and neoliberalism, wherein obsolescence (and its spatial correlate, displacement) is a necessary predicate for growth.

Since the turn of the millennium, neoliberal governance strategies have become more diffuse and recalcitrant. The deeply-entrenched financialization of real estate and property further alienates public review from the development process while destabilizing an already fragile neoliberal economy rationality (Fainstein, 2016). The deterministic cycle of urban growth laid out by Molotch and Logan (1987) finds a more urbane expression under global financialization, wherein politicians, planners and policy makers are increasingly bound to ensure high investment returns on local land parcels (Fainstein, 2016). As federal disinvestment becomes more explicit and punitive, local tax dollars from the upper- and middle-class are increasingly valued over lower-income, tax-poor residents (Hackworth & Smith, 2001). This reality frames the many institutional strategies of generalized displacement that serve to perpetuate growth, improve global competitiveness, and follow the rules of neoliberal agendas.

New York City’s land market is among the most valuable and competitive in the world. Land use restructuring efforts that were sharpened and refined during the Bloomberg administration accelerated this shift in valuation and implicitly informed notions of what and who the city was for. Industrial marginalization is a visible side effect of the land market reformations, which principally impact the thousands of blue-collar workers that depend on manufacturing and other semi-skilled labor jobs. This determinism echoes the discursive strategies of obsolescence mandated by hegemonic paradigms of market-based governance, which principally seek opportunities that maximize private accumulation.

COMPARISON

The Greenpoint-Williamsburg Rezoning, 2005

Long before the rezoning initiatives of the Bloomberg administration, New York City’s manufacturing and industrial sectors had been undergoing significant downsizing. This is attributable in large part to global economic shifts, improvements in technology and communication, generous trade agreements and contracts with global partners, and the increasing cost of operating production facilities in New York City (Newman et al., 2007). However, local policy also played a large role in encouraging this flight of industry. Of particular relevance to this paper was the legalization of live/work loft spaces in the 1970s (Zukin, 1982), which authorized residential and commercial conversions of manufacturing spaces. Property owners and landlords were suddenly presented with property that could serve a much higher exchange value as private apartments and homes, rather than small manufacturing units. Production firms whose leases expired were suddenly faced with enormous overhead costs, and many were displaced, some across the East River to Brooklyn or Queens, others across the Hudson River to New Jersey (Curran, 2004). These policies and patterns were largely replicated through the rezoning of Greenpoint- Williamsburg, which tacitly endorsed private residential land use over manufacturing use in the ambiguously- administrated “MX” (mixed-use) zones (Ferm & Jones, 2016) (Figure 1).

Prior to the announcement of a rezoning plan in Greenpoint-Williamsburg, the process of gentrification had already been informally initiated in these communities. Many artists had relocated from the East Village, Chelsea, SoHo, and the Lower East Side during the 1990s, seeking lower rents and an urban tableau deemed more authentic (Newman et al., 2007). Generally, artists and incumbent residents coexisted amicably, and the new transplants were woven into the local fabric with less acutely negative consequences. However, eventually a pattern emerged that had earlier transformed other neighborhoods with increasing artist density: the high occurrence of illegal warehouse and loft conversions (Curran, 2004).

Zukin’s (1982) study of SoHo loft conversions in the 1970s illustrates how the adaptive reuse of production space, such as former factories and working lofts, by agents with cultural capital transformed and valorized the use value and ultimately exchange value of these spaces by repurposing space formerly intended for “obsolete” use values. Property investors, whether brokers, developers, or real estate agents, were captivated by the dormant value revealed in loft conversion and worked diligently to capitalize on the phenomenon. Eventually these practices were legalized and legitimized by the city, which was desperately seeking greater investment in real estate to revitalize a post-fiscal crisis landscape (Wolf-Powers, 2005). Legitimization took the form of rezoning, replacing “M” (Manufacturing) designations with “R” (Residential) or “C” (Commercial). Outlined by the 1961 New York City Zoning Code, the hierarchy of uses mirrors a reconstructed exchange value hierarchy, wherein properties with the R designation have the greatest potential for returns, due to the higher rental rates afforded by residential use. Second in exchange value

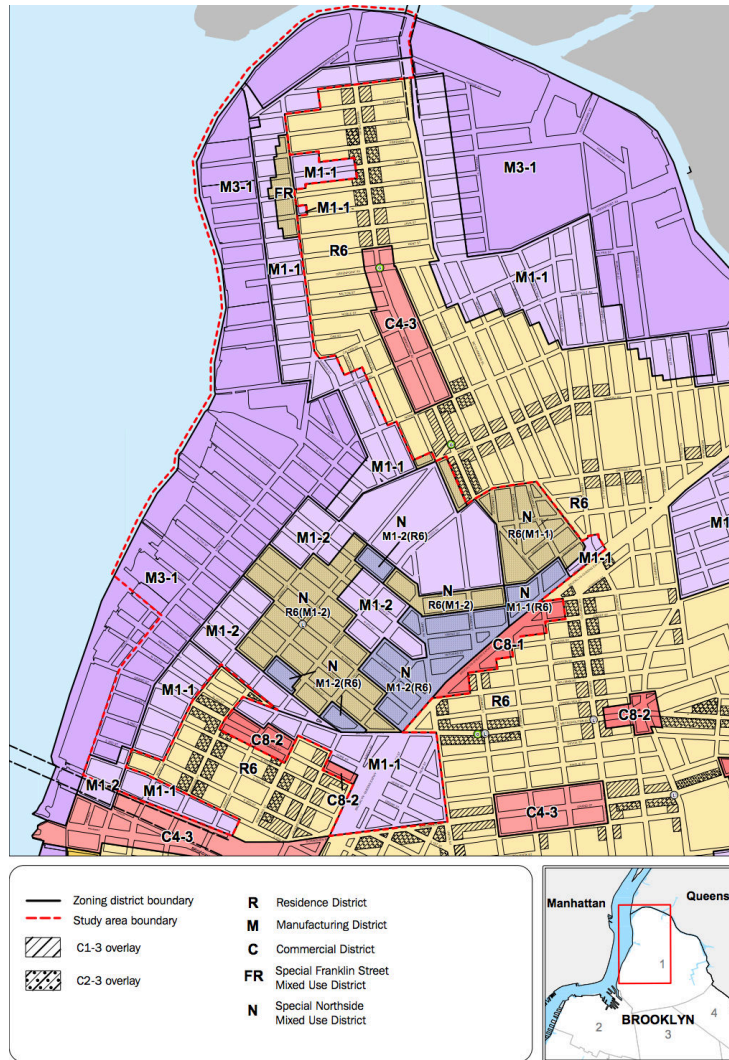


Figure 1: Greenpoint-Williamsburg zoning map, 2003. Source for all maps: New York City Department of City Planning.

are commercially-zoned properties, followed by manufacturing/industrial uses. The logic of the zoning code reflects the logic of the market, however unwittingly. The logical consequence of this hierarchy is predicated on the potential value afforded by “highest and best use” property designations, which incentivize property owners to convert to a use value that will offer the highest market return. In Greenpoint-Williamsburg, developers saw an opportunity to exploit the ambiguities in use value and lobbied for conversion of zoning designations (Lander & Wolf-Powers, 2004). The unregulated market expression of this phenomenon was well underway before the rezoning was approved (Figure 2), but the upzoning would incur an unprecedented and rapid transformation of neighborhood culture, residents, amenities, and place-based identities.

Industrial-zoned land use can act as a sort of bulwark against exchange value speculation because it commands the lowest market value and has the strictest use regulations (Evergreen, 2017). Beyond acting as a cooling mechanism on adjacent property markets, industrial land serves the obvious purpose of providing legally afforded space to businesses that tend to employ a higher share of workers with a high school diploma or less, people of color, and foreign-born individuals (New York City Council, 2014). Just as crucially, industrial and manufacturing firms create viable and dynamic economic networks of exchange and innovation and have higher employment multiplier effects on other industry sectors that support these workers and companies (Evergreen, 2017). The viability of manufacturing and industrial land use thus begs the question: why would city planners seek to divert land use away from such productive activities?

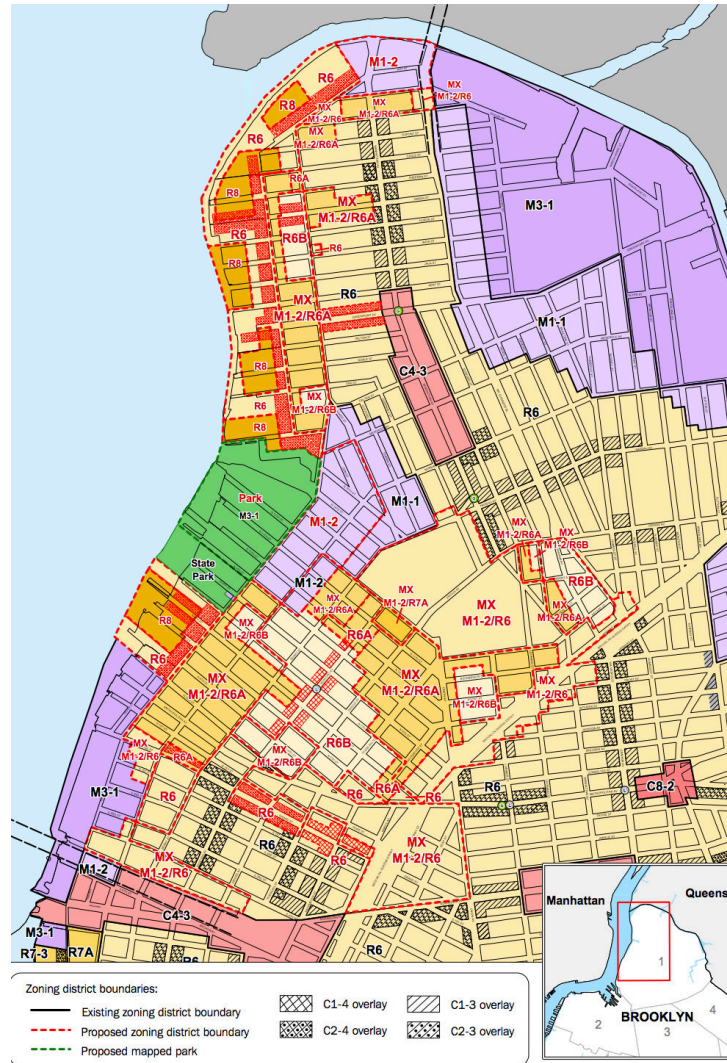


Figure 2: Greenpoint-Williamsburg zoning map, 2008.

At the core of this ethos is an alignment of policy priorities with market calculus. Planning strategies are now essentially outsourced to the private sector, which undertakes investment opportunities on the local level (Ferm & Jones, 2016). Maximizing returns on investment in land obeys capitalist maxims that incentivize the conversion of “underutilized” or “inefficient” uses to those that promise an exchange value of “highest and best use” (Wolf-Powers, 2005). Prior to official studies on rezoning in Greenpoint-Williamsburg, private development interests were piqued by the influx of artists of means and other professional, upper-middle class residents into the area, creating space for property speculation and the concomitant spike in real estate values and rental rates (Wolf-Powers, 2005). As shown in Table 1, land use designations of parcels in Greenpoint-Williamsburg changed dramatically between 2002 and 2010: high-density residential buildings (Land Use Category three) increased nearly 90%, while industrial uses (Land Use Categories six and seven) declined by 46%.

Despite official rhetoric that declared the end of manufacturing in New York City, many small firms continued to operate in Greenpoint-Williamsburg in the increasingly dwindling industrial land market. Tenants in these spaces faced increasing pressures from landlords who were intent on maximizing their property values through residential or commercial conversion. Despite well-intentioned measures to preserve the mixed-use character of existing neighborhoods, zoning that permitted both light manufacturing and residential inevitably incentivized whole-scale conversion to residential, thanks to the enduring incentives of “highest and best use.” Displacement was an inevitable consequence of this calculus, one tacitly endorsed by the 2005 rezoning (Curran, 2007).

Table 1. Change in land use category, Greenpoint-Williamsburg, 2002-2010.

Land Use Category	Description	2002	2010	Percent Change
1	One & Two Family	2710	2625	-3.1%
2	Multi-Family Walk-Up	5408	5769	6.7%
3	Multi-Family Elevator	160	302	88.8%
4	Mixed Residential & Commercial	2227	2454	10.2%
5	Commercial & Office	407	450	10.6%
6	Industrial & Manufacturing	1915	1576	-17.7%
7	Transportation & Utility	276	196	-29.0%
8	Public Facilities & Institutions	344	346	0.6%
9	Open Space & Outdoor Recreation	49	69	40.8%
10	Parking Facilities	674	560	-16.9%
11	Vacant Land	653	481	-26.3%

Source: New York City Department of City Planning PLUTOMap Database, 2002, 2012.

Gentrification is commonly understood as a requisite correlate and cause of displacement (Marcuse, 1999). This phenomenon is typically applied to changes in residential patterns but is also observable in the production and commercial landscape. Industrial and manufacturing firms that may have formerly employed lower-skilled, less-educated workers are displaced by higher rents commanded under a recalibrated land use policy, thereby pushing these workers to the physical margins of the city to seek employment or redistributing their labor at a significantly diminished salary among the retail or hospitality opportunities for which their education levels qualify them. This policy rationale thus acts as a “degradation and informalization of blue-collar [employment opportunities]” (Curran 2007): a symbolic and material gesture to inform for whom and what a community or a city is intended.

The race to compete for financial investment in New York City during the Bloomberg administration was predicated on the neoliberal instrumentalization of all available public resources and tools and honed through its aggressive land use policies. In efforts to ensure rapid and visible development, the city placed little restriction on real estate developers during the planning process. Among the few (and feeble) mandates for city support was an inclusionary zoning policy for developers who wished to access increased space (Floor-Area Ratio, or FAR) in exchange for affordable housing construction. Under the Greenpoint-Williamsburg plan, Inclusionary Zoning bonuses were awarded to developers who built (or preserved) 20% of their units to be permanently affordable (Newman et al., 2007). However, the plan did not dictate where or how these units would be created, allowing for off-site construction of lower-income housing clusters distanced from the new luxury residential buildings in the area. The administration’s generosity was also extended via 421-a tax abatements, which exempted new units from property taxes for up to 25 years in the newly-zoned areas. The implicit message of these policies indicates a shift in institutional support from local working-class residents to developers and newly-arrived upper-middle class residents. The Bloomberg administration pursued 100-odd rezoning initiatives throughout the boroughs, which created a sea change throughout the city of tremendous scope and scale. Between 2000 and 2016, the gross median monthly rent in Greenpoint-Williamsburg increased by 40%, while median annual income increased by nearly 80% over this time frame. From 2001 to 2008, 24 million square feet of industrial space was rezoned; between 2012 and 2016 alone, 8 million square feet of industrial space was lost to residential or commercial conversion. This later diminution of viable manufacturing space is a symptom of the increased land values: businesses that can no longer meet rising location-based costs are inevitably displaced. More tellingly, between 1991 and 2002, Greenpoint-Williamsburg lost over 6,000 manufacturing and industrial jobs, while surrounding neighborhoods in North Brooklyn did not experience changes of this magnitude (Newman et al., 2007). This is attributable to the revalorized housing market and the pressures it placed on neighboring land uses in this area. Although popular rhetoric reflexively attributes declines in manufacturing and industrial employment to rising labor costs in American cities and subsequent outsourcing of labor overseas, the patterns illustrated above indicate that speculative land valuations have also predicated this decline and provided policy makers with a veritable alibi for land use decisions.

In a belated attempt to restore the manufacturing industry sectors in New York City and revive constituent support, the Bloomberg administration announced the creation of Industrial Business Zones (IBZs) in 2005 (New York City Council, 2014), which designated 15 discrete areas in every borough but Manhattan that would be protected from further upzonings. However, much like the MX zones that were piloted throughout North Brooklyn, the IBZs regulatory capacity was limited, albeit less overtly than their MX cousins. Under existing zoning regulations, M1 land is officially zoned for light manufacturing uses, but also permits hotels, big box retail stores, and offices “as-of-right” (New York City Council, 2014, 12). All of these uses recalibrate both the potential value of adjacent properties and the character of the neighborhood. Although the IBZs were a step in the right direction for protecting industrial land from development, they failed to regulate the preexisting weaknesses of the zoning code that artificially increased property values and displaced lower-paying tenants, like manufacturers.

Industrial policy under Bloomberg prioritized capital investments in city-owned industrial parks, rather than seeking strategies to preserve existing networks of industrial firms at risk of displacement. Available production space in the IBZs and city-owned parks became increasingly scarce, with long waiting lists (O'Connor, 2015) for the Brooklyn Army Terminal and Brooklyn Navy Yard to this day. Much M-zoned land in IBZs was reappropriated for higher-value yielding uses like hotels, self-storage facilities, and big-box stores. Thanks to these anachronistic zoning codes, available land for manufacturing and industrial uses declined precipitously over the next fifteen years.

The Jerome Avenue Rezoning, 2018

In 2014, Mayor Bill de Blasio announced the *Housing New York* plan (The City of New York, 2018), a 10-year strategy to build or preserve 200,000 units of affordable housing across the five boroughs. The New York City Council adopted a Citywide zoning text amendment shortly thereafter authorizing Mandatory Inclusionary Housing (MIH) to be required under future rezoning and development initiatives (New York City Council, 2018). *Housing New York* calls for fifteen neighborhood studies (all in lower-income or majority-minority communities) to be conducted to seek opportunities for affordable housing construction and preservation, one of which was the Jerome Avenue corridor in the Southwest Bronx (Figure 3). The study area also includes mass transit access to the #4, B and D subway lines, and highway and expressway access points. Covering approximately 92 blocks (151 acres) along the Jerome Avenue corridor, the study area is home to approximately 345,000 residents. The median annual household income is \$26,226, and the unemployment rate is 14.4%. Comparatively, the median annual household income of New York City is \$71,897, and the unemployment rate is 3.9%. The Area Median Income (AMI) of the New York City metropolitan area in 2018 for a family of three is \$93,900.

In late 2014, the Jerome Avenue study was launched by the Department of City Planning (DCP). Over the next year and a half, workshops, visioning sessions, open houses, and town halls were conducted to garner participation from local residents, business owners and community groups. A draft of the neighborhood plan was published in October 2017 (NYC Department of City Planning, 2017). The proposal emphasizes rezoning strategies that maximize efficiency of land use by converting several “underutilized” parcels along the Jerome Avenue corridor from C-8 and M-1 to higher density residential uses (R-5, R-6, R-7, R-8, R-9) (Figure 4).

The passage of the MIH program for rezoning projects requires a share of new housing to be preserved as “affordable.” However, as the AMI for a family of three in New York City is \$93,900, the threshold of affordability goes beyond the reach of the median household in the study area (\$26,226).ⁱ Equally troubling is the disregard of the plan for incumbent commercial uses that have served as an anchor to the community for decades. A DCP survey conducted prior to the rezoning approval found that 199 automotive-related businesses, which fall largely into the C-8-3 and M-1-2 land use designations, made up the largest share of commercial parcels in the study area (NYC Department of City Planning, 2017). The clustering of these firms near major arteries like the Cross-Bronx and Bruckner Expressways provides businesses and customers with a competitive advantage and a resilient, dynamic ecosystem of support, exchange, and convenience. Beyond shared inter-firm benefits, this industry sector along the study corridor has positive multiplier effects on neighboring businesses like restaurants, gas stations, convenience stores and retail (Pratt Center for Community Development, 2017a). The pending loss of viable operating space for automotive repair fails to consider the imminent cascading impact a rezoning will have on local spillover markets (Pratt Center for Community Development, 2017b).

Motor vehicle repair jobs pay, on average, \$44,000 annually. Of these workers, 68% have a high school diploma or less, and 75% are people of color (Pratt Center for Community Development, 2017b). Furthermore, of the 21% of auto repair workers who earn more than \$60,000 a year, half have a high school-level education or less, a remarkable distinction compared to other industry sectors in New York City (Pratt Center for Community Development, 2017b). By comparison, the average annual wage for retail, restaurant, and hospitality sectors is \$25,416.

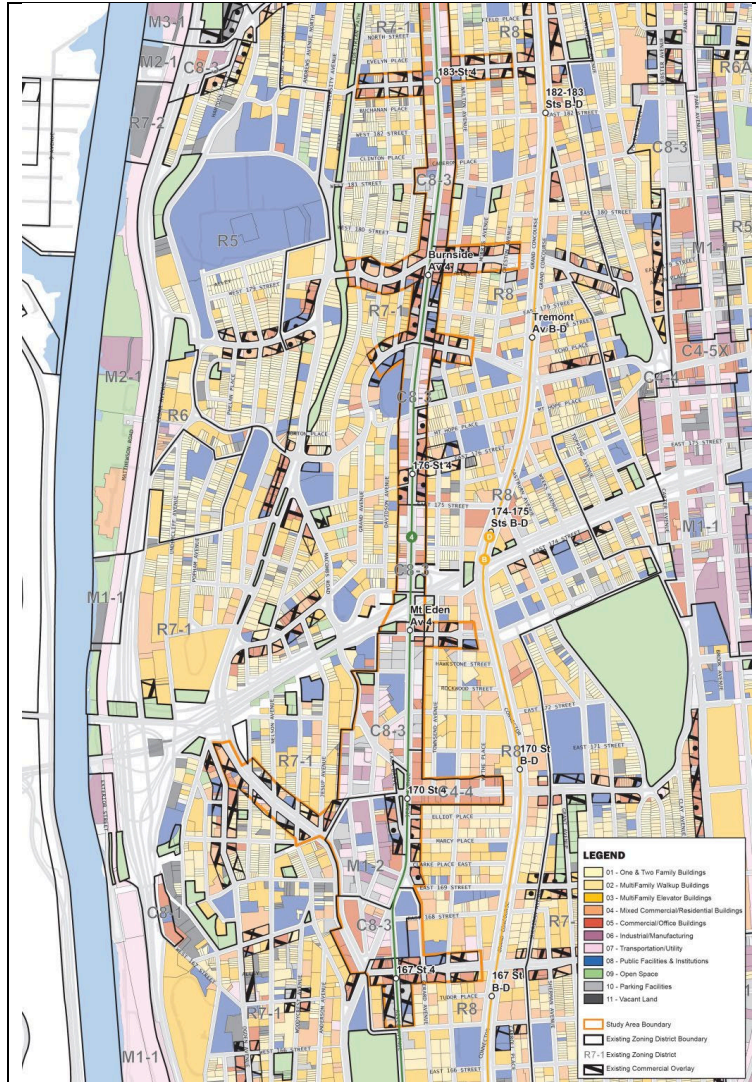


Figure 3: Jerome Avenue land use and zoning map, 2014.

The ambiguity of land use under existing zoning codes puts motor vehicle repair and other interdependent businesses along Jerome Avenue at great risk. Those parcels receiving an outright upzoning will see the most dramatic and immediate changes, but those that remain “as-of-right” will likely fall to the same pressures as those establishments in North Brooklyn’s IBZ and MX zones. The increasing scarcity of C8 and M1 land throughout the city leaves these business owners particularly vulnerable (Interview, 2018), despite a pledge from city officials to commit \$1.5 million in grants to assist with relocation costs. If there is nowhere left to go, what good is relocation assistance?

External, grass-roots political pressure bore a heavy influence on the expanded “soft” programs integrated into the Jerome Avenue Plan. Among the most vocal community advocacy groups, the Bronx Coalition for a Community Vision proposed an alternative plan to that of DCP, citing the inevitability of displacement and the planning process’ lack of regard for community-appropriate investment strategies (Bronx Coalition for a Community Vision, 2018). The coalition is fully aware of the impact upzoning will have on the community and requested mitigation measures that could check displacement. Measures include: community benefits agreements that require a share of construction jobs for local hire; a requirement that all homes constructed be made affordable for the median incumbent household (\$27,000 a year); tenant right to counsel; “progress trackers” to monitor proposed and implemented policies; and strategic, focused zoning that preserve existing areas of commercial robustness (Bronx Coalition for a Community Vision, 2018). DCP integrated many of these mandates into their long-term plan, and the “commitment tracker” is already active online (Mayor’s Office of Operations, 2018). The community benefits

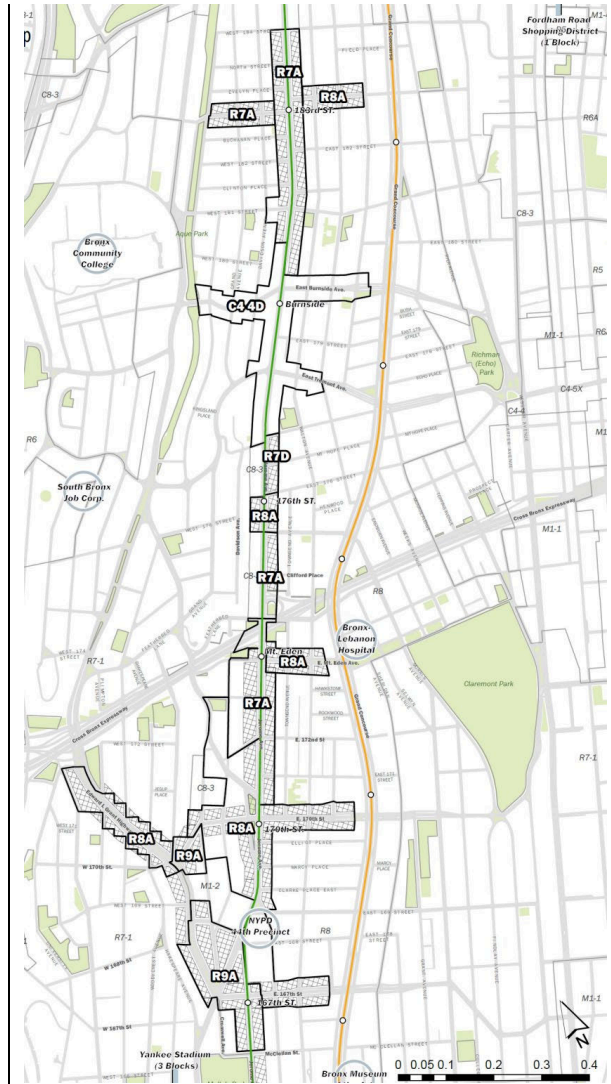


Figure 4: Jerome Avenue zoning map, 2018.

extracted during the planning process for this rezoning are more robust than those won in North Brooklyn. This reflects an evolved community understanding of the negative outcomes caused by upzoning, particularly as seen in Greenpoint-Williamsburg. Community advocates have greater leverage in this administration because the progressive policy stance of Mayor de Blasio relies on their constituent support. The Mayor has vehemently and loudly declared his commitment to working-class New Yorkers and positioned his political agenda farther to the left than his predecessor.

While both the achievements of community advocates and the ideological stance of the de Blasio administration are laudable in their inclusive and introspective tones, mitigation reforms such as tenant counsel, community benefits agreements, and local hiring policies sidestep the broader paradigmatic framework that runs inherently counter to progressive community outcome goals. Conducting workshops, jobs fairs, and training programs are reactionary impulses that further obfuscate neoliberal influence on city planning, which remains (in practice) largely outsourced to the private sector. The mitigatory programming is a political strategy (Weber, 2002) that varnishes the administration's reputation and is a product of the quintessential tension that characterizes property-led development. These strategies fail to address the structural causes of displacement and ultimately reinforce and legitimize privatization in city economic planning.

In 2014, the New York City Council published "Engines of Opportunity," a policy platform that investigated existing zoning regulations for manufacturing and production uses. A key recommendation of this report brought attention to the risk of ambiguous and flexible zoning policies like MX and M-1, noting that residential and higher-

yielding commercial activity historically displaces lower-value uses of manufacturing, industry, and repair. Preservation of these areas is contingent on precise and strategic regulation that eliminate this ambiguity. “Industrial Employment Districts,” or IEDs, require that non-manufacturing uses (both residential and commercial) be subject to rigorous public review before granting approval of special permits, reducing speculative tendencies in the real estate market and thus protecting the viability of manufacturing firms in a highly competitive land market (New York City Council, 2014). Although this strategy has received the endorsement of the City Council and Mayor de Blasio, it has not yet been applied to proposed rezoning platforms.

IEDs could create the necessary conditions for a more holistic economic development platform, one which acknowledges and protects the valuable existing assets of well-paid blue-collar jobs offered by manufacturing and industrial employment while leveraging underutilized parcels for affordable residential development. These regulatory measures further distance administration practice from obligations to private development interests because they essentially deny potential land-based value accumulation.

The Jerome Avenue Plan reveals a glaring dissonance in the Mayor’s dual platforms of providing affordable housing and good-paying jobs. Furthermore, the “100,000 Good-Paying Jobs” plan, which commits investment in technology, cybersecurity, manufacturing, culture, tech and life sciences, focuses its manufacturing sector strategies on funneling more investment to existing city-owned facilities, like the Brooklyn Navy Yard and Brooklyn Army Terminal (New York Works, 2018). There are other caveats that may serve to minimize disruptive land uses in M-1 areas (like hotels, self-storage facilities, and big box stores), but there has been no substantive proposal to date that facilitates this goal. Although it is admirable that the plan acknowledges the significance of affordable and available production space as essential to job creation and retention, the dual implementation of achieving affordable housing and good-paying jobs seem to be working at odds with one another, as evidenced by the pending displacement of Jerome Avenue business owners and workers. The publication of soft protections (Mayor’s Office of Operations, 2018) made public fail to address the structural framework that originates displacement, whether commercial or residential.

CONCLUSION: A FAILURE TO RECONCILE RHETORIC WITH PRACTICE

The presiding model of economic development, which relies on private land investment, is predicated on the constructed obsolescence and reflexive displacement of residents and opportunities that do not serve the institutional models of neoliberalism. Despite differences in the study areas’ initial levels of gentrification at the time of rezoning, both exhibit important structural similarities. Based on the realities of the Greenpoint-Williamsburg planning and its outcomes, there was an evident preference in institutional leadership for a particular type of resident in these communities, one who could meet the paradigmatic prerequisites for a sustained “growth machine.” Manufacturing uses maintained a relatively significant share of the local economy, but were quickly displaced by the rezoning plan. The framework of the Jerome Avenue plan, despite several informal victories in affordability protection and relocation services, ultimately fails to address the underlying structural paradigms that promote growth over equitable and sustainable employment opportunities. Auto repair businesses, which compose the majority of the commercial and economic uses along the avenue, are, like the small manufacturers in Greenpoint-Williamsburg, also at risk of displacement. “As-of-right” permissions for manufacturing and heavy commercial uses are ineffective when tenants are competing with office, retail, and residential uses. Equity-minded redevelopment of “underutilized” land, particularly in a real estate market as competitive as New York City’s, should be more considerate of the unique assets (particularly existing economic ecosystems) that are vulnerable to displacement. In both cases, and across New York, these structural dilemmas which are enabled by policy are both “business as usual” for city planners and “just business” for private developers.

REFERENCES

- Bronx Coalition for a Community Vision. 2018. Our Policy Platform.
https://www.bronxcommunityvision.org/our_policy_platform. (Accessed May 12, 2018).
- Curran, W. 2004. Gentrification and the nature of work: exploring the links in Williamsburg, Brooklyn.
Environment and Planning. 36:1243-1258.

- . 2007. “From the frying pan to the oven”: Gentrification and the Experience of Industrial Displacement in Williamsburg, Brooklyn. *Urban Studies*. 44(8):1427-1440.
- Evergreen. 2017. North Brooklyn Brownfield Opportunity Area Study, https://evergreenexchange.org/wp-content/uploads/2017/06/050117_Executive-Summary_FINAL_v4-pages.pdf. (Accessed May 12, 2018).
- Fainstein, S. 2016. Financialisation and justice in the city: A commentary. *Urban Studies* 53(7):1503-1508.
- Ferm, J. and Jones, E. 2016. Mixed-use ‘regeneration’ of employment land in the post-industrial city: challenges and realities in London. *European Planning Studies*. 24(10):1913-1936.
- Hackworth, J. and Smith, N. 2001. The Changing State of Gentrification. *Tijdschrift voor Economische en Sociale Geografie*. 92(4):464-477.
- Imrie, R. and Thomas, H. 1993. The limits of property-led regeneration. *Environment and Planning: Government and Policy*. 11:87-102.
- Marcuse, P. 1999. Comment of Elvin K. Wyly and Daniel J. Hammel's ‘Islands of decay in seas of renewal: housing policy and the resurgence of gentrification.’ *Housing Policy Debate* 10(4): 789-797.
- Mayor’s Office of Operations. 2018. Neighborhood Rezoning Commitments Tracker. <https://www1.nyc.gov/site/operations/performance/neighborhood-rezoning-commitments-tracker.page>. (Accessed May 20, 2018).
- Molotch, H. 1976. The City as a Growth Machine: Toward a Political Economy of Place. *American Journal of Sociology*. 82(2):309-332.
- Molotch, H. and Logan, J. 1987. *Urban Fortunes: The Political Economy of Place*. Berkeley: University of California Press.
- Newman, K., et al. 2007. *Gentrification and Rezoning: Williamsburg-Greenpoint*. Community Development Studio, Rutgers University. Available at <http://rwv.rutgers.edu/wp-content/uploads/2013/08/Rezoning-in-Williamsburg-2007.pdf>.
- O’Connor, B. 2015. Wheels turning and tech firms churning at the Brooklyn Navy Yard. *The Real Deal*, https://therealdeal.com/issues_articles/in-the-navy-yard/. (Accessed May 12, 2018).
- The City of New York. 2017. Housing New York: A Five-Borough, Ten-Year Plan. http://www.nyc.gov/html/housing/assets/downloads/pdf/housing_plan.pdf. (Accessed May 12, 2018.)
- New York City Council. 2016. Mandatory Inclusionary Housing. <https://council.nyc.gov/land-use/plans/mih-zqa/mih/>. (Accessed May 1, 2018.)
- . 2014. Engines of Opportunity: Reinvigorating New York City’s Manufacturing Zones for the 21st Century. <https://static1.squarespace.com/static/541a404de4b09b50ed977d79/t/5583737be4b0e9177e5d6bb3/1434678139251/Industrial+zoning+report.pdf>. (Accessed April 10, 2018.)
- New York City Department of City Planning. 2017. The Jerome Avenue Neighborhood Plan., <http://www1.nyc.gov/site/planning/plans/jerome-ave/jerome-ave.page>. (Accessed April 30, 2018).
- New York Works. 2016. New York Works: Creating Good Jobs. <https://newyorkworks.cityofnewyork.us/>. (Accessed May 18, 2018.)
- Pratt Center for Community Development. 2017. Out of Gas: How the City Can Do Better for Jerome Avenue’s Auto Workers. http://prattcenter.net/sites/default/files/jerome_auto_report_out_of_gas_10-10-17_we.pdf.

(Accessed March 5, 2018).

———. 2017. Under the Hood: A Look into New York City's Auto Repair Industry. <http://prattcenter.net/research/under-hood-look-new-york-citys-auto-repair-industry-0>. (Accessed March 5, 2018).

Smith, N. 2002. New Globalism, New Urbanism: Gentrification as Global Urban Strategy, *Antipode* 34(3):427-453.

Weber, R. 2002. Extracting Value from the City: Neoliberalism and Urban Redevelopment. *Antipode* 34(3):519-540.

Wolf-Powers L. 2005. Up-zoning New York City's Mixed-Use Neighborhoods: Property-Led Economic Development and the Anatomy of a Planning Dilemma. *Departmental Papers (City and Regional Planning)* 24(4):379-393.

Lander, B, and Wolf-Powers, 2004. Remaking New York City: Can Prosperity Be Shared and Sustainable? *Departmental Papers (City and Regional Planning)* 43. Available at https://repository.upenn.edu/cgi/viewcontent.cgi?article=1042&context=cplan_papers.

Zukin, S. 1982. *Loft Living: Culture and Capital in Urban Change*. New Brunswick: Rutgers University Press.

ⁱ AMI reflects the median household income for a *region*. It is a tool utilized by the federal Department of Housing and Urban Development to determine eligibility for federal and local housing programs based on household size and income. For residents of New York City, the AMI considers all residents of New York City's five counties and Westchester, Rockland and Putnam counties.