

Brooklyn: Economic Development And the State of Its Economy

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I. Executive Summary

This report updates and expands upon our prior review of the Brooklyn economy, issued in 1999. Since then, Brooklyn has continued to undergo significant changes as it shifts from a manufacturing to a service-based economy, mirroring national and Citywide trends. These changes present challenges but also provide opportunities, which the City, State, and federal governments have attempted to take advantage of through a number of initiatives. Private investors and nonprofit organizations have also invested hundreds of millions of dollars in projects throughout the borough. Combined, these initiatives and projects are an attempt to shape the ongoing transformation of Brooklyn's economy and to create a more diverse and stable economy.

The borough's economy is continuing to move toward a service basis—health and trade are two service-related sectors that account for the bulk of the job increases in the borough over the last few years. Thus, Brooklyn's economy has continued to become more locally oriented (servicing the needs of its residents) rather than export-oriented (servicing the needs of customers outside of the region). This locally oriented economy was largely unaffected by the expansion and recession that occurred in the national and City economies in the late 1990s and early 2000s, which significantly affected export-oriented sectors such as financial activities and business and professional services. As a result, Brooklyn was relatively isolated from these economic events, sharing only moderately in the expansion of the late 1990s, but suffering less in the current downturn. Locally oriented jobs, however, generally pay less than manufacturing and export-oriented jobs and often do not provide health benefits.

Overall, Brooklyn's economy has shown improvement over the last few years as employment has remained stable, private sector wages have grown despite a Citywide decline, and public assistance rolls have decreased. Brooklyn's population has continued to expand since the last report, primarily through an influx of immigrants. At the same time, crime rates have dramatically fallen and home values have surged. However, problems remain—poverty remains high, affordable housing is in tight supply, and transportation issues need to be addressed.

Economic development efforts in Brooklyn are focusing on a variety of issues, some of which are shaped by the transformation of the borough's economy. The decline of Brooklyn's manufacturing and maritime sectors has opened up large sections of industrial and waterfront land that could be used for different purposes, while the borough's growing population and rising home prices have created an ongoing need for more housing, especially affordable housing. At the same time, the need exists to maintain space for the specialty manufacturers that make up much of the remaining

businesses in Brooklyn's industrial sector. Finding a way to balance these competing needs is a challenge, but one that offers an opportunity for thoughtful and creative community planning. While economic development efforts cannot completely shape the transformation of Brooklyn's economy, they can make it easier for businesses to locate or expand in the borough, improve the quality of life for borough residents, and set the stage for continued economic growth.

II. An Overview of the Brooklyn Economy

Since our last report on the Brooklyn economy in 1999 (which primarily covered data for 1997 and 1998), the national and local economies have moved through an extraordinary expansion and into a recession. High productivity gains in the 1990s, driven by investment in information technology, helped create the longest economic expansion since World War II. During the latter years of the decade, the national economy grew at an extraordinary rate of about 4 percent annually, and financial markets surged by over 20 percent annually. The economy of New York City—which includes Brooklyn—grew rapidly during these years. In 2000, however, the financial markets began to decline, and businesses began cutting back on spending plans and reducing their workforces. The national economy slipped into recession in March 2001, but the national recession was mild and short-lived, and ended in November 2001 despite the economic impact of the terrorist attacks on September 11, 2001.

From the fourth quarter of 2001 to the second quarter of 2003, the gross domestic product (GDP) grew at an annual rate of 2.7 percent. Resilient consumer spending, which accounts for two thirds of the national economy, offset the slump in private domestic investment. Consumers particularly benefited from the low-interest rate environment created by the Federal Reserve. Business investment remained weak, however, hampered by uncertainty related to corporate scandals and the war on terrorism. Although the GDP has grown, the national economy is not yet creating jobs. Businesses have been reluctant to expand their workforces, instead relying on productivity gains to fuel growth.

Nonetheless, the economy surged in the third quarter of 2003, with the GDP advancing by 8.2 percent. More importantly, business spending experienced its fastest rate of growth since 2000, before the start of the recession. Despite many risks, including the large and growing federal budget deficit, the national economy is likely to continue growing in the short-term as inflation remains low, productivity growth remains high, monetary policy remains accommodating with continued low interest rates, and the effects of the previously enacted tax cuts stimulate the economy. While growth is not likely to exceed the third quarter's rate in the near term, the advance report on GDP growth in the fourth quarter showed a 4 percent gain, and the most recent consensus forecast from Blue Chip Economic Indicators predicts average GDP growth of 4.6 percent in 2004.

In our last report, we reviewed the ways in which Brooklyn's economy experienced considerable changes in the latter half of the 20th century. Manufacturing declined sharply, with jobs in the service sector growing to dominate the local economy. However, many of these service-oriented jobs were in industries that served local residents. Local market-oriented jobs tend to pay lower wages than those in export-

oriented businesses, which serve customers outside their home region. Average salaries in Brooklyn were lower than salaries in the same industries in other parts of the City. During a period of strong economic growth, job growth in Brooklyn also underperformed when compared to other parts of the City, and unemployment, though improving, remained high. Poverty levels were also high, and the borough's population had only just started to show gains after declines in earlier years. Nevertheless, the borough's real estate markets were showing strength, and crime was falling.

In the four and a half years since our last report, Brooklyn's economy has continued to change. Employment in manufacturing is still declining while service-oriented jobs have continued to grow, taking up a larger share of Brooklyn's job base. For example, health care and social assistance—the largest service-oriented industry—and trade together account for half of all private sector jobs in the borough. Thus, more of Brooklyn's job base is becoming locally oriented.

The locally oriented nature of the Brooklyn economy also shielded it from some of the worst effects of the current recession. Throughout the late 1990s, the rate of job growth in Brooklyn continued to lag behind the rate in other parts of the City, although it did increase in the final years of the boom. After 2000, however, employment in the City contracted sharply as the financial markets fell, the recession worsened, and the World Trade Center was destroyed in a terrorist attack—especially in Manhattan and Queens, the two boroughs with the most export-oriented economies. In Manhattan, over half of the jobs created during the 1990s boom were lost between 2000 and 2002, while in Queens one fifth of new jobs were lost. By contrast, Brooklyn experienced an employment decline of only 0.3 percent in those years, which represented only 5 percent of the jobs the borough gained in the 1990s. Private sector employment in Brooklyn remains well above the lows reached in the recessions of the early 1980s and early 1990s, and is well above the high point reached in the 1980s boom.

The recession has caused unemployment rates to rise across the City. In Brooklyn, it rose two percentage points between 2000 and 2002, and has continued to rise in 2003, averaging 9.2 percent for the first 11 months of the year. Only the Bronx had a higher rate in 2003 (10.4 percent), while the lowest rate was in Queens (6.9 percent).

Despite the recession, there are aspects of the Brooklyn economy that have continued to improve. Revised data from the U.S. Census Bureau show that the borough's population expanded through the late 1990s, primarily due to higher birth rates and immigration. Population has continued to expand into the early 2000s, although the growth rate has slowed due to the recession and the terrorist attack on the World Trade Center. Brooklyn is the second-most diverse borough in the City (Queens is the most diverse); 38 percent of Brooklyn's residents were born in another country.

Such diversity fosters a wide range of opinions and ideas, boosts entrepreneurial spirit, and enlarges cultural and artistic opportunities. The poverty rate, while still higher than the Citywide average, is lower than we reported in our last report, and the number of people receiving public assistance has also declined. Crime rates have continued to fall—the reduction in total reported crimes between 1993 and 2002 has reached 63 percent. Because employment losses during the current recession have been modest in Brooklyn, due to the borough’s more locally-oriented economy, the overall level of wages paid by the private sector has continued to grow, although the rate of growth has slowed—from 5.9 percent in 2000 to 3 percent in 2002. By comparison, Manhattan’s more export-oriented economy has experienced an average annual wage decline of 3.6 percent during the recession.

Most notably, Brooklyn’s real estate market has continued to strengthen. The average single-family home in Brooklyn is now worth \$367,000, the highest value among the boroughs outside Manhattan. This has increased 72.4 percent since FY 1999, compared to a 69.2 percent increase Citywide.

Overall, Brooklyn’s economy is in better shape today than at the time of our last report. Nonetheless, the borough faces many challenges, such as the inadequate supply of affordable housing and a continued shift to lower-paying industries that reinforces the borough’s position of having many of the lowest-paying industries in the City.

As the national economy continues to strengthen and moves toward a resumption of job growth, the City’s economy will benefit, especially in its export-oriented industries such as finance and professional and business services. However, because these industries make up such a small share of Brooklyn’s job base, the borough will likely see a repeat of its performance in the last expansion—employment will grow, but at a rate lower than in other parts of the City. Thus, economic expansion will be slow but steady—and ultimately more retainable. Economic development efforts, such as those outlined in the next chapter, will seek to contribute to the borough’s future expansion.

III. Economic Development in Brooklyn

This section examines some of Brooklyn's opportunities for economic growth, obstacles that must be overcome, and institutions that are working to strengthen and diversify Brooklyn's economy. (Appendix A lists contacts for the various economic development resources in the borough.) It is intended to be a sampling of issues, neighborhoods, and initiatives that demonstrate potential for growth, rather than a complete list of all of the economic development projects or initiatives in Brooklyn.

As mentioned previously, manufacturing remains an important part of the Brooklyn economy despite declines in the industry over the last five decades. Manufacturing jobs not only pay higher wages than retail, tourism, the health industry, and service jobs, but more than 50 percent of manufacturing jobs provide health insurance, compared to 18 percent of restaurant and bar jobs and 38 percent of miscellaneous retail jobs.

Maintaining an industrial base is not a cure-all for Brooklyn's economic problems, however. As the borough has moved to a service-based economy, efforts have been made to encourage expansion in underdeveloped sectors that will stimulate new kinds of growth. Brooklyn's economy continues to diversify, and if the borough avoids a reliance on any one sector such as tourism, Wall Street, or the health industry, it will be more prepared to weather future economic downturns and maintain a large and varied job base.

Major Issues Affecting Economic Development

The neighborhoods and initiatives highlighted in this report share many of the same obstacles and opportunities regarding economic development. Among the borough-wide issues that dominate discussions about economic development are waterfront development and zoning, the influx of big-box stores, the tourism industry, brownfields (potentially contaminated former industrial sites), public transportation and infrastructure, and the availability of affordable housing.

The issue of brownfields is not thoroughly discussed in this report, but it should be noted that the City must find a way to productively redevelop its brownfield sites, which can be found throughout Brooklyn and particularly on the waterfront and in former industrial areas. One area that offers a tremendous opportunity for brownfield redevelopment is the Gowanus Canal. Running through the neighborhoods of Gowanus, Red Hook, and Carroll Gardens, the Gowanus Canal was created in 1848 for wetland drainage and as a waterway for industrial tenants, including manufactured gas plants, paint and concrete production facilities, kerosene storage tanks, and coal refineries. After decades of industrial use, the neighborhoods surrounding the canal have begun to reflect borough-wide economic trends, shifting from an industrial base

to service-oriented industries. As this occurs, the opportunity exists to remediate brownfield sites along the canal. The City has already begun this process at the City-owned Public Place site at Smith and 5th Streets, in Carroll Gardens. This 5.8-acre parcel was formerly owned by Brooklyn Union Gas, which operated a manufactured gas plant on the site from 1859 to 1969. Under the State's Voluntary Cleanup Program, KeySpan (formerly Brooklyn Union Gas) is working in partnership with the City to conduct environmental tests at the site to determine the level of pollutants in the soil and to develop a strategy to return the site to productive use. More brownfield sites should be examined and considered for redevelopment.

Waterfront Development and Zoning

In 1992 the New York City Department of City Planning developed a Comprehensive Waterfront Plan to establish a framework for land use along the City's entire waterfront. The plan recognized four categories—the public waterfront (public access areas, parks, and recreation areas); the working waterfront (areas where industrial and maritime activities were still feasible); the redeveloping waterfront (areas proposed for rezoning, ranging from manufacturing to residential and commercial zones); and the natural waterfront (areas such as Jamaica Bay). Brooklyn's waterfront contains land from all four categories and includes a significant working waterfront along with large, underutilized areas.

Brooklyn's entire industrial waterfront was once the site of a thriving maritime industry, along with varied industrial and manufacturing businesses. As these activities declined so did the working industrial waterfront. Vacant areas once used for manufacturing have been considered for redevelopment, raising questions about how much of the space will be allocated to residential and commercial development, public parks, and open space; how much of the new housing will be targeted toward low- to moderate-income households; and who will bear the cost of cleaning up brownfields.

In the past few years, efforts to redevelop significant sections of the industrial waterfront have intensified. Plans to create Brooklyn Bridge Park along piers 1 through 5 have progressed with the development of a master plan for the park and the creation of a joint City and State entity to oversee its development. More recently, in June 2003, the New York City Department of Planning issued an extensive land use and rezoning plan for the Greenpoint and Williamsburg waterfront areas. These projects have heightened the controversy over what kinds of development will occur.

Representatives of manufacturing, industrial, and maritime firms argue that residential and commercial developments have been reducing the available manufacturing space, and that manufacturing and maritime businesses are being pushed out of the City by both actual and expected zoning changes. The lack of affordable space is a key

limitation to the expansion of manufacturing. As manufacturing areas are designated for residential or commercial development, landlords begin to withhold industrial property from the market in expectation of higher returns from residential and commercial uses. In some areas, illegal conversions of industrial properties into residential lofts further reduce the amount of affordable, available manufacturing space.

By contrast, City officials and housing advocates argue that the areas being considered for rezoning are underutilized. They assert that residential and commercial development could make better use of the land, ease the City's housing shortage, bring in additional tax revenue and new jobs from commercial development, and create needed open space, waterfront access, and other amenities.

The New York City Comprehensive Waterfront Plan identified key locations where manufacturing, industrial, and maritime businesses would continue to be zoned. Four of the six significant maritime/industrial areas are located in Brooklyn and include the Brooklyn Navy Yard, Erie Basin/Sunset Park, Newtown Creek, and the Red Hook Marine Terminal. In both Red Hook and Sunset Park, however, there is concern that the commitment to these areas is being eroded through landlord warehousing, pressure from neighboring residential areas, and some official actions. In the spring of 2003, the Port Authority of New York and New Jersey issued Requests for Proposals for piers 6 through 12 in Cobble Hill and Red Hook, citing their proximity to Governor's Island and their spectacular views. This move appears to be opening Brooklyn's last active container port to consideration for other uses.

Another key issue surrounding waterfront redevelopment is the question of how much space will be allocated for public parkland. During the 16-year effort to create Brooklyn Bridge Park, disputes occurred over whether piers 1 through 5 would be developed primarily as parkland or commercial space. Local elected officials, residents, and community advocates prevailed in maximizing public parkland and open space. The 2002 State and City guidelines for the park stipulate that 80 percent of the area must be used for parkland and remain so in perpetuity. Another push for expanding waterfront park and open space comes from the Brooklyn Waterfront Greenway Taskforce—a broad coalition of community groups, elected officials, and planning organizations such as the Regional Plan Association. Since the early 1990s, the task force has sought to establish a continuous 18-mile “greenway” for pedestrians and cyclists from Newton Creek to Red Hook. While they do not commit to the continuous greenway, the Greenpoint and Williamsburg 197-a plans and the recently released City rezoning plan for the area include a significant emphasis on open space and waterfront access.

Though waterfront redevelopment plans contain considerable amounts of new housing, questions remain about who will be served by this housing. Much of the

housing is likely to be luxury housing, although the rezoning plan explicitly recognizes the need for affordable units. At present, the current zoning plan relies on existing incentives to stimulate some low-, moderate-, and middle-income housing production, but additional incentives have been under discussion in the City Council. One proposal involves establishing a Greenpoint-Williamsburg “inclusionary zoning” area that would require developers to set aside funds for affordable housing in exchange for being able to build slightly larger or higher residential buildings.

Retail Expansion: Big-Box Stores

Brooklyn, like other urban communities, was largely underserved by national retailers in the 1980s and early 1990s. In an effort to revitalize the City’s retail economy, the Giuliani Administration presented a plan to bring “big-box” stores to New York City by reforming zoning laws to allow as-of-right construction of retail stores of up to 200,000 square feet in manufacturing zones. Big-box retail, as the name implies, involves one-story stores that are between 50,000 and 200,000 square feet, include enormous parking areas, and are designed to serve a regional customer base. Mayor Giuliani’s proposal would have allowed developers to bypass the public review process currently required by law for major commercial developments in manufacturing zones. Although this proposal was defeated by the City Council in 1996, Costco, an international chain of wholesale warehouses, opened a 150,000-square-foot store on the Sunset Park waterfront through existing loopholes in the City’s zoning regulations.

Costco’s entry into Brooklyn started a wave of big-box development. Home Depot opened a store in Sunset Park in 1998 that quickly became the top-grossing store in its 1,500-store national chain. A Toys “R” Us superstore in Coney Island and additional Home Depot stores in Mill Basin and Coney Island soon followed. These paved the way for Gateway Center Mall in Brooklyn’s East New York neighborhood. Gateway Center is the largest suburban style mall in New York City (640,000 square feet), with anchor stores that include BJ’s Wholesale Club, Home Depot, and Target.

The Mill Basin Home Depot opened in April 2003 and represents a new urban format, which utilizes a smaller two-story-building footprint and packaging suited to urban consumers. The Mill Basin store is 58,000 square feet—approximately one third of the size of the traditional Home Depot store—and sells smaller items and quantities to accommodate residents of apartments, condos, and co-ops.

Both IKEA and Lowe’s have announced plans to establish their first New York City stores in Brooklyn. Lowe’s has contracted to open a store in South Park Slope, on a former brownfield site along the Gowanus Canal, and recently bought four acres of land in Mill Basin to house a new store. IKEA has plans to develop a 300,000-square-foot store and 1,400 parking spaces on 22 acres of waterfront land in Red Hook (see

Figure 1
Plans for IKEA in Brooklyn



IKEA has announced plans to open a 300,000-square-foot store on the Red Hook waterfront in 2005. The store will include a 5.5-mile waterfront esplanade.
Source: www.ikea.com

Figure 1). The project is expected to create 500 to 600 permanent jobs that will include training, tuition reimbursement, and health care benefits. To alleviate community opposition to the project, which has focused on the increased vehicular traffic the store will generate, IKEA has pledged to operate shuttle buses to three Brooklyn subway stations as well as a ferry service to Manhattan. Fairway Market has also announced plans to open a new supermarket in Red Hook at a former warehouse site.

Superstore projects generate increased traffic in their neighborhoods. In Red Hook, where Fairway and IKEA are scheduled to open, residents have

opposed both projects because of concerns that the presence of the stores will further clog the narrow residential streets and the congested Gowanus Expressway. Similar sentiments surfaced when Home Depot announced plans to move into Mill Basin. Big-box retailers can also squeeze out locally owned small businesses that cannot compete with the deep discounted prices and the wide variety of merchandise offered by national chains.

Opponents also argue that public access to waterfront areas is being cut off by the big-box stores and that high-paying manufacturing jobs are being replaced by low-paying, mostly part-time retail jobs. The average manufacturing job in Brooklyn pays \$29,717 a year, while the average retail job pays \$23,069 and often does not include health benefits.

Big-box stores and national retailers are forming an increasingly large share of Brooklyn's economy. Zoning regulations must take into account the effects of increased traffic on surrounding residential communities. Through careful planning and the cooperation of retailers such as IKEA, big-box stores can be an asset to Brooklyn.

Tourism

Tourists visiting New York City increasingly venture outside of Manhattan. In response, companies that have traditionally catered to Manhattan tourists are seeking expansion into Brooklyn. For example, Gray Line New York Sightseeing recently

added a bus tour of Brooklyn to its list of offerings. The tour runs from Lower Manhattan through downtown Brooklyn and into Prospect Heights, and includes stops at Old Fulton Landing, Borough Hall, Junior's Restaurant, the Brooklyn Museum of Art, Grand Army Plaza, the Brooklyn Botanic Garden, and the Brooklyn Public Library. The addition of this route marks the first time a major sightseeing company has offered tours outside of Manhattan. TKTS, which sells discounted same-day theater tickets, is also in negotiation with elected officials and KeySpan over the possible placement of a booth in MetroTech Center. The booth would provide Brooklyn residents and tourists easy access to cultural events throughout the City, and would also offer Brooklyn's cultural institutions the opportunity to reach wider audiences.

To accommodate Brooklyn's increasing number of visitors, the New York Marriott at Brooklyn Bridge recently announced plans to expand, which will make it one of the largest hotels in the City. The expansion will add 8,000 square feet of retail space, increase meeting space by 3,400 square feet, and add 282 guest rooms. When the Marriott opened in 1998, it was the first new hotel built in Brooklyn in nearly 70 years and was part of a \$1.5 billion urban revitalization plan for downtown Brooklyn. Today the hotel is one of the most successful hotels in the Marriott chain, with an 84 percent occupancy rate in 2002. Additional hotel and conference space is included in plans for the new Brooklyn Bridge Park, along the waterfront near Fulton Ferry Landing.

The Brooklyn Borough President has also launched a number of initiatives to help capture a larger share of New York City's estimated \$21 billion tourist industry. The most significant initiative is a proposed tourism center to be located in Borough Hall. The center will be open year-round and will expand on the current operation of tourist information carts, which were open during the summer throughout Brooklyn and partially funded by the City's official tourism organization, NYC & Company.

As Brooklyn tries to draw more tourists, many borough attractions are undergoing extensive renovations and various new projects have been planned.

- The Brooklyn Museum of Art, which attracts half a million visitors annually, is currently undergoing a \$63.5 million renovation to upgrade its Eastern Parkway entrance to include a new glass pavilion and public plaza. The project is funded by the City of New York with support from private donors, and is scheduled for completion in early 2004.
- The 52-acre Brooklyn Botanic Garden is upgrading its main entrance to include a new decorative gate and a 40-foot glass sculpture at the center of a new entrance plaza. The garden attracts 650,000 visitors annually.

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- The Brooklyn Children’s Museum, which has over 250,000 visitors annually, is in the midst of a \$39 million expansion project that will double its size to 102,000 square feet and increase the museum’s capacity to 400,000 annual visitors. The expansion will be completed in 2006 and will make the museum the first “green” children’s museum in the United States—saving the City of New York, which owns the building, about \$103,000 annually in energy costs.
 - The Brooklyn Historical Society headquarters, located in a National Historic Landmark Building at 128 Pierrepont Street in Brooklyn Heights, is currently under renovation in an effort to modernize the building to include a climate-control system and wiring for high-speed Internet access. The building reopened with new exhibitions in October 2003.

As part of the City’s official bid to host the 2012 Olympics, the NYC2012 committee is proposing to build the Brooklyn Sportsplex in Coney Island to host the Olympic volleyball contest. After the conclusion of the Olympic Games, the 4,500-seat arena would be used for scholastic sports including volleyball, ice hockey, and basketball.

Efforts are also underway to bring a professional sports team to Brooklyn. Bruce Ratner, a Brooklyn-based developer, reached an agreement last month with the current owners of the New Jersey Nets to buy the team and move them to Brooklyn. In addition to purchasing the team, Ratner has offered to build a \$500 million arena on Atlantic Avenue to house the team. The arena would be the cornerstone of a \$2.5 billion commercial and residential development project that would include 4,500 units of housing, two million square feet of office space, and 310,000 square feet of retail space. Frank Ghery has been commissioned to design the project. The team would move to Brooklyn in 2008 when their current lease at the Continental Arena in New Jersey expires. While the project will be predominantly built on existing rail yards owned by the Metropolitan Transportation Authority, approximately 200 units of private housing would need to be condemned to provide additional space. As with similar economic development projects of this nature and scale, area residents have raised concerns about their displacement and the impact that the arena will have on the character of the neighborhood.

The Coney Island boardwalk, one of the top tourist attractions in New York City with 5.3 million visitors each year, has experienced a recent revitalization, prompted by the construction of KeySpan Park in 2001. Home of Brooklyn’s minor league baseball team, the Cyclones, KeySpan Park is located on the former site of Steeplechase Park, adjacent to the Riegelman Boardwalk. The City-funded, \$39 million stadium has 7,500 seats and hosts over 35 home games each season, with an average of 7,000 people attending each game. In the 2001 inaugural season, 289,381 visitors attended home games; in 2002, all home games sold out and annual attendance reached 317,124.

Brooklyn's proximity to Manhattan and its abundance of historic and cultural attractions, as well as the initiatives taken by the borough president and NYC & Company, have helped position the borough to become a more popular tourist destination. Furthermore, tourism is beginning to rebound after the terrorist attacks of September 11, 2001. In 2002, 35.3 million visitors came to New York City, an increase of 0.3 percent from 2001. Over 30 million of these visitors were domestic travelers, 2.2 percent more than in the previous year. However, international visitors, who typically spend more money than domestic travelers, have not yet returned to New York—they declined by 17 percent in 2001 and 11 percent in 2002. Overall, tourism generated \$21 billion of economic activity in the City in 2002, a 7 percent decrease from 2001 and an 18 percent drop from 2000 (which was a record-setting year).

Encouraging growth in the tourism industry is an important step toward creating a more diverse and stable economy in Brooklyn. Nevertheless, jobs in tourism-related industries such as hotels, restaurants, ground transportation, and retail cannot replace the migration of manufacturing and other high-wage jobs out of the borough over the past three decades. Moreover, and especially since the events of September 11, 2001, tourism is greatly affected by events that are beyond the control of City officials and cultural institutions.

Brooklyn's Neighborhoods

The issues outlined above affect the economic development currently taking place in a variety of Brooklyn neighborhoods, including Williamsburg-Greenpoint, Sunset Park, DUMBO, and Brooklyn's downtown area. While the character and focus of these neighborhoods significantly differ from one another, they are all affected by development issues such as waterfront development, land use, and zoning.

Williamsburg and Greenpoint

Brooklyn's Williamsburg and Greenpoint neighborhoods comprise all of Community Board 1, covering an area just less than five square miles. The adjacent neighborhoods are bordered by Newtown Creek to the north, Flushing Avenue to the south, the East River and Kent Avenue to the west, and the Brooklyn/Queens border to the east (see Figure 2). Together these two neighborhoods comprise one of the most industrialized areas of the City, as well as one of the poorest—35 percent of the population lives below the poverty line, and 33 percent receives some kind of public assistance. Community Board 1 ranks second in Brooklyn and fourth Citywide in the number of people receiving public assistance. The demographics of the area are changing rapidly, however, due to gentrification in parts of both neighborhoods.

According to the 2000 Census, the population of Williamsburg and Greenpoint is

Figure 2
Williamsburg and Greenpoint



Source: www.nyc.gov

160,338, which represents an increase of 2.8 percent from 1990. Of the population, 48 percent is White Nonhispanic (up from 46 percent in 1990); 38 percent is Hispanic or Latino (down from 44 percent in 1990); 5.5 percent is Black or African American Nonhispanic (down from 7 percent in 1990); and 4 percent is Asian or Pacific Islander Nonhispanic.¹ Just over half the population (57.5 percent) has completed high school, and approximately 25 percent are non-English speakers.

The demographics of Greenpoint and Williamsburg can be misleading because of the stark differences between the populations of different sections of the neighborhoods. Greenpoint has a large Polish community, making it 80 percent White Nonhispanic. The Northside region of Williamsburg, from Metropolitan Avenue to Greenpoint, has become increasingly gentrified over the last ten years and includes ever-growing numbers of white, affluent professionals. Together, Greenpoint and the Northside are 68 percent White Nonhispanic. Only 19 percent of the population lives below the poverty line (less than the City average of 21 percent), and 70 percent have graduated from high school (though this number drops to 50 percent in Greenpoint alone). By contrast, the population of the Southside region of Williamsburg is largely Hispanic or Latino and only 14 percent White Nonhispanic; 34 percent of Southside residents live below the poverty line (almost double the amount in the Northside and Greenpoint); and 49 percent have graduated from high school. The poorest section of Community District 1, in the southwest corner of Williamsburg between Broadway and Kent Avenue, is primarily a Hasidic community. The population is 69 percent White Nonhispanic; 58 percent of people live below the poverty line; and only 45 percent have graduated from high school.

These distinct neighborhoods share a common history as an industrial center. Despite the decline in manufacturing jobs over the last 50 years, Williamsburg and Greenpoint have remained predominantly industrial, mixed-use areas. Land area is almost evenly divided between residential, manufacturing, and “other” uses, which are comprised mainly of transportation facilities, utilities, outdoor recreation areas, and educational facilities.

¹ This report utilizes the latest U.S. Census Bureau terminology when discussing ethnic or racial components of official population data.

In the mid-19th century the area became a center for industry that included printing, petroleum and gas refining, glass and iron making, pottery production, and shipbuilding. By the mid-20th century shipbuilding, manufacturing, and warehousing had declined, and by 1970 the number of manufacturing jobs in the area had plummeted. Over the course of the last 30 years, Williamsburg-Greenpoint lost two thirds of its industrial employment, and 20 percent of its manufacturing job base—4,250 jobs—disappeared between 1992 and 1999.

Despite this downturn, some manufacturing sectors have expanded. Jobs in woodworking, printing and publishing, chemical production, biotechnology development, and the production of transportation equipment grew during the same seven-year period. Today, Williamsburg-Greenpoint provides 37,000 industrial jobs, of which 45 percent are in manufacturing. Greenpoint's East River and Newtown Creek industrial areas alone support over 9,000 manufacturing jobs.

Most of the area's manufacturing firms are small, averaging 33 employees, with a median of 15 employees. The food sector claims the highest concentration of firms, followed by garment making and metal fabrication. Several high-end woodworking and furniture manufacturing businesses are growing in the area.

The high demand for housing and the significantly higher rents generated by residences create pressure to rezone areas currently designated for manufacturing. Between 1989 and 2000, vacant land in Williamsburg-Greenpoint decreased by 3.7 million square feet—a third of its total area. Residential building space increased by 3.3 million square feet, a rise of 45 percent.

To date, only one nonprofit in the City, the Greenpoint Manufacturing and Design Center (GMDC), has been successful in acquiring underused industrial property and using it to retain manufacturing firms by providing stable, affordable space. GMDC also provides job training and micro-loans, and has created manufacturing centers in which small businesses that share a building are able to benefit from one another's services. The demand for space in GMDC's manufacturing centers is high: its five buildings are fully leased, and the center fields roughly ten calls per week from businesses seeking space. GMDC's staff has asserted that there is no shortage of manufacturing businesses that want to remain in New York City, and that the principal factor limiting their ability to stay is the lack of affordable space.

Sunset Park

Located along the East River, Sunset Park is a mixed-use community bordered by 15th Street to the north, 65th Street to the south, and 9th Avenue to the east (see

Figure 3
Sunset Park



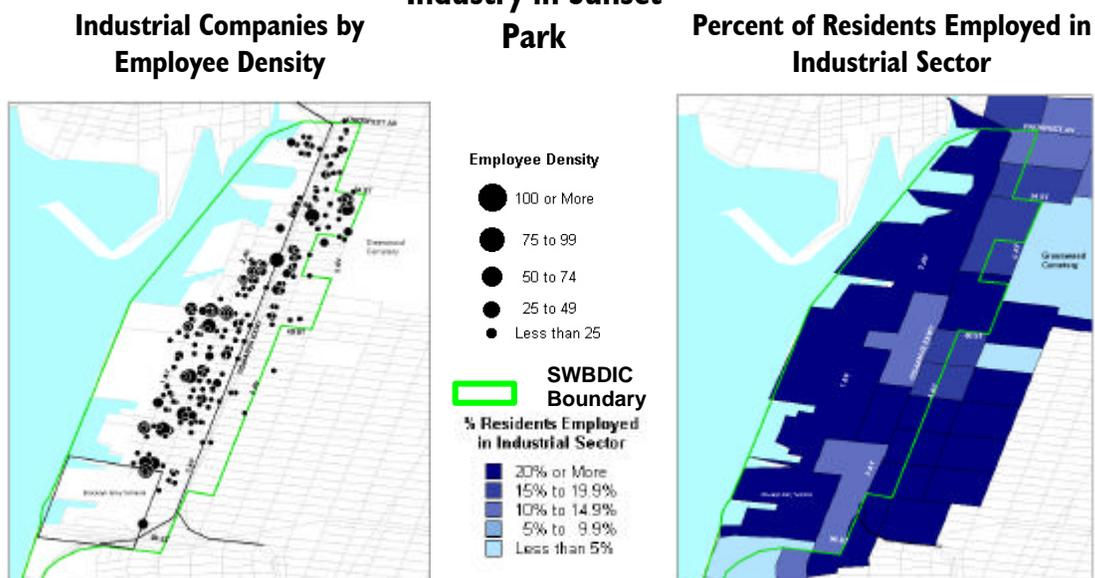
Source: www.nyc.gov

Figure 3). Originally part of Bay Ridge and Gowanus, the neighborhood was renamed Sunset Park during the 1960s. Sunset Park is bisected by the Gowanus Expressway, which divides the industrial section (west, toward the waterfront) from the residential neighborhood (east, toward the rest of Brooklyn) along 3rd Avenue (see Figure 4).

During the 1990s, a new wave of immigrants moved to Sunset Park, transforming portions of the neighborhood along 8th Avenue into another Chinatown similar to those in Lower Manhattan and

Flushing. Approximately 9,446 residents identified themselves as Asian or Pacific Islander Nonhispanic in the 1990 census. This number increased by 102 percent ten years later, when 19,085 people identified themselves the same way in the 2000 Census. Overall, Sunset Park's population grew by 22.1 percent over the same ten-year period, with a 21 percent increase in residents of Hispanic or Latino origin.

Figure 4
Industry in Sunset
Park



Source: New York Industrial Retention Network

In the late 19th century, Sunset Park was a hub of industrial and waterfront activity. The Port of New York supported hundreds of thousands of maritime-related jobs in the neighborhood. At the same time, Sunset Park experienced an increase in manufacturing jobs due to the creation of both Bush Terminal, a development of factories, warehouses, and piers built in 1890 by Irving Bush; and the Brooklyn Army Terminal, a military supply facility constructed in 1919. As Sunset Park’s working waterfront grew, the neighborhood attracted thousands of immigrants looking for work. This trend continued until the 1960s, when many of the maritime-related and industrial businesses began to leave the City. Since then Sunset Park, like most of New York and the nation, has experienced a decline in manufacturing jobs.

In an attempt to stem the outflow of jobs and to encourage new growth, Sunset Park was designated a New York State Empire Zone in 1994. The empire zone program provides tax credits and other incentives to businesses in order to maintain and create jobs and to stimulate investment in economically distressed areas. Parts of Sunset Park have also been designated In-Place Industrial Parks, which allows businesses to directly access City services such as sanitation, financing programs, and tax incentives. In addition, Sunset Park is a part of New York City’s Digital NYC program, which offers low rents in pre-wired buildings to eligible companies. Today, Sunset Park’s industrial zone contains approximately 800 manufacturing, wholesale, retail, and distribution companies and has a 95 percent occupancy rate. A majority of the companies are small and dependent on their proximity to the City for skilled, specialized workers and access to local markets.

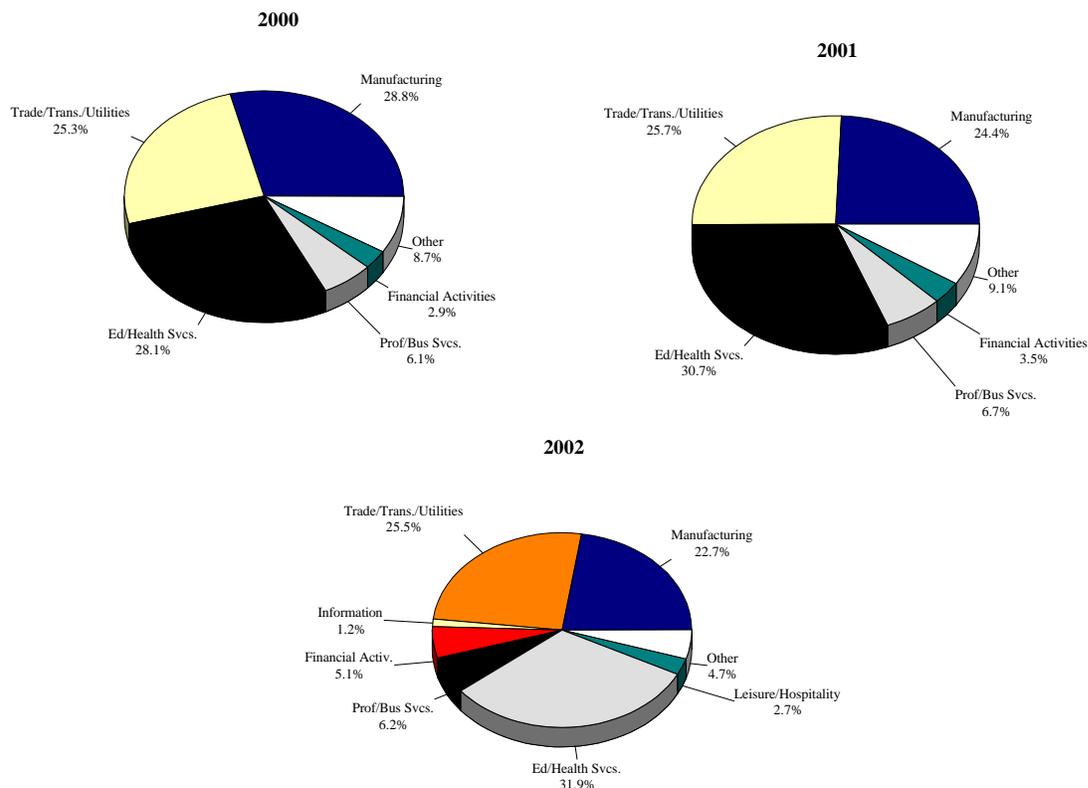
Despite these actions, Sunset Park's manufacturing base continues to decline. According to the Department of Labor, manufacturing firms in Sunset Park employed approximately 8,957 people in 2000. This number dropped to 7,601 in 2001 and to 6,989 in 2002, a three-year drop of 22 percent. However, total private employment has remained relatively stable. In 2000, there were 33,670 private sector jobs in Sunset Park. This number increased to 34,036 in 2001 but decreased to 33,700 in 2002. Given the national recession and the impact of September 11, 2001, these numbers are encouraging. Particularly noteworthy is the growth of jobs within the financial activities sector despite a weak stock market and widespread layoffs. Employment in financial activities increased by 72 percent between 2000 and 2002 and reached 1,564 jobs in 2002. While this sector accounts for only 5.1 percent of private sector jobs in Sunset Park, the growth is an indication that Sunset Park's economy is slowly diversifying and replacing jobs in manufacturing with jobs in other sectors (see Figure 5).

In addition to the financial activities sectors, Sunset Park experienced a 15 percent growth in health care and social assistance employment between 2000 and 2002. This is well above the 5 percent increase that occurred in the borough overall.

Efforts made over the past ten years by organizations such as the Brooklyn Economic Development Corporation (BEDC), the Brooklyn Chamber of Commerce, and the Southwest Brooklyn Industrial Development Corporation have attempted to slow the loss of manufacturing jobs leaving the community and have encouraged new industries to move into or expand in Sunset Park.

One project that would benefit Sunset Park is the Cross Harbor Freight Tunnel. If built, this tunnel would connect Sunset Park to the nation's rail network via Staten Island or Jersey City, New Jersey. The tunnel would greatly enhance Sunset Park's accessibility and ability to attract businesses. With freight volumes expected to rise by 70 percent over the next 20 years, the tunnel would also decrease traffic congestion in Sunset Park and throughout the City by removing approximately 1 million trucks from City roads each year, reducing diesel emissions by 900 tons annually. According to the New York City Economic Development Corporation (EDC), the Cross Harbor Freight Tunnel has a cost-to-benefit analysis of 2.2-to-1 and the net present value of the benefit is estimated at \$10.5 billion. The EDC released an Environmental Impact Statement in 2003, recommending that the tunnel be built from Brooklyn to Jersey City.

Figure 5
Sunset Park Private Employment by Sector



Source: OSDC analysis

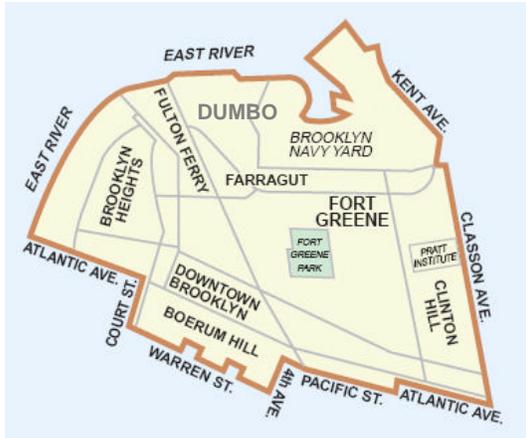
In 1987, New York City renovated and reopened the Brooklyn Army Terminal, which had been vacant. The \$130 million renovation project upgraded approximately 3 million square feet of space and converted the facility into an industrial and commercial center ideal for light manufacturing, warehousing, distribution, and back-office operations. The renovated space is almost completely occupied.

Following the success of the Brooklyn Army Terminal, the BEDC proposed the sale and renovation of Federal Building No. 2, which occupies a two-block parcel at 3rd Avenue and 30th Street. The BEDC has called on the federal government, which currently owns the vacant building, to sell it to the City for use as a light-manufacturing center. The building, originally built in 1916 as a storage warehouse for the U.S. Navy, has been vacant since the Food and Drug Administration moved its laboratories to Jamaica, Queens in 2000. Federal Building No. 2 consists of 1.1 million square feet of large open spaces that are able to sustain heavy loads, and 23 freight elevators, making the building an ideal site for manufacturing. Preliminary cost estimates for the renovation of the building for light manufacturing are approximately \$70 million.

DUMBO

While many neighborhoods are fighting to maintain their industrial base, DUMBO has transitioned from a manufacturing area into a residential community. DUMBO is an acronym for “Down Under the Manhattan Bridge Overpass,” and was named by artists who began populating the neighborhood in the 1970s. The area is a 15-block, mixed-use neighborhood bordered by the East River to the north, Jay Street to the east, York Street to the south, and Old Fulton Street to the west (see Figure 6).

Figure 6
DUMBO



Source: www.nyc.gov

From the late 19th century until the end of World War II, DUMBO was one of the City’s principal manufacturing centers. Because of its proximity to both the Brooklyn Navy Yard and Lower Manhattan, DUMBO attracted industrial companies such as E.W. Bliss, a tin can and machinery manufacturer; Sweeney Manufacturing, a metal kitchenware manufacturer; Arbuckle, which invented a machine to pack coffee in paper bags; and Robert Gair, the nation’s largest manufacturer of paper boxes, which employed 1,700 people in ten buildings known as Gairville. During the 1930s, many of the area’s largest manufacturers, including Gair and E.W. Bliss, moved to other cities. By the end of World War II many of DUMBO’s factories and warehouses were closed or underutilized. Today, items such as suspenders, wicker baskets, compact discs, baseball caps, and cosmetics are still manufactured in the area and a major paper recycling company still operates there, but DUMBO has evolved into a residential neighborhood.

The process began during the 1970s, as artists moved into loft spaces in DUMBO’s old industrial buildings that were not zoned for residential use. Most buildings had large, open floor plans and high ceilings that artists found ideal for both residential and studio space. In 1981, a private developer bought the Gair buildings in anticipation of the potential for further residential development in the area. However, it was not until 17 years later, in 1998, that the first Gair building—known today as the Clock Tower—was converted into 200 luxury loft apartments.

The development of the Clock Tower was a major catalyst to DUMBO’s transformation. Since 1998, hundreds of loft apartments and condominiums have been developed in the neighborhood. The most recent is the Sweeney Building, which in 2002 was converted into 87 condominiums. Over 30 percent of the units cost more

than \$1 million. As DUMBO continues to be developed housing prices have escalated, forcing many of the artists who originally settled in the neighborhood to move elsewhere. According to *New York Magazine*, loft space in DUMBO now costs between \$4,500 and \$12,000 a month to rent and between \$600,000 and \$2.7 million to purchase.

Despite the area's shift to residential use, more than 2 million square feet of commercial space has been constructed or renovated in DUMBO. The neighborhood is part of Downtown Brooklyn Connected, a City-sponsored program that allows companies to lease affordable, pre-wired office space. DUMBO's commercial space is used primarily by Internet and other high-technology firms, and printing and graphic design companies. The area also accommodates businesses that serve the residential community, including a grocery store, dry cleaner, pet store, and bank.

DUMBO's reputation for being culturally rich is supported by a number of art galleries and restaurants and a 599-seat theater, St. Anne's Warehouse, which presents concerts, plays, and other visual arts performances and is a sponsor of the annual "DUMBO art under the bridge" festival. These attractions and the development of Brooklyn Bridge Park, which will eventually stretch along the entire DUMBO waterfront, will further increase property values and bring more residents and visitors into the neighborhood.

Downtown Brooklyn

Downtown Brooklyn is a concentrated business district that is positioned for growth in future years. Downtown is generally considered to be bordered by Tillary Street to the north, Atlantic Avenue to the south, Ashland Place to the east, and Court Street to the west. The area contains a combination of major office buildings, academic and cultural institutions, government offices, retail stores, and residential buildings, and is New York City's third-largest business district after Midtown and Lower Manhattan.

Over the last decade, downtown Brooklyn has experienced an unprecedented revitalization. The central business district now boasts 11 million square feet of office space, of which 6 million square feet is categorized as Class A, with a 0.2 percent vacancy rate. Major companies, including the Bank of New York, Bear Stearns, Empire Blue Cross and Blue Shield, KeySpan, and Morgan Stanley employ an estimated 70,000 people in the area.

Much of the area's development was stimulated by the construction of MetroTech Center in 1988. MetroTech cost \$1.5 billion to develop and is a ten-block, 16-acre, commercial and academic campus of 7.6 million square feet that includes eight office buildings as well as parts of Polytechnic University. Developed by Forest City Ratner, MetroTech was designed to provide back-office operations for firms looking for an

alternative to the increasing costs of operating in downtown and midtown Manhattan. Tax incentives offered by New York City enable MetroTech to offer space for less than half of what it would cost for comparable space in midtown Manhattan. More than 22,000 people are employed at MetroTech by companies that include Goldman Sachs, J.P. Morgan Chase, the Securities Industry Automation Corporation, and Verizon. A new 670,000-square-foot office building was recently constructed as an addition to MetroTech.

To promote the continued growth of downtown Brooklyn, the Mayor's Office, in conjunction with the Department of City Planning, the New York City Economic Development Corporation, and the Downtown Brooklyn Council (DBC), has proposed a series of initiatives summarized in the Downtown Brooklyn Plan, which was approved by the Department of City Planning in December. In an attempt to transform downtown into a thriving "24/7" community, the plan proposes zoning changes, transportation improvements, retail space upgrades, and the creation of public open spaces. Once completed, the plan is expected to provide an additional 5 million square feet of office space and 18,500 new jobs.

To encourage growth while maintaining the residential character of surrounding neighborhoods, the Downtown Brooklyn Plan calls for several zoning regulation changes to accommodate higher-density commercial and residential buildings. Some of the proposed zoning changes include the following areas.

- Flatbush Avenue (from Fulton Street to Tillary Street along the east side of the Flatbush Avenue Extension)—These blocks are currently zoned for light manufacturing and small residential and commercial buildings. Under the plan, they would be rezoned to allow for higher-density commercial and residential buildings.
- South of MetroTech (between the Flatbush Avenue Extension and Adams Street, and Willoughby Street and the Fulton Street Mall)—This area currently contains parking lots and small commercial and residential buildings. Under the plan, it would be rezoned to facilitate the development of new office buildings and larger residential buildings.
- Jay Street (Polytechnic's portion of the MetroTech campus and two additional blocks at Tillary, Johnson, Jay, and Adams streets)—This area, which includes Westinghouse High School, New York City College of Technology, and portions of Polytechnic University's campus, would be rezoned to allow for the construction of mixed-use office and academic buildings.

The successful implementation of the City's Downtown Brooklyn Plan could bring tens of thousands of additional people into downtown Brooklyn each weekday and

increase travel in the downtown area by as much as 40 percent. To accommodate this influx, the Metropolitan Transportation Authority has included upgrades for all downtown subway stations in its ten-year capital plan, including a new underground tunnel to link the Lawrence and Jay Street subway stations. The Downtown Brooklyn Plan also calls for the construction of 2,000 new off-street parking spaces. The City has committed \$100 million for infrastructure improvements downtown, including the construction of two new parks and streetscaping.

Local residents have raised concerns that the plan does not adequately address the additional numbers of people who will travel into the area as a result of future development. For the plan to be a success the congestion issues must be addressed and a more comprehensive transportation plan must be developed. The DBC is in the process of preparing an environmental impact study to analyze the traffic implications of the plan. In addition, the City Department of Transportation and the Department of Design and Construction are conducting a study to determine methods to alleviate congestion in the area. Brooklyn's Borough President is also investigating ways to better link downtown with waterborne transportation, a model that has proved successful for development projects in New Jersey.

Economic Development Initiatives

This section outlines a sampling of the many economic development opportunities and initiatives in Brooklyn, either currently underway or proposed for the future.

Downtown Brooklyn

Plans are underway for the development of a Brooklyn Academy of Music (BAM) Cultural District. Under the auspices of the BAM Local Development Corporation (BAMLDC), the BAM Cultural District will convert vacant and underutilized properties located near BAM into a mix of affordable space for visual, performing, and media arts organizations; arts-related educational programs; a variety of housing; public open space; and amenities like restaurants, cafes, and retail stores. The new cultural district will provide 250,000 square feet of space for Brooklyn-based arts groups and 250 City-subsidized housing units.

The cornerstone of the BAM Cultural District will be a new 150,000-square-foot visual and performing arts branch of the Brooklyn Public Library at the corner of Flatbush Avenue and Hanson Place. This facility will include a 300-seat auditorium, a 99-seat black-box theater and a 24-hour cybercafé in addition to reading rooms, art galleries, media labs, and archives. The cost of the library is estimated to be \$120 million. Construction is scheduled to begin in 2005 and will be financed with money from the BAMLDC and private donors. The library will open in 2007.

Forest City Ratner is currently developing Atlantic Terminal, located at Flatbush and Atlantic Avenues above the existing Long Island Rail Road station. The building will consist of a four-floor, 470,000-square-foot shopping center anchored by Target, and a ten-story, 400,000-square-foot office tower. The Bank of New York will occupy eight floors and two floors will be available to commercial tenants. The project is scheduled for completion in 2004.

A new, state-of-the-art court complex is being constructed at 330 Jay Street to house the Kings County Family Court, New York State Supreme Court, and other court-related agencies including the Department of Corrections, Department of Probation, Legal Aid Society, Administration for Children's Services, and the New York City Police Department. The 32-story building will have 84 hearing and court rooms, judicial chambers, commercial office space, and three entrance lobbies—one for the Family Court, one for the Supreme Court, and one for commercial office tenants. The project is expected to be completed in 2005.

To help create a 24-hour community in downtown Brooklyn, several new housing developments are planned. Many include retail and commercial space in addition to residential units. These new initiatives have the potential to add over 1,000 new housing units in the downtown Brooklyn area.

As part of the Hoyt-Schermerhorn Urban Renewal Project, the Empire State Development Corporation is redeveloping three parcels of State-owned land in Boerum Hill/downtown Brooklyn. The project is being designed and constructed by three developers and includes a new ten-story residential building with 50 market-rate condominiums, to be built at Atlantic Avenue and State Street. The project is scheduled for completion in 2005 and will also consist of three floors of office and/or hotel space, a parking garage, and up to 15,000 square feet of ground-floor retail space.

In addition, tracts of land along the following four blocks will be redeveloped to accommodate residential and commercial developments.

- State Street between Smith and Hoyt Streets—In-fill market-rate townhouses are planned for this site, currently a State-owned parking lot.
- State Street between Hoyt and Bond Streets—Condominiums will be developed along this block, much of which is currently used as a parking facility.
- Schermerhorn Street between Smith and Hoyt Streets—Sites along this block will house a combination of low- and mid-rise residential developments. The Actors' Fund/Common Ground will develop affordable

housing for low-income and special-needs actors. The project will include a community theater to be used by residents and community organizations.

- Schermerhorn Street between Hoyt and Bond Streets—A mid-rise commercial and residential development with ground-floor retail is being proposed for a State-owned site along this street.

In addition to the Hoyt-Schermerhorn Urban Renewal Project, an 11-story apartment building at the northeast corner of State Street and Boerum Place (currently a parking lot site) is under construction. The building will consist of 99 apartments, a roof garden, a fitness center, and an 85-car underground parking garage.

Another development project is planned for 110 Livingston Street, the former headquarters of the New York City Board of Education, which is being sold to a private developer for an estimated \$45 million. Office space will be converted into 245 condominiums, and the building will also contain a 225-space underground parking garage and a theater on the ground floor.

The Brooklyn Law School is constructing a new dormitory on the northwest corner of State Street and Boerum Place. Designed by Robert A.M. Stern, the facility will house almost 400 students and contain a community theater. This project is moving forward despite the opposition of numerous community organizations, who opposed the building because it exceeded preexisting height restrictions.

Construction of a 12-story residential building is also underway at the northeast corner of Atlantic Avenue and Court Street, which formerly housed a municipal parking garage. The building will house 250 luxury apartments, a 40,000-square-foot YMCA, 20,000 square feet of retail space, and a 600-car underground garage. Approximately 15 percent of the housing units will be designated as affordable housing.

While a great deal of residential development is underway, opportunities for further development exist. For example, last summer the City closed the Brooklyn House of Detention, located on Atlantic Avenue at Adams Street, because of budget cuts and a decline in the City's prison population. The Department of Correction recently announced that it will continue renovations, costing approximately \$1 million, on the unoccupied building. The City intends to retain ownership of the property in the event that additional prison space is needed in the future. Local elected officials and community leaders have called on the City to sell the building for conversion into residential space, citing a City crime rate that continues to drop and an increasing need for affordable housing. Initial proposals have estimated that the building could be sold for as much as \$35 million and converted into 600 residential units. In addition to providing much-needed housing, redevelopment would eliminate a

physical and psychological blight on Atlantic Avenue that has stymied development and discouraged commercial development.

Downtown Brooklyn's lower rents and proximity to Manhattan make it a competitive alternative to New Jersey, which has attracted New York City companies in recent years. The changes proposed in the Downtown Brooklyn Plan, along with the construction of new commercial, residential, and retail developments, give downtown Brooklyn the potential to attract further development and become a regional business, residential, cultural, and academic center. However, future growth will also bring traffic, parking, and mass transit issues that must be addressed in order for the vision for the area to become a reality.

Gowanus Expressway Tunnel Alternative

In 1990, the New York State Department of Transportation (NYSDOT) announced its intent to renovate the 6.1-mile Gowanus Expressway. Built in 1941 and widened in 1964, this elevated roadway has long been a source of controversy in Brooklyn. The expressway runs the length of Sunset Park above 3rd Avenue, from Hamilton Avenue to 65th Street, and divides Sunset Park's residential and commercial sections from its industrial properties and waterfront.

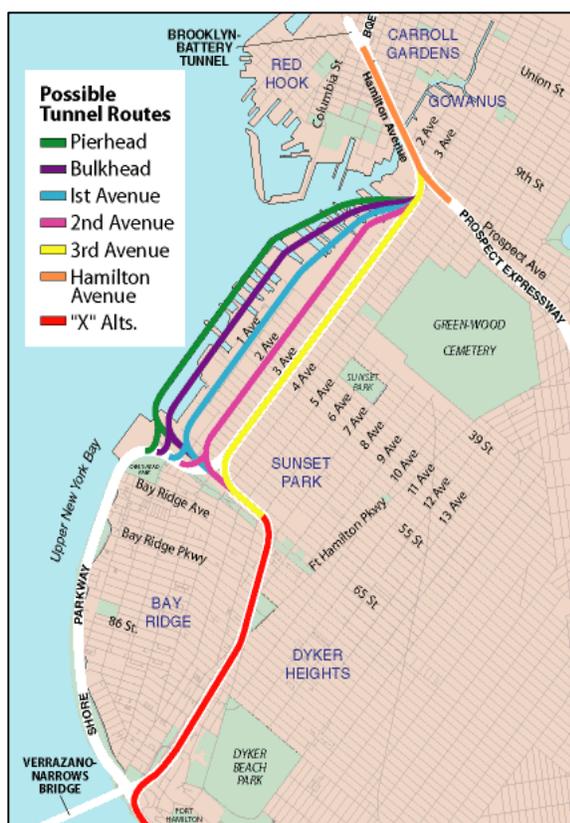
Since the expressway's construction, transportation experts have cited many problems with its physical structure, including the lack of shoulders, inadequate acceleration and deceleration lanes, tight curves, poor lighting, and a steep 3.9 percent grade over the Gowanus Canal, which slows traffic dramatically. In 1997, the American Automobile Association rated the Gowanus as one of the ten worst bottleneck sites in the country. The expressway is used by over 75,000 vehicles each day, including 10,000 trucks taking advantage of a toll-free route into Manhattan, and has an estimated annual traffic volume of 50 million cars, 4 million trucks, and 100,000 buses.

The NYSDOT renovation plan called for the repair and reconstruction of the existing expressway at a cost of approximately \$598 million. It estimated that the project would take over six years to complete and could reroute approximately 4,000 vehicles an hour to local streets.

Sunset Park residents opposed the NYSDOT plan and instead advocated for the demolition of the roadway and construction of a tunnel to replace it. In 1994, residents formed the Gowanus Expressway Community Coalition (GECC) to advocate for a tunnel alternative. The GECC cited numerous reasons to support a tunnel. A tunnel would greatly reduce the amount of air pollution in neighborhoods adjacent to the roadway. In addition, a sunken roadway would open up land to be used for housing, open space, or industrial developments. Moreover, the elimination of the 96-foot-wide elevated expressway would remove a physical and psychological barrier that separates residents of Sunset Park from the waterfront. Finally, tunnels have a longer life span

than elevated roadways, which would help defray the more expensive construction costs associated with tunnels.

Figure 7
Gowanus Expressway Tunnel Alternative



Four of the thirteen proposed routes for a Gowanus Expressway Tunnel alternative.
Source: NYS Department of Transportation

In 1997 the Regional Planning Association (RPA) published a report that studied the feasibility of demolishing the existing expressway and replacing it with a tunnel. Citing state-of-the-art tunneling technology, the RPA report disagreed with previous NYSDOT cost estimates of \$6 billion to \$12 billion for the construction of a tunnel, instead placing demolition and construction costs in the range of \$1.5 billion to \$2.5 billion. The RPA also suggested that a tunnel could be constructed while the existing expressway was used, eliminating the need to divert traffic to local streets.

As part of an agreement to end a legal suit filed by the GECC, the NYSDOT is now studying a number of tunnel scenarios in its Draft Environmental Impact Study (see Figure 7).

The demolition of the Gowanus Expressway could have tremendous benefits for Brooklyn, serving as a major catalyst for economic development by opening hundreds of acres of land for housing, commercial developments, and parkland. Proponents also point out that a sunken roadway would greatly reduce the level of particulate matter and carbon dioxide in the air, improving the health of residents.

Nevertheless, the project would require significant effort to resolve issues such as final cost, route selection, and location of entrance and exit ramps, and must be coordinated with other projects in the area including the Cross Harbor Freight Tunnel, the possible expansion of the Red Hook Container Port, and redevelopment along the Gowanus Canal. In addition, removing the barrier between Sunset Park's industrial waterfront and residential and commercial areas could encourage housing development on the waterfront, further exacerbating the current problem of dwindling manufacturing space.

The Brooklyn Navy Yard

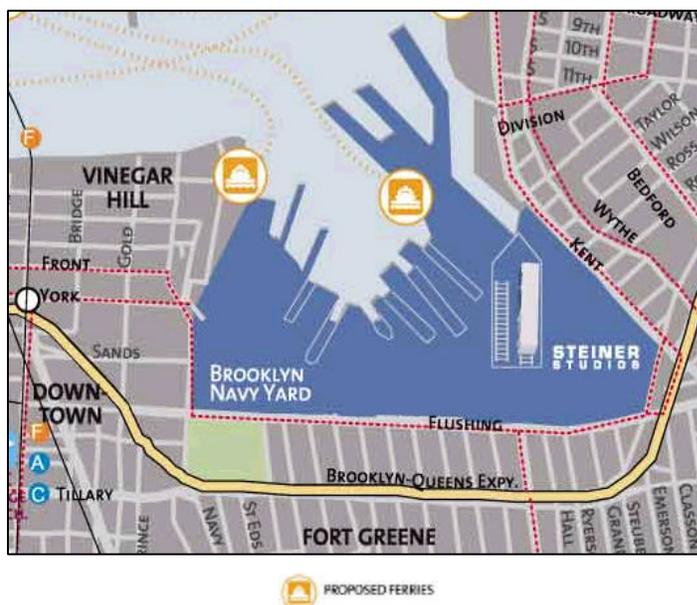
While large portions of Brooklyn's industrial waterfront are vacant or underused, the Brooklyn Navy Yard has been able to maintain an active industrial base despite the decline in its maritime industry. Located on the East River, the Navy Yard is bordered by Gold and Navy Streets to the east, Flushing Avenue to the south, and Kent Street to the west. The yard was built in 1800 by the U.S. Navy and was used to construct hundreds of vessels, including the ironclad Civil War-era *Monitor* and the World War II battleship *Missouri*. At its peak during World War II, the yard employed over 70,000 people working 24 hours a day. After the war the Navy moved most of its shipbuilding operations to Virginia and Mississippi, drastically reducing the number of jobs in Brooklyn. By 1965, only 7,000 employees remained at the Navy Yard. In 1966, the yard was decommissioned and sold for \$24 million to the City of New York, which reopened it as an industrial park in 1971 under the auspices of the Brooklyn Navy Yard Development Corporation (BNYDC).

Today, the 265-acre Navy Yard is home to 200 businesses that employ over 3,500 people. The site includes 40 buildings with more than 3.5 million square feet of roofed space, with a building vacancy rate of 2 percent. The Navy Yard is located within the East Williamsburg Empire Development Zone, which entitles tenants to substantial tax breaks and investment incentives. Rents at the yard range from \$6 to \$16 per square foot and generate \$17 million in revenues each year. Current tenants have businesses that range from shipbuilding, architectural services, and warehousing and distribution to jewelry making and furniture design and manufacturing. Three of the yard's six dry docks remain operational, including the granite-walled dry dock that berthed the *Monitor*.

In March 2003, Steiner Studios announced the construction of a \$118 million, 15-acre studio complex in the Navy Yard (see Figure 8). Steiner Equities Group leased the once-vacant site for 50 years, with a 20-year extension clause, for approximately \$100 million. The City has pledged \$28 million in infrastructure upgrades for the site. Once completed, Steiner Studios will have a 27,000-square-foot sound stage, the largest in the City. The first studio building, at 275,000 square feet, is currently under construction and will contain five sound stages, screening rooms, and a commissary.

The studio is scheduled to open in the fall of 2004 and will provide up to 1,000 jobs when operating at full capacity.

Figure 8
Plans for Steiner Studios



Located between downtown Brooklyn and Williamsburg, the Brooklyn Navy Yard will soon be the home of Steiner Studios.

Source: Steiner Studios

The studio construction marks a significant accomplishment in the effort to make New York City more attractive to film and television production companies. Though many films and television shows are shot within the City, production companies have long complained that the City lacks adequate sound stage and post-production facilities, forcing them to move to other cities to complete projects. Steiner Studios, as well as expansion plans underway at both Kauffman and Silvercup studios in Queens, will expand the City's production and post-production capabilities.

While other industrial areas in Brooklyn are currently underutilized and unable to transition from maritime to other uses, the Navy Yard has been able to attract new firms and businesses. The entire site is owned by the City and leased by the BNYDC, which prevents real-estate speculation, keeps rents at a moderate level, and ensures that residential enclaves do not move into industrial buildings, which has already occurred in the neighborhoods of DUMBO, Greenpoint, Red Hook, and Williamsburg. The BNYDC can thereby provide businesses with an affordable and stable place to operate.

Between 1971 and 1996, the City did not allocate capital funds to the yard, which left much of the infrastructure in poor condition. Since 1996, the City has spent \$75 million to upgrade electrical and steam distribution networks, sewage and water systems, and to build elevators, roofs, and windows. While these funds have enabled the BNYDC to repair and upgrade many parts of the yard, the BNYDC estimates that an additional \$150 million to \$175 million is needed for a full upgrade. The current City capital plan allocated \$5 million each year to the Navy Yard for improvements.

Although the Navy Yard has a very low vacancy rate it does not utilize all of its land for industrial or commercial uses. Approximately 70 acres (about 26 percent) of the yard are used by the City and federal governments for nonmaritime or industrial uses that include a Police Department tow pound, a vehicle auction lot, and a sanitation salt pile. As manufacturing space throughout the City declines, protected sites such as the Navy Yard may need to be made more available to industrial tenants.

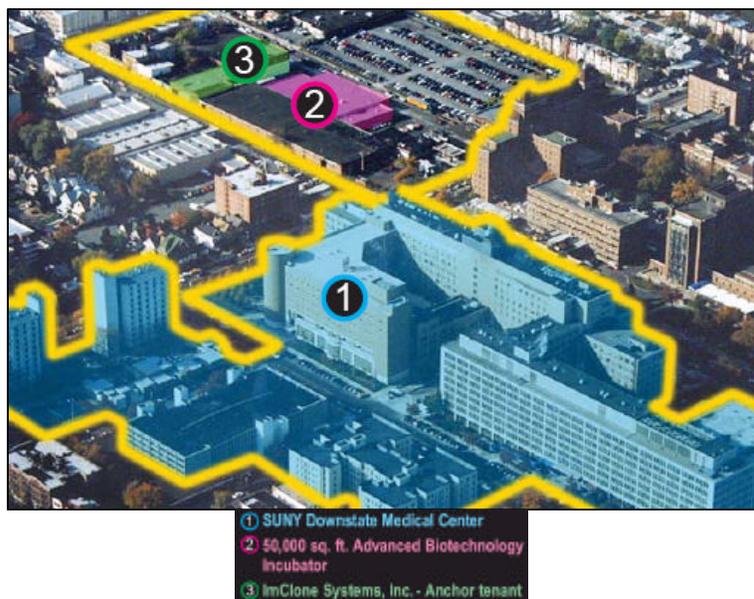
To encourage continued growth, the City must carefully address nonindustrial uses of the yard and consider relocating tenants that do not help generate jobs. The City must also provide additional support to the BNYDC to facilitate structural repairs and upgrades, which will be necessary to attract new businesses as well as retain those already located in the yard. The City's support for projects such as Steiner Studios indicates that it has recognized this need.

SUNY Downstate's Advanced Biotechnology Park

According to *Crain's New York Business*, approximately 30 biotechnology companies are started in New York City each year. A majority of these companies are forced to relocate outside of New York, however, because of the high cost of operating in the City. To mitigate these costs and encourage further growth of the biotech industry, SUNY Downstate is building a \$20 million advanced biotechnology incubator adjacent to its medical center in East Flatbush (see Figure 9). The incubator will be housed in a converted warehouse adjacent to ImClone Systems' Brooklyn research facility and will serve as the anchor of SUNY Downstate's Advanced Biotechnology Park.

The incubator will house start-up and existing companies and provide them with modular wet and dry laboratories and office space. In addition, companies will have access to many of SUNY Downstate's resources, including researchers, the medical/scientific library, and animal and clinical trial facilities. Companies will also be able to share equipment, core services, and conference space. The incubator will also offer business assistance to help research companies use scientific findings to develop commercial products.

Figure 9
SUNY Downstate's Advanced Biotechnology Park



Source: Office of Biotechnology and Scientific Affairs at SUNY Downstate

The incubator will be constructed in four phases. The first will provide 11,000 square feet and is scheduled for completion in October 2003. An additional 13,000 square feet will be completed in the spring of 2004. In total, the incubator will be 50,000 square feet with room for expansion. Moreover, the Advanced Biotechnology Park includes additional space with an ultimate capacity of 500,000 square feet. The incubator is expected to

provide space for about 32 companies and create 200 to 400 jobs within five years. The incubator is also expected to attract new stores, restaurants, banks, and other services to the area.

In conjunction with the incubator effort, SUNY Downstate created the Brooklyn Biotechnology Consortium, which consists of elected officials, community leaders, and organizations such as the Brooklyn Economic Development Corporation, Con Edison, KeySpan, and the New York Biotechnology Association. The consortium will market the incubator, provide support services for tenants, and assist companies that outgrow the incubator to find manufacturing space elsewhere in Brooklyn.

Maintaining Industries in Brooklyn

Local elected officials and community-based organizations have suggested various ways to preserve manufacturing space. One proposal involves taxing vacant properties at a higher rate than those with tenants in order to discourage building owners from warehousing their space, and consequently fueling real estate speculation. Another suggestion is to renew the Business Relocation Incentive Fund, which expired in 1997 and is expected to run out of funds within two years. This program assessed a conversion fee from building owners before issuing alteration permits, and used the money to help subsidize relocation costs for businesses displaced by conversions. In addition, the current penalty for an illegal conversion is only \$300. For this fee to have any effect as a deterrent it should be many times

higher and could be an additional source of funding for the Business Relocation Incentive Fund. Higher scrutiny by the Board of Standards and Appeals is also needed both in zoning variance applications and in the investigations of illegal conversions. Designated manufacturing areas such as In-Place Industrial Parks, in which residences are strictly prohibited, should be set aside to ensure a discrete amount of manufacturing space that is unaffected by spiraling real estate costs in the surrounding areas. Finally, greater City investment in infrastructure improvements and development projects is essential. For example, the Domino Sugar factory on the East River in Williamsburg is about to become vacant and provides an opportunity for investment in any number of development projects, such as a high-tech recycling center or a business incubator.

A number of other issues must be dealt with to diversify and strengthen the borough's economy. The City must find ways to invest in Brooklyn's public transportation and highway systems so that businesses can maintain access to their markets and remain competitive. Included in this discussion should be waterborne transportation alternatives, which provide an opportunity to link otherwise isolated communities with other neighborhoods in Brooklyn and Manhattan. In addition, aging infrastructure must be converted to meet the needs of the 21st century.

IV. Brooklyn's Economy: A Snapshot

Brooklyn's economy is large—its job base was the fifth-largest of the 62 counties in New York State in 2002 (the most recent period for which annual data is available). Private sector jobs in Brooklyn total 405,868, ranking the borough third in employment behind Manhattan and Queens (see Appendix B).

Over the last few decades the structure of the national economy has shifted away from manufacturing and toward services, and Brooklyn has been part of that trend. The recent change in the industrial classification system used for employment data allows a more detailed picture of Brooklyn's current structure to emerge than has previously been available. The new North American Industrial Classification System (NAICS) expands coverage of service and leisure industries, and creates categories for job sectors that were not previously tracked, such as Internet-related activities.²

Brooklyn's economy is dominated by trade and service-based industries, most notably health care and social assistance (see Figure 10). This one subsector accounts for 31.5 percent of all private sector jobs in the borough, and is the only subsector at this level of NAICS detail that includes more than 100,000 employees. More than one third of these jobs are in social assistance, and about one quarter of them are in hospitals. In the City overall, only the Bronx has a higher concentration of its job base in health and social assistance.

Trade is the next largest component of Brooklyn's economy, with wholesale and retail trade together accounting for almost 19 percent of private sector jobs. As in all the boroughs except Manhattan, food and beverage stores account for the greatest share of retail trade jobs, followed by clothing and clothing accessories (which is the largest retail category in Manhattan). The "other retail" category listed in Figure 10 is an aggregation of businesses such as furniture stores, gas stations, office supply stores, and a new category of nonstore retailers, which includes mail-order and Internet retailers.

Although Brooklyn's manufacturing sector has declined over the last few decades, it is still the borough's third-largest industry, providing 8.8 percent of Brooklyn's private sector jobs—about 35,700 positions. Over two thirds of these jobs are in nondurable manufacturing, primarily in the areas of apparel (about 8,700 jobs), food (about 5,900 jobs), and chemicals (about 2,800 jobs). Brooklyn has more food and chemical manufacturing jobs than any other borough, though Manhattan still holds the most jobs in apparel manufacturing. Bakeries are crucial to food manufacturing in Brooklyn, providing over one third of the jobs in that category. In durable goods

² For a detailed discussion of the new industrial classification system, see our report 1-2004, *Recent Trends in the New York City Economy*, issued April 2003.

manufacturing, Brooklyn’s largest industries are fabricated metal products (about 3,700 jobs) and furniture and related products (about 2,000 jobs). In both categories, Brooklyn has more jobs than any other borough.

Professional and business services account for 7.6 percent of the private sector jobs in Brooklyn and are primarily in temporary employment services, investigation and

Figure 10
Citywide Private Sector Job Concentration in 2002
(Percent distribution)

Industry	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Construction	5.2	5.4	1.8	9.4	7.8
Manufacturing	5.1	8.8	2.9	8.8	1.7
Durables	2.5	2.9	0.8	4.2	0.9
NonDurables	2.5	5.9	2.2	4.7	0.7
Trade, Transportation, and Utilities	19.4	22.8	13.2	29.3	25.4
Wholesale Trade	5.2	5.3	4.6	5.4	1.7
Retail Trade	11.9	13.2	6.9	11.1	17.9
<i>Motor Vehicles and Parts Dealers</i>	0.8	0.8	0.1	1.0	1.1
<i>Building Material and Garden Equip.</i>	0.6	0.8	0.1	0.8	1.1
<i>Food and Beverage Stores</i>	3.9	3.4	1.1	3.0	4.5
<i>Health and Personal Care Stores</i>	1.3	1.4	0.7	1.3	1.6
<i>Clothing and Clothing Accessories</i>	1.7	2.5	2.2	1.3	3.0
<i>General Merchandise Stores</i>	1.4	1.6	0.7	1.2	2.7
<i>Other Retail</i>	2.2	2.7	2.0	2.5	3.9
Transport, Warehouse, and Utilities	2.3	4.3	1.7	12.8	5.9
Information	2.3	1.9	7.8	2.3	3.6
Financial Activities	6.9	6.8	20.4	6.2	4.9
Finance and Insurance	1.6	3.5	16.3	2.9	3.2
Real Estate, Rental, Leasing	5.3	3.3	4.0	3.3	1.8
Professional and Business Services	6.4	7.6	24.3	8.3	9.4
Professional, Scientific, and Technical	1.7	2.8	14.0	2.4	4.2
Management of Companies	0.5	0.3	2.8	0.4	1.0
Admin. Support and Waste Services	4.3	4.5	7.5	5.6	4.2
Education and Health Services	42.4	35.7	14.8	22.5	33.7
Educational Services	6.5	4.2	4.1	2.8	3.5
Health Care and Social Assistance	35.9	31.5	10.7	19.7	30.3
<i>Ambulatory Health Care</i>	6.2	7.0	2.7	5.5	8.5
<i>Hospitals</i>	10.9	7.9	4.1	5.2	10.3
<i>Nursing and Residential Care</i>	9.3	4.7	1.0	3.7	6.0
<i>Social Assistance</i>	9.5	11.8	2.9	5.3	5.5
Leisure and Hospitality	6.8	5.1	9.9	7.4	8.3
Arts, Entertainment, and Recreation	1.4	0.8	2.4	0.9	1.3
Accommodation and Food Service	5.4	4.3	7.4	6.5	7.0
Other Services	4.0	4.9	4.6	4.7	4.3
Unclassified	1.5	1.0	0.4	0.9	0.8

Note: Columns may not total 100 because of rounding.
Source: NYS Department of Labor, ES202 Insured Employment Series

security services, legal services, and accounting services. Financial activities account for 6.8 percent of Brooklyn’s job base—with over 27,600 jobs, this sector is larger than in all other boroughs except Manhattan.

Brooklyn has the lowest concentration of private sector jobs in both the information sector and the leisure and hospitality sector (1.9 percent and 5.1 percent, respectively). Most of the information sector jobs are in telecommunications, primarily with wired telephone companies. The leisure and hospitality sector provides over 20,500 jobs in Brooklyn, and over three quarters of those jobs are in restaurants.

Jobs in an economy are classified as export-oriented when they meet the needs of businesses and individuals from outside the region, and locally oriented when they primarily serve the needs of residents. Brooklyn’s large proportion of employment in both trade and health care and social assistance reflects its local orientation. The borough’s largest export-oriented industry is manufacturing; other smaller export industries in the borough include transportation services, the arts, and professional, scientific, and technical services.

Although locally oriented businesses play a vital role in an area’s economy, they tend to pay lower wages than export-oriented businesses. All average salaries in Brooklyn—both in locally and export-oriented businesses—tend to be lower than in the rest of the City (see “Wage Growth” section). For those sectors in which Brooklyn has a large concentration of its employment base, such as manufacturing and health care and social assistance, Brooklyn also has the lowest average salaries in the City (see Appendix C). Many of the sectors in which jobs are being added also tend to

have low salaries. All of this contributes to both lower incomes and lower income growth for Brooklyn workers, whether they are residents of the borough or commuters.

Nonetheless, the locally oriented employment base in Brooklyn is more stable than the export-dominated employment base in Manhattan. A review of changes in

private sector employment over the last two expansions and recessions shows that Manhattan’s job base has been more volatile, accounting for a large portion of the job

**Figure II
Private Sector Employment Changes**

	Brooklyn	Queens	Bronx	Manhattan	Staten Island
Differences (thousands of jobs):					
1983-89	22.6	45.6	17.3	57.3	14.2
1989-92	-15.9	-34.6	-7.8	-233.4	-1.3
1992-2000	46.4	50.1	18.9	265.3	18.9
2000-2002	-2.2	-9.9	1.3	-137.6	-0.7
Average Annual Percent Change:					
1983-89	1.0	1.9	1.7	0.5	4.3
1989-92	-1.4	-2.7	-1.5	-4.3	-0.7
1992-2000	1.5	1.5	1.3	1.9	3.3
2000-2002	-0.3	-1.1	0.3	-3.6	-0.4

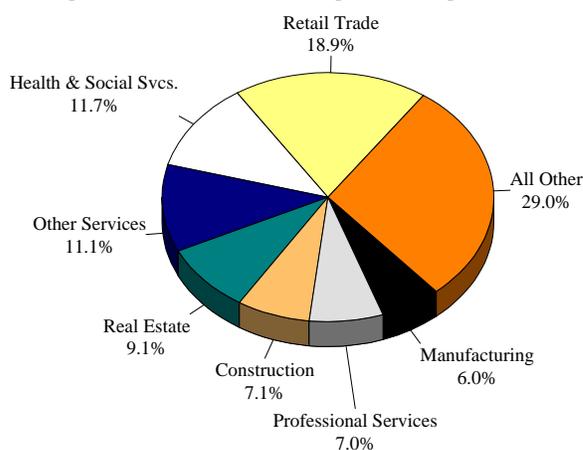
Source: NYS Department of Labor

gains in the expansions of the 1980s and 1990s but also accounting for the bulk of the job losses in the last two recessions (see Figure 11). In the current downturn, job losses in the boroughs outside of Manhattan have been much less severe than during the recession of the early 1990s.

Brooklyn's Businesses

Retail trade had the largest number of business establishments in Brooklyn in 2001, accounting for about 19 percent of all firms in the borough (see Figure 12). Health and social services and "other services" (which includes firms in such areas as

Figure 12
Composition of Brooklyn Companies in 2001

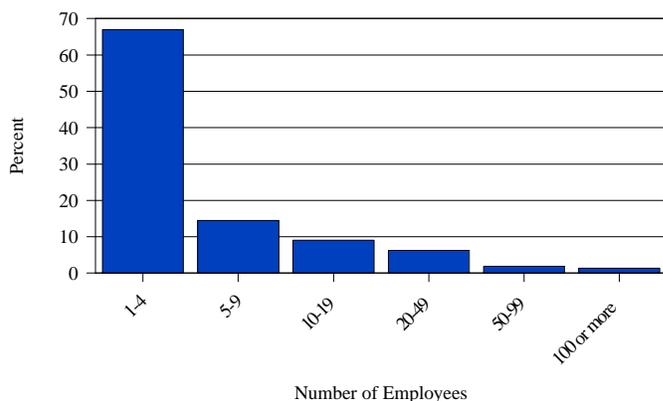


Source: U.S. Census, County Business Patterns

automotive repair and maintenance services, repair and maintenance of electronic equipment, personal care, laundry services, funeral services, and business associations) followed, with 12 percent and 11 percent, respectively. Firms engaged in retail trade and "other services" require a large number of outlets in order to serve their customers.

Most of Brooklyn's business establishments are small. In 2001, more than 90 percent of its 38,732 firms employed less than 20 people, and about two thirds employed less than five (see Figure 13). Only 1.4 percent of all firms in the borough employed at least 100 people. Of these businesses, health care firms accounted for 28 percent, and manufacturing firms accounted for almost 10 percent.

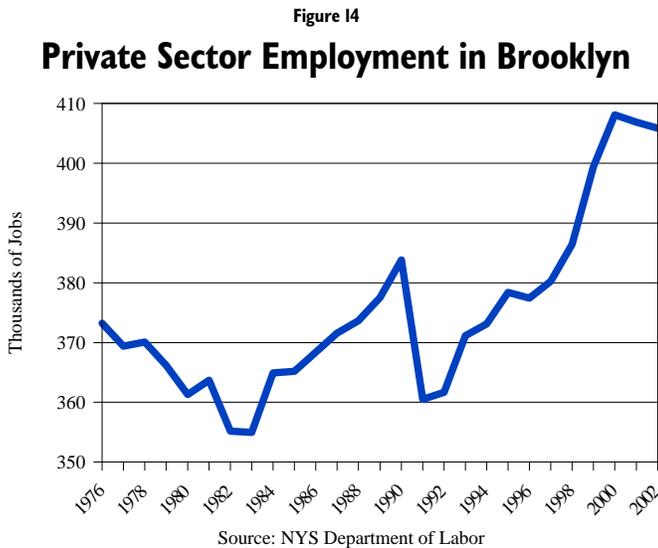
Figure 13
Size of Businesses in Brooklyn



Source: U.S. Census, County Business Patterns

Employment

During the economic expansion of the 1990s, employment in Brooklyn grew by over 46,000 jobs; more than half were added after 1997. Total job growth exceeded the number of jobs added in the previous expansion (between 1983 and 1990) by about 17,000 jobs. Since 2000, however, private employment in Brooklyn has been declining, losing 2,230 jobs in the last two years.



During 2002 (the latest year for which data are available), private sector employment in Brooklyn declined by 1,040 jobs, or about 0.3 percent, when compared to the same period in 2001. In 2002, private sector employment stood at 406,000 jobs, which was a decline from the peak of 408,000 reached in 2000 but still above the levels of the 1990s (see Figure 14).

All five boroughs in New York City lost jobs during 2002. Both Manhattan and Queens experienced sharper declines than in Brooklyn; Manhattan because of severe job cuts in the financial sector and Queens because of declining employment in the airline industry.

During the first quarter of 2003, private sector employment in Brooklyn increased by 0.4 percent (1,600 jobs) compared with the first quarter of 2002, a growth rate which was second only to the Bronx (1.7 percent). This is a reversal from the first quarter of 2002 when employment the borough lost 5,800 jobs (1.4 percent) compared with the same period in 2001.

Nevertheless, several sectors have been expanding recently in Brooklyn (see Appendix D for rates of change for all sectors). The educational and health services sector—a prime area of job creation in Brooklyn during the 1990s—gained 4,450 jobs during 2002. Educational services grew by about 1,100 jobs, and health care and social assistance added 3,300 jobs, primarily in individual and family services. Professional and business services added about 800 jobs as employment services grew by over 35 percent to aid the increasing number of unemployed workers. Employment

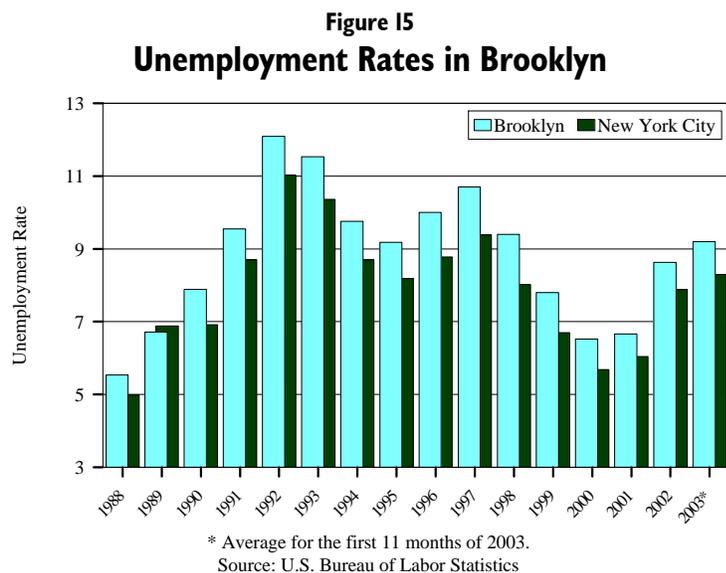
in financial activities increased by 290 jobs, and additional jobs in insurance and securities negated some of the job losses in real estate.

Manufacturing experienced the largest decline in employment during 2002, losing 3,000 jobs, including 1,400 in apparel manufacturing. The trade, transportation, and utilities sector fell by 2,000 jobs, with almost 1,800 lost in wholesale trade. Retail trade gained 150 jobs, despite declining employment at all types of stores except for those selling building materials, apparel, and general merchandise. Construction fell by 1,600 jobs and the information sector lost 1,100 positions, primarily in telecommunications and Internet service providers.

Brooklyn continued to add jobs in education and health services during the first quarter of 2003. Compared with the same period one year earlier, the number of jobs in the sector was higher by 2,600 with 1,700 in industries related to education services, and 900 more jobs in health services industries. Employment in financial activities also continued to grow during the first quarter last year as 800 jobs were added in these industries. Finally, manufacturing employment continues to decline, losing 1,900 jobs in the first three months of the year.

Unemployment

After almost two years of national economic growth, the national and local labor markets still show little sign of recovery. While job growth is generally a lagging indicator, the current labor market has lagged behind the rest of the economy for an unusually long period. Several factors explain the weakness in the labor market. First, employers are not yet convinced that an economic recovery will be sustained. Additionally, corporate scandals and the war on terrorism have acted to lower corporate confidence and delay the decision to resume hiring. Furthermore,



technology advances have increased business productivity and allowed companies to meet new demands without adding employees. Finally, rising health insurance premiums have made businesses more inclined to use part-time rather than full-time employees.

The annual unemployment rate in Brooklyn rose to 8.6 percent in 2002—the

second consecutive year the rate has increased after hitting a decade low of 6.5 percent in 2000 (see Figure 15). The percentage point increase in the unemployment rate in 2002 was also the largest since the last recession in 1992, when the unemployment rate reached its highest point of 12.1 percent. The sharp rise in unemployment was also evident in the rest of the City. In 2002, the unemployment rate rose to 9.3 percent in the Bronx, which was the highest in the City, while the lowest rate, shared by Queens and Staten Island, was 6.5 percent (see Appendix E). Although Brooklyn has the largest population, the size of its labor force ranks second behind Queens because it has a smaller population between the prime working ages of 25 and 65. In addition, Brooklyn has the second-lowest labor force participation rate³ in the City (62.4 percent).

In the first 11 months of 2003, the average monthly unemployment rate in Brooklyn grew to 9.3 percent compared with 8.6 percent for the same period last year, and Citywide the rate increased to 8.3 percent through November 2003, up from 7.8 percent through November 2002. The Bronx continued to have the City's highest rate (10.3 percent), while Queens had the lowest (6.9 percent).

Wage Growth

During 2002, private sector wages in Brooklyn grew by 3 percent, the lowest rate of growth since 1997. Wages increased in education and health services, financial activities, leisure and hospitality, professional and business services, and trade, transportation, and utilities. However, in most sectors the rate of growth in 2002 was below the growth rate of the previous year. Within New York City, Brooklyn's private sector wage growth was highest among the five boroughs, and the Bronx was the only other borough where wages increased during the year (see Appendix F).

During the first quarter of 2003, private sector wages in Brooklyn increased by 2.5 percent, exceeding the growth rate for the same period in 2002 (1.4 percent), a growth rate higher than for each of the other boroughs. Still, the rate of wage growth is lower than seen during the first quarter of 2001 (4 percent). Brooklyn was one of three boroughs, along with the Bronx and Queens, where private sector wages increased at a higher rate during the first three months of 2003 compared with the first three months of 2002. Wages in Brooklyn for financial activities and professional and business services increased during the first quarter of 2003 by 2.4 percent and 5.2 percent respectively compared with the declines of one year earlier. Also, wages for education and health services continue to increase (3.9 percent), though at a lower rate than last year (10.1 percent).

³ The labor force participation rate is the share of the population that is active in the labor force—either working or looking for work.

In Brooklyn, the average salary for private sector employees increased by 3.3 percent during 2002, the highest rate of increase in the City. In fact, all of Brooklyn's employment sectors except for professional and business services registered increases in average salaries. By contrast, average private sector salaries actually declined in Manhattan and Staten Island last year. However, the average salary of \$31,361 for private sector employment in Brooklyn in 2002 was the lowest in the City. The Bronx and Staten Island have job mixes that are similar to Brooklyn's, relying heavily on the lower-paid sectors of education, social services, and trade, but both Staten Island and the Bronx had higher average salaries, of \$32,528 and \$33,844, respectively. Queens, which has a more diversified job mix, had an average salary of \$36,790, and Manhattan, with its concentration of high-paying finance jobs, had an average of \$79,017.⁴

For the first quarter of 2003, average salaries in Brooklyn increased to \$31,198, with the rate of increase (2.1 percent) lower than the same period in 2002 (2.9 percent). The rate of growth in average salaries for the borough was equal to that for Queens, and exceeded the growth rates for the Bronx, as well as Manhattan and Staten Island where average salaries declined. The increase in average salaries for Brooklyn during the first quarter of 2003 was aided by an increase of 16.3 percent in the average salary for utility employees to \$87,895, which also resulted in higher wages for these workers despite a reduction in employment.

Although average salaries increased in Brooklyn during 2002, some of the largest job losses occurred in industries where the average salary far exceeded the overall private sector average. The category of specialty contractors lost the most jobs, and had an average salary in 2002 that exceeded \$45,000. By contrast, administrative and support services added the most jobs, but registered an average salary of about \$21,500 (see Appendix G).

Real private sector wages (i.e., adjusted for inflation) increased by 0.5 percent in Brooklyn in 2002. In the City overall, real private sector wages declined during this period by 8.8 percent, which primarily reflects the large job losses Manhattan experienced as a result of the recession and the terrorist attacks of September 11, 2001. Besides Brooklyn, the only other borough where real wages increased in 2002 was the Bronx (0.3 percent). From 1998 to 2002, real private sector wages increased in Brooklyn by 7.8 percent, the fastest rate in the City. Citywide, real private sector wages were higher by 4.1 percent in these years, with the rate of growth held down by the sizable real wage declines in Manhattan over the last two years of that period.

⁴ Manhattan's high average private salary reflects the significantly higher salaries in the financial sector—most notably in the securities industry. Excluding the financial activities sector, the average private sector salary was \$30,430 in Brooklyn, and ranged from \$32,310 in Staten Island to \$59,940 in Manhattan.

Personal Income

Personal income in Brooklyn totaled \$61.4 billion in 2001 (the latest year for which data are available; also, see Appendix H), and represented 19.7 percent of personal income in the entire City. Brooklyn's income was relatively flat—declining by only 0.3 percent—in 2001. Citywide, personal income was higher by 3 percent, largely reflecting strong growth in Manhattan (4.5 percent), which represents 46.2 percent of the City's total. Brooklyn was the only borough to show a decline in 2001, although prior to that year income growth in Brooklyn was comparable to the other boroughs—with the exception of Manhattan, where gains continued to outpace all other boroughs.

During 2001, per capita income declined in Brooklyn (0.8 percent) and Staten Island (0.1 percent), but increased in the Bronx (1.9 percent), Queens (3.2 percent), and Manhattan (3.9 percent). Manhattan's per capita income in 2001 (\$92,984) was much higher than those of the other boroughs, which resulted in a Citywide average (\$38,643) that was higher than in any of the outer boroughs (by comparison, Brooklyn's was \$24,772). As with personal income, per capita income grew in Brooklyn through 2000. Between 1997 and 2000, per capita income in the borough increased by 15.3 percent, from \$21,649 to \$24,965, and exceeded the rate of growth for the other boroughs during this period.

Wages and salaries account for a greater percentage of total income than they did a few years ago in Brooklyn and in the City overall. In 1995, wages and salaries represented 59.7 percent of personal income in Brooklyn and 63.3 percent in the City, and in 2001 this increased to 61.4 percent in the borough and 66.9 percent in the City. Transfer payments have declined as a percentage of personal income in Brooklyn and Citywide, which reflects declining welfare rolls. These payments had made up 27.6 percent of personal income in Brooklyn in 1995, whereas in 2001 they accounted for 26.1 percent. The percentage of personal income derived from dividends, interest, and rents has also been declining. In Brooklyn the decline was small—these revenues accounted for 12.7 percent in 1995 and 12.5 percent of income in 2001. The decline was greater Citywide, falling from 16.8 percent in 1995 to 15.8 percent in 2001.

Population and Demographics

Brooklyn—officially Kings County—is the most populous county in New York State (and the seventh-largest county in the nation), and its population growth has been aided by the arrival of immigrants. The most recent estimates from the U.S. Census Bureau show that as of July 1, 2002, Brooklyn's population reached 2,488,194. Brooklyn's population has increased steadily every year since the beginning of the 1990s. Increases from more births compared with deaths, as well as from international

immigration, have more than offset the decrease due to net domestic migration (see Appendix I).

Data from the 2002 American Community Survey (ACS)⁵ provide a picture of recent Brooklyn demographics. About 38 percent of Brooklyn residents were not citizens at birth, making Brooklyn the borough with the second-highest foreign-born population in 2000 (Queens was higher, at 46.6 percent). In many instances, households with foreign-born residents continued to speak their native languages at home. Among Brooklyn residents, this number reached 43.2 percent, with 18.3 percent speaking Spanish.

Of the Brooklyn population aged 25 and older, 73.1 percent held at least a high school diploma, which was a higher percentage than in the Bronx and Queens but lower than in Manhattan and Staten Island. In 2002, 23 percent of Brooklyn residents held at least a bachelor's degree. A slightly higher percentage of male residents graduated from high school or received at least a bachelor's degree when compared to female residents.

In 2002, Brooklyn ranked third among the five boroughs for households headed by a married couple (35.3 percent), with the highest in Staten Island (58.1 percent) and the lowest in Manhattan (26.3 percent). For households headed by a single person Brooklyn was exceeded only by the Bronx (27.1 percent and 32.8 percent, respectively). Of these households in Brooklyn, 48.7 percent were maintained by a single mother (with children under age 18) and 7.9 percent were maintained by a single father. About one third of Brooklyn households consisted of non-related households, which includes people living alone, in institutions, or with non-relatives.

Commuting Patterns

Census data show that 48 percent of Brooklyn's employed residents (431,559 people) worked in their home borough in 2000. Only Manhattan had a higher proportion of employed residents who worked locally (84 percent). The remaining Brooklyn residents worked mostly in surrounding counties, with 38 percent in Manhattan, 7 percent in Queens, and 2 percent commuting to New Jersey. Brooklyn also attracted many workers from outside the borough, mostly from Manhattan, Queens, Staten Island, and Nassau County.

⁵ The American Community Survey (ACS), a major part of the Census Bureau's effort to reengineer the decennial census, is conducted annually for more timely demographic data. The ACS provides the same detailed demographic data as are collected for the decennial census long form. Since 1996, the Census Bureau has conducted the ACS annually in selected counties in the United States. When fully implemented, the survey will be conducted in every county of the nation, with a sample size of about 3 million households. Data are collected by mail and by follow-up interviews for those who do not respond to the mailed survey. However, the results from the ACS cannot be directly compared to decennial census data because of methodological differences.

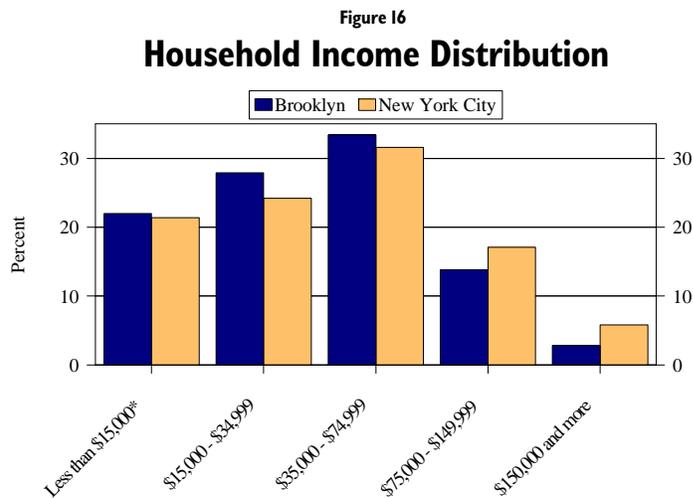
Data from the 2002 ACS provide a fresh look at how Brooklyn residents commute to work. In 2002, 31.2 percent drove or carpooled, 6.5 percent walked, and 3.2 percent worked at home, while 57.7 percent took public transportation. Among the five boroughs, only the Bronx and Manhattan had a larger proportion of residents commuting by public transportation (60 percent and 60.6 percent, respectively). A Brooklyn resident spent an average of 39.9 minutes commuting, and about 30.6 percent of Brooklyn commuters spent more than an hour.

Decennial data from the 2000 Census show how the travel patterns of commuting changed over the past decade. Compared to the 1990 Census, the proportions of Brooklyn residents who drove or carpooled to work and took public transportation declined 0.9 percentage points and 0.6 percentage points, respectively, while the share of people who worked at home increased 0.7 percentage points.

Data from the Metropolitan Transportation Authority (MTA) show a robust rise in subway ridership in the four boroughs serviced by the MTA (Staten Island Rapid Transit was not included) during the late 1990s. Average weekday subway ridership (excluding student and senior citizen riders) grew at an annual average rate of 6.3 percent from 1998 to 2000. However, ridership growth slowed to 4.4 percent in 2001 and 1 percent in 2002 as the national recession and the terrorist attacks of September 11, 2001, affected the job market. Subway ridership in Brooklyn reached 865,594 in 2002, about one fifth of total subway ridership in the City. MTA bus ridership in all five boroughs seemed less affected by the slump in the economy and the job market. Average weekday bus ridership in Brooklyn grew 7.4 percent in 2001, 1.7 percentage points greater than in 2000. Ridership grew 4 percent to 666,419 riders in 2002, accounting for about 31 percent of total ridership in the City. However, as employment continues to decline this year, both subway and bus ridership have fallen. In the first half of 2003, subway and bus ridership in Brooklyn declined 2.3 percent and 1.2 percent, respectively; the City as a whole also experienced a decline in both categories.

Welfare and Poverty

In 2002, 21.2 percent of Brooklyn households had income equal to or below the poverty level, a rate that exceeded the Citywide rate of 18.3 percent. The Bronx was the only other borough with a greater percentage of households with income equal to

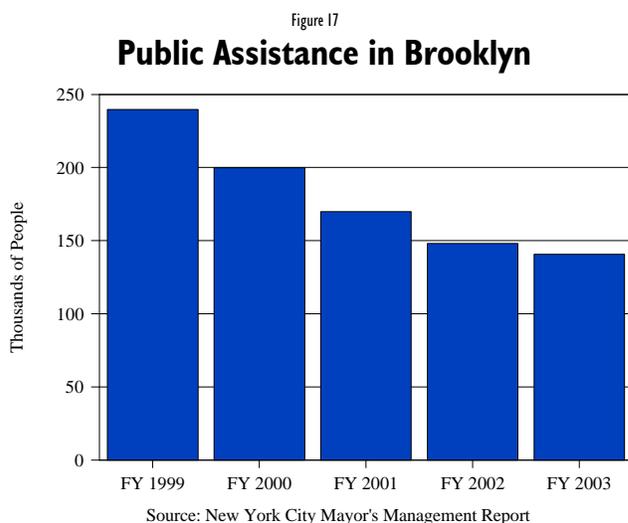


*In 2001 inflation-adjusted dollars.
Source: U.S. Census Bureau

or below the poverty level (27.2 percent). The median household income in Brooklyn in 2002 was \$35,000, which was also below the City's median household income (\$40,000). This is reflected in Brooklyn's distribution of income, which has a larger percentage of lower- and middle-income households than the City as a whole (see Figure 16).

Within Brooklyn, the neighborhood of Bay Ridge had the highest median income (\$54,200) and the lowest occurrence of poverty, with only 11.4 percent of households at or below the poverty level. Bushwick had the lowest median household income (\$24,800) and the highest rate of poverty (35 percent) in Brooklyn (see Appendix J for poverty rates and median incomes for all neighborhoods in Brooklyn).

Median household income varied among Brooklyn's different ethnic groups. White residents had the highest, at \$38,047, and Hispanic or Latinos had the lowest at \$25,979. The median household incomes for Black or African American and Asian residents were \$34,338 and \$34,032, respectively. The gender gap in median earnings



closed somewhat, with the ratio of female-to-male earnings reaching 90 percent in 2001, up from 80 percent in 1989.

Despite the relatively high level of poverty, the number of Brooklyn residents receiving public assistance has been declining in recent years (see Appendix K). During FY 1999, 239,700 people in Brooklyn received public assistance,

which represented 35.5 percent of the total number of persons in the City who received public assistance. Through FY 2003, this number declined by 41.3 percent to 140,600 (see Figure 17), and the percentage of total City recipients also declined, to 33.3 percent. Data for FY 2003 show that the decline in the public assistance roll has continued, with recipients in Brooklyn lower by 7.5 percent and the Citywide roll lower by 2.1 percent compared with FY 2002. Citywide, the number of people receiving public assistance declined by 37.3 percent between fiscal years 1999 and 2003. Similarly, the number of food stamp recipients in Brooklyn declined between fiscal years 1999 and 2003 by 11.5 percent, and throughout the City by 12.1 percent. However, during FY 2003, the number of food stamps recipients increased by 5.1 percent in Brooklyn, and 6.2 percent Citywide.

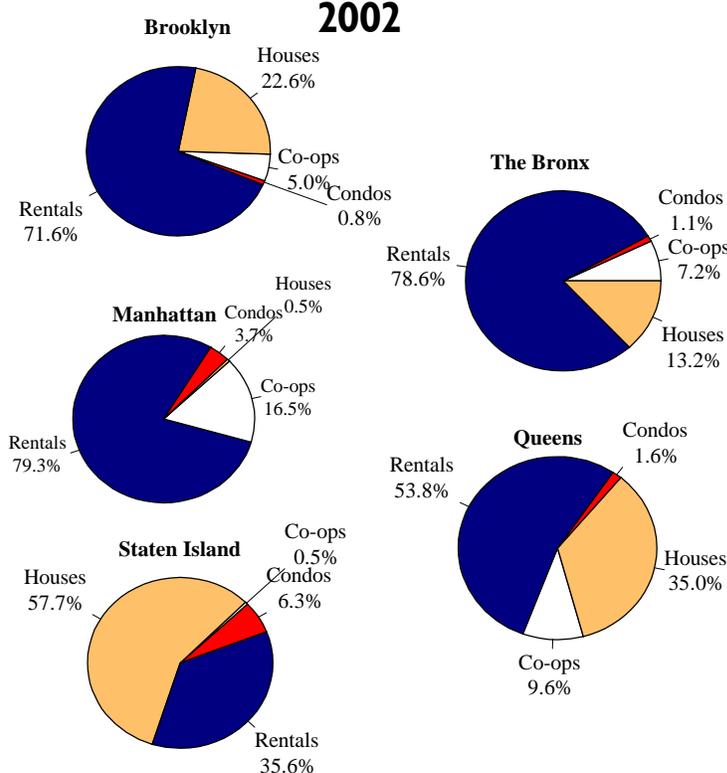
In contrast with the trend in public assistance, the number of residents in both Brooklyn and the City who were eligible for medical assistance increased between fiscal years 1999 and 2003. Brooklyn experienced an increase of 33.8 percent over this period, with the number of eligible persons reaching 790,700 in FY 2003. The Citywide rate of increase was slightly higher (34.5 percent).

Property Values

More households in Brooklyn rented rather than owned their residences in 2002. This was also true for each of the remaining boroughs with the exception of Staten Island. In Brooklyn, 71.6 percent of households lived in rental units (see Figure 18), which exceeded the Citywide total of 68.3 percent. Fewer Brooklyn residents lived in rental housing compared with Manhattan (79.3 percent). However, the percentage of Brooklyn renters exceeded the combined percentage for the remaining boroughs (60.1 percent) because of more ownership in Queens and on Staten Island.

Manhattan is unique among the boroughs in that almost all of its owner-occupied housing consists of condominiums or cooperative apartments. This is different in the outer boroughs, where most owner-occupied residences are houses. In Brooklyn, 79.6 percent of owners have houses, compared with 61.5 percent in the Bronx, 75.7 percent in Queens, and 89.5 percent on Staten Island. Based on tentative values for real property in the current fiscal year, the average value of one-, two-, and three-family homes in the City is \$357,000. Manhattan's average home value is \$1,587,000, which far exceeds the overall City average. However, because houses in Manhattan represent less than 1 percent of residences in the City, they have little influence on the Citywide average. Among the other boroughs, Brooklyn's average home value of \$367,000 is the highest, followed by Queens (\$354,000), Staten Island (\$322,000), and the Bronx (\$293,067).

Figure 18
Housing Distribution in New York City
2002



Source: U.S. Census Bureau; NYC Housing and Vacancy Survey

69.2 percent to current levels. The rate of growth during these five years, both in Brooklyn and in the City, was much higher than in the previous five-year period. Between fiscal years 1994 and 1999, home values increased by 10.8 percent in Brooklyn, while the Citywide growth rate was 6.6 percent.

The U.S. Census Bureau reports that the median single-family home value⁶ in Brooklyn in 2002 was \$300,000—equal to Queens and higher than Staten Island (\$283,500) and the Bronx (\$250,000). In Brooklyn, the median single-family home value in 2002 ranged from a low of \$195,000 in Brownsville/Ocean Hill to a high of \$600,000 in Brooklyn Heights/Fort Greene (see Figure 19). The median home values in 10 of Brooklyn’s 18 neighborhoods exceed the Citywide median value of \$289,000. Condominiums in the borough had a median value of \$200,000 in 2002, and cooperative apartments had a median value of \$115,000. These values were lower than the Citywide medians for condominiums (\$250,000) and co-ops (\$145,000), which reflect the greater concentration and higher values of properties in Manhattan. Of Brooklyn’s 18 neighborhoods, Flatlands/Canarsie had the highest percentage of

Average home values in Brooklyn, as well as throughout the City, have been rising steadily in recent years. The preliminary values for FY 2004 show an increase from the previous year of 13.5 percent in Brooklyn and 13.3 percent Citywide. In Brooklyn, home values increased by \$154,000 between fiscal years 1999 and 2004—a growth rate of 72.4 percent, which was higher than in all other boroughs. On average, home values in Brooklyn have risen annually by 11.5 percent between fiscal years 1999 and 2004. In FY 1999, home values in the City were \$211,000, and have risen by a total of

⁶ The median home value in an area is the value at which exactly half of all homes are worth more and half are worth less. The average home value covers all properties and can be more or less than the median depending on the distribution of high- and low-value properties in the area.

Figure 19
Median Single-Family Home Values and Percentage of Single-Family Home Ownership in Brooklyn 2002

	Single-Family Home Values	Percent of Households in Single-Family Homes
Brooklyn	300,000	22.6%
Brooklyn Heights/Fort Greene	600,000	12.2%
Park Slope/Carroll Gardens	500,000	18.6%
Williamsburg/Greenpoint	450,000	12.5%
Bay Ridge	372,500	28.6%
Sheepshead Bay/Gravesend	370,000	14.1%
Borough Park	362,500	28.1%
Sunset Park	350,000	23.3%
Flatbush	350,000	15.9%
North Crown Heights/Prospect Heights	340,000	10.9%
Bensonhurst	325,500	28.6%
Flatlands/Canarsie	280,000	57.5%
Bedford-Stuyvesant	250,000	18.1%
Bushwick	250,000	13.0%
Coney Island	225,000	19.8%
East Flatbush	220,000	33.1%
East New York/Starret City	200,000	22.1%
South Crown Heights	200,000	13.2%
Brownsville/Ocean Hill	195,000	18.9%

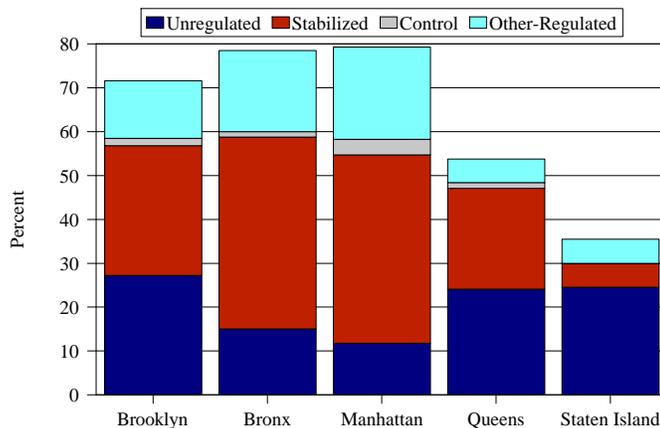
Source: U.S. Census Bureau; 2002 NYC Housing and Vacancy Survey

single-family home ownership (57.5 percent), and North Crown Heights/Prospect Heights had the lowest. The median single-family home values in both of these neighborhoods were near the overall median in the borough, and there was no relationship between values and the concentration of homes in a neighborhood.

For renters in Brooklyn in 2002, the median monthly contract rent for all types of rental housing was \$685, slightly lower than the Citywide median of \$700. Only the Bronx had a median rent lower than in Brooklyn.

Unregulated apartments—units rented at market rents and not subject to any government regulations—are the category of rental units that have the highest monthly median rent both in Brooklyn (\$800) and Citywide (\$850). Among the boroughs, Manhattan has the highest median rent for unregulated apartments (\$2,200), while the Bronx and Staten Island have the lowest (\$750). Of all the boroughs, Brooklyn has the highest percentage of households living in unregulated apartments, at 27.2 percent (see Figure 20), which represents 38 percent of all Brooklyn households that live in apartments.

Figure 20
Percent of Households in Apartments in 2002



Source: U.S. Census Bureau; NYC Housing and Vacancy Survey

In Brooklyn and in the other boroughs, rents were lowest

for other-regulated apartments—those units subject to regulations other than rent control or rent stabilization. These apartments accounted for 13.1 percent of all Brooklyn housing. The largest segment of other-regulated apartments in Brooklyn was public housing, which accounted for 9.1 percent of all of Brooklyn’s apartments. Citywide, public housing represents 8.4 percent of all rental housing. The median rent for public housing in Brooklyn is \$267, slightly lower than the Citywide median (\$290) and lower than for all other types of rental housing in the borough. Rents for in-rem⁷ units are also low—the median for Brooklyn was \$284—but the number of in-rem apartments has been declining as the City has discontinued its policy of taking property in-rem. In 2002, only 2.8 percent of the borough’s renting households resided in in-rem apartments. Median rents are higher for the remaining other-regulated units, with HUD-regulated apartments at \$500 and Mitchell-Lama apartments at \$600.

Rent-controlled and rent-stabilized apartments are also subject to regulations. As with in-rem apartments, rent-controlled apartments in Brooklyn have been declining because they are being phased out. In 2002, rent-controlled apartments represented only 2.4 percent of Brooklyn’s rental units. The median monthly rent for these apartments (\$500) was the only instance in which rents were at least equal to the Citywide median. A greater percentage of Brooklyn households (29.6 percent) reside in rent-stabilized apartments than in any other form of housing. Median rent for stabilized units was \$675, which was second-highest in the borough after unregulated apartments. Median rent for these units was equal to those in the Bronx and lower than those in the remaining boroughs. Citywide, the median for rent-stabilized units was slightly higher than in Brooklyn (\$700), and was highest in Manhattan (\$820).

The Brownsville/Ocean Hill neighborhood has the highest concentration of other-regulated units in the borough—26.1 percent of renting households live in public housing, and an additional 8.3 percent live in in-rem housing. Not surprisingly, the low median rents for these housing units—\$233 for public housing and \$250 for in-rem units—have helped give the neighborhood the second-lowest median rent in Brooklyn (\$539), with only Bedford-Stuyvesant lower (\$500; see Appendix L). Bedford-Stuyvesant has the lowest median rents for unregulated (\$638) and rent-stabilized (\$475) apartments, which combine to make up 65.6 percent of the neighborhood’s rental units.

Brooklyn’s highest median rent is in Park Slope/Carroll Gardens, at \$900 per month. This neighborhood also has the highest median rents in the borough for unregulated apartments, at \$1,024, and for rent-stabilized units, at \$900. Combined, these units make up 83.8 percent of the rental apartments in the neighborhood. Flatlands/Canarsie

⁷ In-rem properties are properties on which the City has foreclosed as a result of nonpayment of real property taxes.

has the second-highest median rent in Brooklyn, due largely to its high ratio of unregulated apartments to total rental units (64.7 percent), with median rents for these units at \$850. Still, because Flatlands/Canarsie has a high rate of home ownership (see Appendix M), only 25.7 percent of the neighborhood's households live in unregulated apartments. Bushwick has the highest percentage of households living in rental units (87 percent), with 39.8 percent of those households in rental units living in unregulated apartments, which results in a median rent of \$642.

Crime

During the period from 1993 to 2002, every type of major crime decreased in every borough. Citywide, reported crimes dropped by over 64 percent, to 153,862 incidents, and Staten Island had the highest rate of decline (71.1 percent). In Brooklyn, reported crimes fell by 63 percent during the period from 1993 to 2002, a rate that exceeded only the Bronx (62.2 percent). Murders fell by almost 70 percent Citywide, while the rate of decline in Brooklyn was only slightly less (69.1 percent). Through the first week of November 2003, total Citywide crime had fallen another 5.8 percent compared to the same period in 2002, just under the 5.9 percent decline in Brooklyn.

Because of its large population, Brooklyn has more crimes against persons—including murder, rape, robbery, and assault—than the other boroughs (see Appendix N). After adjusting for population levels, however, Brooklyn experienced 19.1 crimes per 1,000 people in 2002, slightly lower than the Citywide average (19.2 crimes per 1,000 people), and lower than in Manhattan (26.7 crimes per 1,000 people) and the Bronx (19.4 crimes per 1,000 people). The incidences of murder and rape in Brooklyn were both less than 1 crime per 1,000 people—murder was just under 0.1 occurrences per 1,000 people, and rape was 0.3 occurrences per 1,000 people. Burglary and larceny had the highest rate of incidence at 4.2 incidents per 1,000 people, and was followed by robbery (4.1 incidents per 1,000 people), motor vehicle theft (3.3 occurrences per 1,000 people), and assault (2.9 incidents per 1,000 people).

Appendix A Economic Development Resources

State- Sponsored Empire Zones

Brooklyn Navy Yard/North Brooklyn: This zone includes the Brooklyn Navy Yard, parts of Williamsburg, and North Brooklyn, and is managed by the East Williamsburg Valley Industrial Development Corporation (EWVIDCO).

East New York: This zone encompasses part of Brownsville, East New York, and Cypress Hills, and is managed by the Local Development Corporation of East New York (LDCENY).

Sunset Park/Red Hook/Gowanus: This zone is managed by the Southwest Brooklyn Industrial Development Corporation (SWBIDC) and includes areas of Gowanus, Red Hook, and Sunset Park.

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Special Facilities

Brooklyn Army Terminal
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Brooklyn Navy Yard
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Small Business Assistance

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Cypress Hills Local Development Corporation

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Appendix B

Private Sector Employment by Borough

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Employment Level (thousands):					
1989	178	377.6	1,896.4	434.3	64.0
1990	177.5	373.8	1,857.7	429.0	65.0
1991	171.7	360.5	1,734.3	409.0	63.5
1992	170.2	361.7	1,663.0	399.7	62.7
1993	173.2	371.1	1,653.0	397.2	65.3
1994	175.7	373.1	1,675.7	403.1	68.0
1995	178.1	378.4	1,685.7	408.8	70.8
1996	179.5	377.4	1,723.8	416.1	72.2
1997	180.4	380.3	1,768.3	423.8	74.3
1998	181.4	386.5	1,816.1	437.1	76.7
1999	185.8	399.5	1,853.0	447.1	80.2
2000	189.1	408.1	1,928.3	449.8	81.6
2001	190.8	406.9	1,887.6	448.6	81.9
2002	190.3	405.9	1,790.7	439.9	80.9
Share of Citywide Employment:					
2002	6.5%	14.0%	61.6%	15.1%	2.8%
Percent Change:					
1989	0.4%	1.0%	-0.8%	1.9%	0.7%
1990	-0.3%	-1.0%	-2.0%	-1.2%	1.5%
1991	-3.2%	-3.6%	-6.6%	-4.7%	-2.2%
1992	-0.9%	0.3%	-4.1%	-2.3%	-1.3%
1993	1.8%	2.6%	-0.6%	-0.5%	4.1%
1994	1.4%	0.5%	1.4%	1.5%	4.1%
1995	1.4%	1.4%	0.6%	1.4%	4.1%
1996	0.8%	-0.3%	2.3%	1.8%	1.9%
1997	0.5%	0.8%	2.6%	1.8%	2.9%
1998	0.6%	1.6%	2.7%	3.2%	3.3%
1999	2.4%	3.4%	2.0%	2.3%	4.5%
2000	1.8%	2.2%	4.1%	0.6%	1.8%
2001	0.9%	-0.3%	-2.1%	-0.3%	0.4%
2002	-0.3%	-0.3%	-5.1%	-1.9%	-1.2%
Average Annual Change:					
1989-1992	-1.50%	-1.40%	-4.30%	-2.70%	-0.70%
1992-2002	1.12%	1.16%	0.74%	0.96%	2.58%
Change in Employment (thousands):					
1989-1992	-7.8	-15.9	-233.4	-34.6	-1.3
1992-2002	20.1	44.2	127.7	40.2	18.2

Source: NYS Department of Labor

Appendix C Average Salaries for 2002

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Construction	\$ 49,283	\$ 44,142	\$ 68,930	\$ 55,279	\$ 48,339
<i>Construction of Buildings</i>	40,525	38,182	76,376	45,127	39,132
<i>Heavy and Civil Engineering Construction</i>	74,164	63,247	88,676	61,351	60,660
<i>Specialty Trade Contractors</i>	48,516	45,196	61,759	57,120	48,729
Manufacturing	34,130	29,717	52,551	35,334	37,447
Durable Manufacturing	38,266	32,986	45,787	39,429	39,897
<i>Wood Product Manufacturing</i>	61,012	41,214	33,775	42,676	43,020
<i>Nonmetallic Mineral Product Manufacturing</i>	49,817	31,370	37,425	40,429	59,315
<i>Primary Metal Manufacturing</i>	NA	36,471	55,055	32,851	65,227
<i>Fabricated Metal Product Manufacturing</i>	34,113	35,929	32,695	37,897	24,780
<i>Machinery Manufacturing</i>	39,232	31,883	36,663	36,759	NA
<i>Computer and Electronic Product Manufacturing</i>	33,611	44,770	96,712	48,275	26,091
<i>Electrical Equipment, Appliance, and Component Manufacturing</i>	58,502	30,948	47,748	45,635	NA
<i>Transportation Equipment Manufacturing</i>	26,606	31,359	97,596	43,612	44,994
<i>Furniture and Related Product Manufacturing</i>	42,027	28,418	41,456	32,341	22,198
<i>Miscellaneous Manufacturing</i>	28,931	27,358	39,483	35,623	32,594
NonDurable Manufacturing	30,278	28,133	54,873	31,682	28,323
<i>Food Manufacturing</i>	32,168	33,637	25,828	32,840	19,749
<i>Beverage and Tobacco Product Manufacturing</i>	NA	50,786	419,222	17,370	NA
<i>Textile Mills</i>	41,978	27,226	83,342	31,401	NA
<i>Textile Product Mills</i>	36,486	19,216	67,591	31,378	NA
<i>Apparel Manufacturing</i>	15,185	14,534	45,625	23,347	14,421
<i>Leather and Allied Product Manufacturing</i>	NA	19,110	48,203	28,342	NA
<i>Paper Manufacturing</i>	37,456	33,140	35,761	47,031	NA
<i>Printing and Related Support Activities</i>	24,916	35,563	57,836	38,208	29,598
<i>Petroleum and Coal Products Manufacturing</i>	NA	NA	NA	111,950	NA
<i>Chemical Manufacturing</i>	41,015	51,702	151,189	47,328	49,132
<i>Plastics and Rubber Products Manufacturing</i>	23,245	30,677	36,415	32,974	20,083
Trade, Transportation, and Utilities	30,054	29,348	51,993	37,921	28,511
Wholesale Trade	44,702	35,842	76,186	44,639	38,982
<i>Merchant Wholesalers, Durable Goods</i>	39,512	37,593	71,631	46,830	40,495
<i>Merchant Wholesalers, Nondurable Goods</i>	47,201	34,393	81,069	42,626	36,775
<i>Wholesale Electronic Markets and Agents and Brokers</i>	33,051	37,226	71,485	40,358	44,857
Retail Trade	23,111	23,069	36,711	23,233	21,111
<i>Motor Vehicle and Parts Dealers</i>	35,306	41,511	55,478	47,480	49,383
<i>Furniture and Home Furnishings Stores</i>	28,379	23,341	39,759	29,771	24,444
<i>Electronics and Appliance Stores</i>	24,553	26,261	50,205	28,408	34,076
<i>Building Material and Garden Equipment and Supplies Dealers</i>	30,636	32,231	39,247	26,917	26,131
<i>Food and Beverage Stores</i>	21,035	19,143	23,159	18,191	19,252
<i>Health and Personal Care Stores</i>	28,028	27,278	39,175	24,220	18,434
<i>Gasoline Stations</i>	17,173	17,210	19,120	18,802	18,430
<i>Clothing and Clothing Accessories Stores</i>	15,127	18,456	38,543	17,360	13,602
<i>Sporting Goods, Hobby, Book, and Music Stores</i>	19,516	16,156	27,121	17,213	14,433
<i>General Merchandise Stores</i>	15,251	18,373	32,034	18,343	18,272
<i>Miscellaneous Store Retailers</i>	20,062	22,547	40,351	20,999	17,574
<i>Nonstore Retailers</i>	51,591	41,908	69,754	34,086	32,608

Appendix C (Continued)

Average Salaries for 2002

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Transportation, Warehousing, and Utilities	\$ 32,721	\$ 40,601	\$ 48,636	\$ 47,869	\$ 48,036
Utilities	NA	73,798	87,802	76,318	75,470
Transportation and Warehousing	32,721	29,645	40,052	46,614	43,758
<i>Air Transportation</i>	NA	NA	49,502	63,222	NA
<i>Rail Transportation</i>	NA	NA	NA	NA	NA
<i>Water Transportation</i>	NA	60,750	58,288	33,950	56,077
<i>Truck Transportation</i>	36,456	34,920	35,695	37,109	34,400
<i>Transit and Ground Passenger Transportation</i>	30,230	25,156	29,742	34,841	27,581
<i>Pipeline Transportation</i>	NA	NA	NA	54,400	NA
<i>Scenic and Sightseeing Transportation</i>	NA	22,424	25,483	43,920	15,900
<i>Support Activities for Transportation</i>	29,702	36,428	68,008	34,037	62,194
<i>Postal Service</i>	NA	NA	NA	NA	NA
<i>Couriers and Messengers</i>	36,080	32,753	29,704	38,415	36,693
<i>Warehousing and Storage</i>	30,044	31,008	69,923	29,649	38,603
Information	49,003	47,886	83,683	48,348	51,218
<i>Publishing Industries (except Internet)</i>	43,152	32,638	85,827	35,618	51,392
<i>Motion Picture and Sound Recording Industries</i>	14,044	22,466	79,116	23,930	15,258
<i>Broadcasting (except Internet)</i>	32,205	30,667	92,490	58,144	NA
<i>Internet Publishing and Broadcasting</i>	NA	22,333	89,722	NA	NA
<i>Telecommunications</i>	58,112	67,449	80,995	63,072	66,710
<i>Internet Service Providers, Web Search Portals, and Data Processing Services</i>	58,540	44,111	88,150	47,570	40,168
<i>Other Information Services</i>	NA	23,731	49,083	24,061	#N/A
Financial Activities	29,932	44,158	153,665	49,749	36,665
Finance and Insurance	35,540	58,555	177,804	66,483	41,562
<i>Monetary Authorities - Central Bank</i>	NA	NA	90,877	NA	NA
<i>Credit Intermediation and Related Activities</i>	33,362	52,183	121,256	67,943	34,648
<i>Securities, Commodity Contracts, and Other Financial Investments</i>	45,385	105,691	229,739	76,081	81,814
<i>Insurance Carriers and Related Activities</i>	39,421	44,462	102,692	61,214	49,548
<i>Funds, Trusts, and Other Financial Vehicles</i>	70,091	41,682	94,929	44,219	NA
Real Estate and Rental and Leasing	28,208	29,054	55,436	35,130	27,924
<i>Real Estate</i>	28,385	28,693	54,423	35,651	29,975
<i>Rental and Leasing Services</i>	26,004	31,654	40,557	33,631	22,604
<i>Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)</i>	39,889	NA	103,522	36,182	NA
Professional and Business Services	28,729	30,313	82,166	31,302	32,911
Professional, Scientific, and Technical Services	34,675	41,067	87,837	39,347	37,099
Management of Companies and Enterprises	48,693	45,753	166,709	59,430	59,907
Administrative and Support and Waste Management and Remediation Services	24,145	22,639	39,561	25,832	22,517
<i>Administrative and Support Services</i>	19,931	21,544	39,559	25,247	22,193
<i>Waste Management and Remediation Services</i>	46,992	42,908	40,553	32,055	30,937
Education and Health Services	35,728	31,780	42,628	34,303	35,209
Educational Services	32,982	24,571	42,958	29,553	26,289
Health Care and Social Assistance	36,223	32,748	42,501	34,973	36,227
<i>Ambulatory Health Care Services</i>	42,192	38,674	47,552	37,041	44,856
<i>Hospitals</i>	47,625	46,028	54,862	49,206	43,219
<i>Nursing and Residential Care Facilities</i>	33,899	31,270	32,129	32,897	27,678
<i>Social Assistance</i>	21,507	21,000	24,213	20,385	19,098

Appendix C (Continued)
Average Salaries for 2002

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Leisure and Hospitality	\$ 27,839	\$ 16,890	\$ 33,414	\$ 20,265	\$ 14,376
Arts, Entertainment, and Recreation	79,425	25,287	52,309	45,194	19,841
<i>Performing Arts, Spectator Sports, and Related Industries</i>	351,967	38,238	67,624	69,174	20,099
<i>Museums, Historical Sites, and Similar Institutions</i>	31,499	32,752	38,036	24,998	21,860
<i>Amusement, Gambling, and Recreation Industries</i>	18,914	14,272	21,059	16,447	18,888
Accommodation and Food Services	14,142	15,355	27,251	16,735	13,338
<i>Accommodation</i>	19,854	31,463	40,314	29,471	21,003
<i>Food Services and Drinking Places</i>	13,948	14,685	22,808	15,707	12,920
Other Services (except Public Administration)	21,834	21,270	39,141	23,460	20,008
<i>Repair and Maintenance</i>	23,213	25,892	34,673	26,245	27,300
<i>Personal and Laundry Services</i>	21,195	20,600	27,190	21,422	17,297
<i>Religious, Grantmaking, Civic, Professional, and Similar Organizations</i>	21,856	20,101	51,524	24,245	17,288
<i>Private Households</i>	16,645	13,916	20,865	16,081	12,634
Unclassified	51,303	20,331	55,968	20,099	24,617
Government	50,381	51,673	46,822	50,905	53,582
Private Industries	33,844	31,361	79,017	36,790	32,528
Total, All Industries	35,817	32,882	72,454	37,719	34,070

Note: Data for some industries have been suppressed because of the small number of firms reporting.
 Source: NYS Department of Labor

Appendix D

Brooklyn Employment and Wages for 2002

	Employment Level (thousands)	Change 2002-01 (percent)	Wage Level (\$millions)	Change 2002-01 (percent)
Construction	21.9	-6.8	966.8	-3.5
<i>Construction of Buildings</i>	5.8	4.7	220.5	8.8
<i>Heavy and Civil Engineering Construction</i>	1.0	-11.8	60.8	-7.4
<i>Specialty Trade Contractors</i>	15.2	-10.2	685.5	-6.6
Manufacturing	35.7	-7.8	1,059.6	-4.2
Durable Manufacturing	11.6	-6.4	383.8	-3.8
<i>Wood Product Manufacturing</i>	0.5	5.3	19.8	13.5
<i>Nonmetallic Mineral Product Manufacturing</i>	0.7	-8.3	22.5	2.1
<i>Primary Metal Manufacturing</i>	0.2	-17.1	6.2	-12.5
<i>Fabricated Metal Product Manufacturing</i>	3.7	-6.9	132.3	-0.2
<i>Machinery Manufacturing</i>	0.7	-7.4	20.8	-24.6
<i>Computer and Electronic Product Manufacturing</i>	0.9	-9.4	38.1	-16.0
<i>Electrical Equipment, Appliance, and Component Manufacturing</i>	0.6	-10.6	17.2	-2.8
<i>Transportation Equipment Manufacturing</i>	0.2	-1.7	7.4	-7.7
<i>Furniture and Related Product Manufacturing</i>	2.0	-7.5	55.7	-0.4
<i>Miscellaneous Manufacturing</i>	2.3	-3.0	63.8	-2.4
NonDurable Manufacturing	24.0	-8.4	675.8	-4.4
<i>Food Manufacturing</i>	5.9	-2.9	197.3	-1.6
<i>Beverage and Tobacco Product Manufacturing</i>	0.3	24.5	17.5	29.4
<i>Textile Mills</i>	0.7	-17.4	20.0	-17.0
<i>Textile Product Mills</i>	0.8	-12.4	15.8	-13.8
<i>Apparel Manufacturing</i>	8.7	-14.2	126.3	-14.6
<i>Leather and Allied Product Manufacturing</i>	0.4	-15.7	8.0	-15.5
<i>Paper Manufacturing</i>	1.2	-12.1	40.6	-12.7
<i>Printing and Related Support Activities</i>	2.0	-3.0	72.7	0.9
<i>Petroleum and Coal Products Manufacturing</i>	NA	NA	NA	NA
<i>Chemical Manufacturing</i>	2.8	3.0	144.2	4.8
<i>Plastics and Rubber Products Manufacturing</i>	1.1	-13.2	33.3	-9.3
Trade, Transportation, and Utilities	92.4	-2.1	2,712.3	2.0
Wholesale Trade	21.5	-7.6	769.1	-5.0
Merchant Wholesalers, Durable Goods	8.7	-11.5	326.5	-9.4
Merchant Wholesalers, Nondurable Goods	11.6	-5.1	399.2	-2.3
Wholesale Electronic Markets and Agents and Brokers	1.2	-0.3	43.4	6.5
Retail Trade	53.5	0.3	1,233.9	4.6
<i>Motor Vehicle and Parts Dealers</i>	3.3	-1.3	136.4	-2.1
<i>Furniture and Home Furnishings Stores</i>	1.8	-5.5	41.5	-2.3
<i>Electronics and Appliance Stores</i>	2.1	-1.8	54.3	0.9
<i>Building Material and Garden Equipment and Supplies Dealers</i>	3.3	9.0	107.4	8.8
<i>Food and Beverage Stores</i>	13.7	-1.9	263.2	2.4
<i>Health and Personal Care Stores</i>	5.8	-1.5	157.6	8.2
<i>Gasoline Stations</i>	1.1	-7.5	19.5	-1.1
<i>Clothing and Clothing Accessories Stores</i>	10.1	3.5	186.2	13.5
<i>Sporting Goods, Hobby, Book, and Music Stores</i>	1.9	-1.3	31.4	4.3
<i>General Merchandise Stores</i>	6.5	4.0	119.7	6.7
<i>Miscellaneous Store Retailers</i>	2.2	0.7	50.4	6.1
<i>Nonstore Retailers</i>	1.6	-4.6	66.4	-3.3

Appendix D (Continued)

Brooklyn Employment and Wages for 2002

	Employment Level (thousands)	Change 2002-01 (percent)	Wage Level (\$millions)	Change 2002-01 (percent)
Transportation, Warehousing, and Utilities	17.5	-2.2	709.3	5.7
Utilities	4.3	-4.1	319.8	10.5
Transportation and Warehousing	13.1	-1.6	389.4	2.1
<i>Air Transportation</i>	NA	NA	NA	NA
<i>Rail Transportation</i>	NA	NA	NA	NA
<i>Water Transportation</i>	0.2	-18.5	10.4	-18.1
<i>Truck Transportation</i>	2.6	-5.8	90.9	-4.7
<i>Transit and Ground Passenger Transportation</i>	7.0	2.8	175.2	10.0
<i>Pipeline Transportation</i>	NA	NA	NA	NA
<i>Scenic and Sightseeing Transportation</i>	0.1	-60.9	1.5	-67.5
<i>Support Activities for Transportation</i>	0.9	-3.3	33.6	0.4
<i>Postal Service</i>	NA	NA	NA	NA
<i>Couriers and Messengers</i>	1.8	2.0	57.9	6.8
<i>Warehousing and Storage</i>	0.6	-14.9	19.5	-10.2
Information	7.8	-12.3	373.5	-10.8
<i>Publishing Industries (except Internet)</i>	0.8	3.8	27.3	12.2
<i>Motion Picture and Sound Recording Industries</i>	0.6	8.5	12.6	2.8
<i>Broadcasting (except Internet)</i>	0.0	-52.0	0.4	-42.6
<i>Internet Publishing and Broadcasting</i>	0.0	-57.1	0.1	-85.3
<i>Telecommunications</i>	3.9	-14.6	264.2	-11.7
<i>Internet Service Providers, Web Search Portals, and Data Processing Services</i>	0.5	-44.7	22.3	-37.4
<i>Other Information Services</i>	2.0	-3.4	46.7	1.6
Financial Activities	27.6	1.1	1,219.1	3.9
Finance and Insurance	14.1	3.3	827.7	4.4
<i>Monetary Authorities - Central Bank</i>	NA	NA	NA	NA
<i>Credit Intermediation and Related Activities</i>	8.8	-0.1	458.0	-3.8
<i>Securities, Commodity Contracts, and Other Financial Investments and Related Activities</i>	2.1	7.6	227.1	19.2
<i>Insurance Carriers and Related Activities</i>	3.1	11.1	139.8	13.6
<i>Funds, Trusts, and Other Financial Vehicles</i>	0.1	-10.8	2.8	-6.5
Real Estate and Rental and Leasing	13.5	-1.2	391.4	2.7
<i>Real Estate</i>	11.8	-1.1	339.4	2.5
<i>Rental and Leasing Services</i>	1.6	-1.7	52.0	3.9
<i>Lessors of Nonfinancial Intangible Assets except Copyrighted Works /</i>	NA	NA	NA	NA
Professional and Business Services	30.8	2.7	933.3	2.1
Professional, Scientific, and Technical Services	11.5	-2.3	470.4	-0.6
Management of Companies and Enterprises	1.1	13.6	49.9	-4.9
Administrative and Support and Waste Management and Remediation Services	18.2	5.6	413.0	6.2
<i>Administrative and Support Services</i>	17.3	10.4	372.9	15.7
<i>Waste Management and Remediation Services</i>	0.9	-41.5	40.1	-39.7
Education and Health Services	144.9	3.2	4,604.5	7.8
Educational Services	17.2	7.2	421.8	11.9
Health Care and Social Assistance	127.7	2.7	4,182.7	7.4
<i>Ambulatory Health Care Services</i>	28.6	2.4	1,105.7	8.7
<i>Hospitals</i>	31.9	0.7	1,467.7	7.0
<i>Nursing and Residential Care Facilities</i>	19.2	4.8	600.2	9.3
<i>Social Assistance</i>	48.1	3.3	1,009.1	5.5

Appendix D (Continued)
Brooklyn Employment and Wages for 2002

	Employment Level (thousands)	Change 2002-01 (percent)	Wage Level (\$millions)	Change 2002-01 (percent)
Leisure and Hospitality	20.6	-0.2	347.3	2.2
Arts, Entertainment, and Recreation	3.2	-4.1	80.4	-2.4
<i>Performing Arts, Spectator Sports, and Related Industries</i>	0.7	-7.7	28.0	-6.5
<i>Museums, Historical Sites, and Similar Institutions</i>	0.9	-4.4	31.0	6.3
<i>Amusement, Gambling, and Recreation Industries</i>	1.5	-2.1	21.4	-7.9
Accommodation and Food Services	17.4	0.5	266.9	3.7
<i>Accommodation</i>	0.7	1.3	21.8	-2.2
<i>Food Services and Drinking Places</i>	16.7	0.5	245.1	4.2
Other Services except Public Administration	20.0	-0.1	424.8	3.5
<i>Repair and Maintenance</i>	4.7	-1.5	122.9	1.1
<i>Personal and Laundry Services</i>	5.9	-0.3	120.7	7.0
<i>Religious, Grantmaking, Civic, Professional, and Similar Organizations</i>	8.2	1.7	165.4	3.5
<i>Private Households</i>	1.1	-6.0	15.9	-2.7
Unclassified	4.2	38.9	85.5	46.7
Government	32.9	1.3	1,697.9	0.9
Private Industries	405.9	-0.3	12,728.3	3.0
Total, All Industries	438.7	-0.1	14,426.3	2.8

Note: Data for some industries have been suppressed because of the small number of firms reporting.
Source: NYS Department of Labor

Appendix E
Labor Force by Place of Residence
(thousands of people)

	2000	2001	Change	2002	Change
Bronx					
Labor Force	518.3	509.0	-1.8%	524.7	3.1%
Employed	482.9	472.5	-2.2%	475.7	0.7%
Unemployed	35.4	36.5	3.1%	49.0	34.2%
Unemployment Rate	6.8%	7.2%	0.4%	9.3%	2.1%
Brooklyn					
Labor Force	1051.1	1026.4	-2.3%	1055.4	2.8%
Employed	982.6	957.9	-2.5%	964.5	0.7%
Unemployed	68.5	68.5	0.0%	91.0	32.8%
Unemployment Rate	6.5%	6.7%	0.2%	8.6%	1.9%
Manhattan					
Labor Force	829.7	820.1	-1.2%	842.2	2.7%
Employed	785.4	767.5	-2.3%	772.7	0.7%
Unemployed	44.3	52.6	18.7%	69.5	32.1%
Unemployment Rate	5.3%	6.4%	1.1%	8.2%	1.8%
Queens					
Labor Force	1111.5	1082.6	-2.6%	1108.7	2.4%
Employed	1057.9	1029.5	-2.7%	1036.6	0.7%
Unemployed	53.5	53.1	-0.7%	72.1	35.8%
Unemployment Rate	4.8%	4.9%	0.1%	6.5%	1.6%
Staten Island					
Labor Force	215.5	212.6	-1.3%	218.1	2.6%
Employed	205.4	202.5	-1.4%	203.9	0.7%
Unemployed	10.0	10.1	1.0%	14.2	40.6%
Unemployment Rate	4.7%	4.7%	0.0%	6.5%	1.8%
New York City					
Labor Force	3725.9	3650.7	-2.0%	3749.2	2.7%
Employed	3514.2	3429.9	-2.4%	3453.5	0.7%
Unemployed	211.6	220.7	4.3%	295.7	34.0%
Unemployment Rate	5.7%	6.0%	0.3%	7.9%	1.9%

Source: NYS Department of Labor

Appendix F Total Wages by Borough

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Wage Level (in millions):					
1989	\$4,702.9	\$8,982.7	\$87,150.0	\$11,583.3	\$1,497.5
1990	4,986.4	9,466.7	91,838.6	12,117.4	1,613.8
1991	5,116.3	9,563.4	89,999.7	12,126.3	1,640.7
1992	5,423.2	10,091.3	98,577.9	12,356.8	1,710.9
1993	5,589.6	10,473.8	99,553.7	12,408.8	1,802.6
1994	5,802.5	10,936.5	100,990.2	12,824.0	1,921.8
1995	5,942.6	11,325.5	108,057.9	13,288.1	2,060.8
1996	6,051.3	11,438.4	118,465.2	13,684.3	2,164.5
1997	6,179.7	11,511.2	129,121.8	14,256.5	2,287.8
1998	6,388.8	12,133.5	142,514.2	15,202.2	2,509.5
1999	6,692.3	12,799.7	151,722.9	15,979.8	2,678.0
2000	6,996.5	13,593.2	172,879.6	16,816.7	2,836.9
2001	7,334.0	14,037.9	175,358.7	17,690.8	3,012.8
2002	7,741.2	14,426.3	162,963.2	17,759.7	2,974.3
Share of Citywide Wages:					
2002	3.8%	7.0%	79.2%	8.6%	1.4%
Percent Change:					
1989	6.0%	7.0%	2.7%	6.4%	6.4%
1990	6.0%	5.4%	5.4%	4.6%	7.8%
1991	2.6%	1.0%	-2.0%	0.1%	1.7%
1992	6.0%	5.5%	9.5%	1.9%	4.3%
1993	3.1%	3.8%	1.0%	0.4%	5.4%
1994	3.8%	4.4%	1.4%	3.3%	6.6%
1995	2.4%	3.6%	7.0%	3.6%	7.2%
1996	1.8%	1.0%	9.6%	3.0%	5.0%
1997	2.1%	0.6%	9.0%	4.2%	5.7%
1998	3.4%	5.4%	10.4%	6.6%	9.7%
1999	4.8%	5.5%	6.5%	5.1%	6.7%
2000	4.5%	6.2%	13.9%	5.2%	5.9%
2001	4.8%	3.3%	1.4%	5.2%	6.2%
2002	5.6%	2.8%	-7.1%	0.4%	-1.3%
1989-1992	15.3%	12.3%	13.1%	6.7%	14.3%
1992-2002	42.7%	43.0%	65.3%	43.7%	73.8%
Average Annual Percent Change:					
1989-1992	4.9%	4.0%	4.2%	2.2%	4.5%
1992-2000	3.6%	3.6%	5.2%	3.7%	5.7%

Source: NYS Department of Labor

Appendix G
Average Salaries for Private Sector Industries Adding or Losing Jobs in 2002

	2002 Average Salary	2002 Job Change
Brooklyn		
<i>Top Industries Adding Jobs</i>		
Administrative and Support Services	\$ 21,544	1,627
Social Assistance	21,000	1,531
Educational Services	24,571	1,147
Nursing and Residential Care Facilities	31,270	879
Ambulatory Health Care Services	38,674	673
Clothing and Clothing Accessories Stores	18,456	341
Insurance Carriers and Related Activities	44,462	314
Building Material and Garden Equipment and Supplies Dealers	32,231	275
Construction of Buildings	38,182	258
General Merchandise Stores	18,373	253
 <i>Top Industries Losing Jobs</i>		
Specialty Trade Contractors	\$ 45,196	-1,730
Apparel Manufacturing	14,534	-1,441
Merchant Wholesalers, Durable Goods	37,593	-1,133
Telecommunications	67,449	-670
Waste Management and Remediation Services	42,908	-663
Merchant Wholesalers, Nondurable Goods	34,393	-628
Internet Service Providers, Web Search Portals, and Data Processing Services	44,111	-409
Professional, Scientific, and Technical Services	41,067	-272
Fabricated Metal Product Manufacturing	35,929	-271
Food and Beverage Stores	19,143	-266
 Average Salary of all Industries Adding Jobs	 \$ 29,367	 9,693
Average Salary of all Industries Losing Jobs	34,250	-10,736
Average Salary of All Private Industries	31,361	

Appendix G (Continued)
Average Salaries for Private Sector Industries Adding or Losing Jobs in 2002

	2002 Average Salary	2002 Job Change
Bronx		
<i>Top Industries Adding Jobs</i>		
Ambulatory Health Care Services	\$ 42,192	1,525
Food Services and Drinking Places	13,948	427
Insurance Carriers and Related Activities	39,421	301
Waste Management and Remediation Services	46,992	186
Professional, Scientific, and Technical Services	34,675	180
Religious, Grantmaking, Civic, Professional, and Similar Organizations	21,856	162
Clothing and Clothing Accessories Stores	15,127	156
Nursing and Residential Care Facilities	33,899	102
Performing Arts, Spectator Sports, and Related Industries	351,967	79
Amusement, Gambling, and Recreation Industries	18,914	68
 <i>Top Industries Losing Jobs</i>		
Specialty Trade Contractors	\$ 48,515	-546
Hospitals	47,625	-326
Food and Beverage Stores	21,035	-326
Personal and Laundry Services	21,195	-279
Apparel Manufacturing	15,185	-270
Administrative and Support Services	19,931	-260
Merchant Wholesalers, Durable Goods	39,512	-240
Fabricated Metal Product Manufacturing	34,113	-194
Repair and Maintenance	23,213	-174
Heavy and Civil Engineering Construction	74,164	-163
 Average Salary of all Industries Adding Jobs	 \$ 33,542	 3,992
Average Salary of all Industries Losing Jobs	34,062	-4,413
Average Salary of All Private Industries	33,844	

Appendix G (Continued)
Average Salaries for Private Sector Industries Adding or Losing Jobs in 2002

	2002 Average Salary	2002 Job Change
Manhattan		
<i>Top Industries Adding Jobs</i>		
Management of Companies and Enterprises	\$166,709	4,258
Social Assistance	24,213	2,947
Educational Services	42,958	2,910
Ambulatory Health Care Services	47,552	2,258
Nursing and Residential Care Facilities	32,129	968
Religious, Grantmaking, Civic, Professional, and Similar Organizations	51,524	880
Air Transportation	49,502	538
General Merchandise Stores	32,034	535
Health and Personal Care Stores	39,175	505
Food and Beverage Stores	23,159	434
 <i>Top Industries Losing Jobs</i>		
Securities, Commodity Contracts, and Other Financial Investments	\$229,739	-24,814
Professional, Scientific, and Technical Services	87,837	-21,243
Administrative and Support Services	39,559	-10,693
Credit Intermediation and Related Activities	121,256	-5,819
Internet Service Providers, Web Search Portals, and Data Processing Services	88,150	-4,642
Publishing Industries (except Internet)	85,827	-4,528
Motion Picture and Sound Recording Industries	79,116	-4,452
Apparel Manufacturing	45,625	-4,445
Telecommunications	80,995	-3,983
Insurance Carriers and Related Activities	102,692	-2,906
 Average Salary of all Industries Adding Jobs	 \$ 61,889	 19,476
Average Salary of all Industries Losing Jobs	83,667	-116,300
Average Salary of All Private Industries	79,017	

Appendix G (Continued)
Average Salaries for Private Sector Industries Adding or Losing Jobs in 2002

	2002 Average Salary	2002 Job Change
Queens		
<i>Top Industries Adding Jobs</i>		
Food Services and Drinking Places	\$ 15,707	1,942
Ambulatory Health Care Services	37,041	1,163
Heavy and Civil Engineering Construction	61,351	1,084
Insurance Carriers and Related Activities	61,214	676
Social Assistance	20,385	538
Hospitals	49,206	364
Educational Services	29,553	363
Credit Intermediation and Related Activities	67,943	285
Building Material and Garden Equipment and Supplies Dealers	26,917	241
Nursing and Residential Care Facilities	32,897	219
 <i>Top Industries Losing Jobs</i>		
Air Transportation	\$ 63,222	-5,685
Apparel Manufacturing	23,347	-1,673
Specialty Trade Contractors	57,120	-1,592
Miscellaneous Manufacturing	35,623	-869
Transit and Ground Passenger Transportation	34,841	-689
Support Activities for Transportation	34,037	-614
Merchant Wholesalers, Durable Goods	46,830	-557
Administrative and Support Services	25,247	-533
Couriers and Messengers	38,415	-479
Furniture and Home Furnishings Stores	29,771	-394
 Average Salary of all Industries Adding Jobs	 \$ 32,620	 9,332
Average Salary of all Industries Losing Jobs	40,247	-18,072
Average Salary of All Private Industries	36,790	

Appendix G (Continued)
Average Salaries for Private Sector Industries Adding or Losing Jobs in 2002

	2002 Average Salary	2002 Job Change
Staten Island		
<i>Top Industries Adding Jobs</i>		
Food and Beverage Stores	\$ 19,252	238
Accommodation	21,003	153
Social Assistance	19,098	143
Motion Picture and Sound Recording Industries	15,258	138
Health and Personal Care Stores	18,434	124
Clothing and Clothing Accessories Stores	13,602	95
Food Services and Drinking Places	12,920	88
Performing Arts, Spectator Sports, and Related Industries	20,099	68
Credit Intermediation and Related Activities	34,648	62
Professional, Scientific, and Technical Services	37,099	59
 <i>Top Industries Losing Jobs</i>		
Telecommunications	\$ 66,709	-623
Hospitals	43,219	-365
Administrative and Support Services	22,193	-324
Specialty Trade Contractors	48,729	-236
General Merchandise Stores	18,272	-127
Construction of Buildings	39,132	-124
Support Activities for Transportation	62,194	-109
Nursing and Residential Care Facilities	27,678	-78
Securities, Commodity Contracts, and Other Financial Investments	81,814	-74
Heavy and Civil Engineering Construction	60,660	-66
 Average Salary of all Industries Adding Jobs	 \$ 27,616	 1,786
Average Salary of all Industries Losing Jobs	38,031	-2,723
Average Salary of All Private Industries	32,528	

Notes: Some small industries are not included because of data suppression.

Unclassified establishments are excluded from top-ten lists but are included in calculations of totals.

Source: NYS Department of Labor

Appendix H Personal Income by Borough

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Total Personal Income (in millions):					
1994	\$20,842.0	\$46,849.7	\$83,391.8	\$47,267.5	\$10,256.7
1995	21,546.5	49,013.3	90,807.3	49,660.2	10,872.0
1996	22,220.0	51,122.4	100,284.1	51,541.9	11,450.2
1997	22,711.9	51,983.6	105,324.9	53,295.5	12,001.5
1998	23,388.1	53,833.9	116,285.7	55,106.5	12,501.0
1999	24,624.9	57,746.8	122,577.2	58,675.4	13,380.4
2000	26,046.4	61,607.0	137,797.0	62,585.4	14,379.8
2001	26,734.6	61,432.1	144,033.2	64,789.3	14,548.0
Percent Change:					
1994	3.2	2.4	3.4	2.1	3.7
1995	3.4	4.6	8.9	5.1	6.0
1996	3.1	4.3	10.4	3.8	5.3
1997	2.2	1.7	5.0	3.4	4.8
1998	3.0	3.6	10.4	3.4	4.2
1999	5.3	7.3	5.4	6.5	7.0
2000	5.8	6.7	12.4	6.7	7.5
2001	2.6	-0.3	4.5	3.5	1.2
Net Earnings (in millions):					
1994	\$11,816.9	\$28,444.0	\$57,066.3	\$29,015.4	\$6,731.0
1995	11,944.6	29,259.6	62,355.4	29,880.2	6,995.9
1996	12,303.2	30,671.2	70,616.3	30,972.7	7,371.3
1997	12,682.7	31,341.7	74,492.1	32,550.5	7,691.6
1998	13,366.7	33,184.9	83,770.0	34,538.9	8,085.3
1999	14,134.3	35,933.8	89,132.3	36,835.4	8,677.1
2000	15,166.5	38,931.5	100,669.1	39,656.0	9,365.2
2001	15,197.7	37,738.2	105,624.6	40,701.4	9,262.8
Dividends, Interest, and Rent (in millions):					
1994	\$2,342.7	\$5,788.8	\$17,468.4	\$7,225.3	\$1,345.8
1995	2,438.5	6,221.6	19,003.1	7,998.0	1,518.6
1996	2,445.6	6,364.4	19,775.1	8,315.1	1,596.2
1997	2,622.4	6,747.1	20,830.6	8,533.5	1,761.4
1998	2,688.9	7,018.5	22,691.9	8,999.8	1,918.5
1999	2,633.2	7,019.5	22,778.4	8,947.1	1,987.4
2000	2,800.6	7,556.6	26,022.4	9,623.7	2,158.2
2001	2,791.3	7,652.4	26,927.0	9,785.5	2,185.4

**Appendix H (Continued)
Personal Income by Borough**

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Transfer Payments (in millions):					
1994	\$6,682.4	\$12,616.9	\$8,857.1	\$11,026.9	\$2,179.9
1995	7,163.3	13,532.1	9,448.9	11,782.0	2,357.5
1996	7,471.2	14,086.8	9,892.7	12,254.1	2,482.7
1997	7,406.8	13,894.7	10,002.2	12,211.4	2,548.5
1998	7,600.6	14,300.8	10,330.8	12,507.5	2,630.5
1999	7,857.4	14,793.4	10,666.5	12,893.0	2,715.9
2000	8,079.3	15,118.9	11,105.5	13,305.6	2,856.4
2001	8,745.7	16,041.5	11,481.7	14,302.3	3,069.8
Per Capita Personal Income (in dollars):					
1994	\$16,663	\$19,838	\$55,450	\$23,081	\$25,250
1995	17,072	20,658	59,971	23,937	26,543
1996	17,459	21,447	65,915	24,479	27,625
1997	17,665	21,649	68,958	24,922	28,526
1998	18,186	22,550	76,282	25,769	29,454
1999	18,685	23,596	79,822	26,562	30,562
2000	19,524	24,965	89,518	28,042	32,278
2001	19,896	24,772	92,984	28,949	32,231

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Appendix I
Population and Migration by Borough
(in thousands)

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Population:					
1993	1,238.9	2,347.7	1,493.6	2,023.4	402.6
1994	1,250.8	2,361.7	1,503.9	2,047.9	406.2
1995	1,262.1	2,372.6	1,514.2	2,105.5	409.6
1996	1,272.7	2,383.7	1,521.4	2,074.6	414.5
1997	1,285.7	2,401.1	1,527.4	2,138.5	420.7
1998	1,300.8	2,422.4	1,531.1	2,175.0	429.0
1999	1,317.9	2,447.4	1,535.6	2,209.0	437.8
2000	1,334.1	2,467.8	1,539.3	2,231.8	445.5
2001	1,343.7	2,479.9	1,549.0	2,238.0	451.4
2002	1,354.1	2,488.2	1,546.9	2,237.8	457.4
Average Annual Percent Change in Population:					
1993-2002	0.9	0.6	0.4	1.1	1.4
Total Net Birth Less Death:					
1997	11.4	20.0	6.9	14.7	2.2
1998	11.5	20.2	7.3	15.0	2.4
1999	11.7	20.5	7.4	15.3	2.3
2001	13.0	22.2	9.0	16.9	2.4
2002	12.2	21.3	8.9	16.3	2.6
Total Net Domestic Migration:					
1997	-27.9	-57.2	-16.3	-38.1	-0.3
1998	-24.0	-51.9	-15.5	-34.1	1.4
1999	-21.8	-48.9	-14.8	-36.6	2.4
2001	-18.0	-50.2	-14.6	-51.1	1.2
2002	-16.4	-53.1	-26.8	-57.0	1.1
Total Net International Migration:					
1997	16.0	36.0	18.2	34.3	1.6
1998	12.7	31.1	13.6	29.7	1.4
1999	12.4	29.3	12.8	28.1	1.7
2001	14.6	39.3	15.6	39.5	2.4
2002	14.6	39.3	15.6	39.5	2.4

Source: U.S. Census Bureau

Appendix J Poverty Levels, Household Income, and Rent Burden by Neighborhood

	Poverty Level			Median Household Income	Income as a Percent of Gross Rent in 2002
	Below 100%	100% to 124%	125% & Higher		
Brooklyn	21.2%	6.1%	72.7%	\$ 35,000	26.7%
Williamsburg/Greenpoint	25.7%	7.2%	67.2%	\$ 29,300	28.5%
Brooklyn Heights/Fort Greene	18.6%	4.2%	77.2%	45,000	24.0%
Bedford-Stuyvesant	31.2%	4.2%	64.6%	24,960	25.3%
Bushwick	35.0%	9.5%	55.5%	24,844	29.3%
East New York/Starret City	22.9%	7.4%	69.8%	30,000	26.8%
Park Slope/Carroll Gardens	14.3%	4.3%	81.4%	50,000	27.0%
Sunset Park	18.1%	5.6%	76.3%	40,000	25.0%
North Crown Hts./Prospect Hts.	28.6%	6.3%	65.1%	28,000	28.2%
South Crown Heights	17.9%	5.7%	76.4%	32,000	27.0%
Bay Ridge	11.4%	3.3%	85.3%	54,200	22.7%
Borough Park	21.4%	4.6%	74.0%	36,120	27.3%
Coney Island	23.8%	3.6%	72.6%	36,000	29.8%
Flatbush	21.9%	9.9%	68.2%	26,000	27.6%
Sheepshead Bay/Gravesend	21.5%	9.9%	68.7%	32,000	28.2%
Bensonhurst	17.7%	7.1%	75.2%	40,000	28.6%
Brownsville/Ocean Hill	29.7%	6.3%	64.0%	27,000	25.1%
East Flatbush	14.3%	7.3%	78.4%	37,750	26.2%
Flatlands/Canarsie	13.5%	4.8%	81.7%	50,000	28.7%
Bronx	27.2%	6.7%	66.1%	\$ 26,500	28.0%
Manhattan	17.8%	4.0%	78.1%	46,212	25.3%
Queens	11.3%	4.3%	84.4%	45,000	25.4%
Staten Island	11.2%	2.7%	86.1%	55,000	24.7%
New York City	18.3%	5.0%	76.7%	40,000	26.3%

Source: U.S. Census Bureau

Appendix K Public Assistance in New York City

	Bronx	Brooklyn	Manhattan	Queens	Staten Island
Persons Receiving Public Assistance (in thousands):					
FY:					
1990	241.6	314.7	183.9	98.5	15.8
1991	264.2	334.5	201.4	118.0	18.7
1992	273.3	364.5	211.4	130.5	20.0
1993	296.2	390.3	219.7	159.7	23.1
1994	310.3	408.4	226.5	171.4	24.0
1995	307.9	400.9	216.7	169.4	24.5
1996	282.2	362.9	191.5	151.1	20.2
1997	246.4	316.9	167.2	132.0	17.6
1998	237.0	273.8	128.6	106.6	17.3
1999	216.1	239.7	111.7	89.3	15.0
2000	187.4	199.9	96.9	72.7	13.0
2001	168.5	169.8	83.0	61.3	12.0
2002	147.0	148.1	70.3	52.9	10.1
2003	146.9	140.6	69.4	52.4	10.0
Percent Change:					
FY:					
1991	9.4%	6.3%	9.5%	19.8%	18.4%
1992	3.4%	9.0%	5.0%	10.6%	7.0%
1993	8.4%	7.1%	3.9%	22.4%	15.5%
1994	4.8%	4.6%	3.1%	7.3%	3.9%
1995	-0.8%	-1.8%	-4.3%	-1.2%	2.1%
1996	-8.3%	-9.5%	-11.6%	-10.8%	-17.6%
1997	-12.7%	-12.7%	-12.7%	-12.6%	-12.9%
1998	-3.8%	-13.6%	-23.1%	-19.2%	-1.7%
1999	-8.8%	-12.5%	-13.1%	-16.2%	-13.3%
2000	-13.3%	-16.6%	-13.2%	-18.6%	-13.3%
2001	-10.1%	-15.1%	-14.3%	-15.7%	-7.7%
2002	-12.8%	-12.8%	-15.3%	-13.7%	-15.8%
2003	-0.1%	-5.1%	-1.3%	-0.9%	-1.0%
1994-2003	-52.7%	-65.6%	-69.4%	-69.4%	-58.3%
Share of City:					
FY:					
1990	28.3%	36.8%	21.5%	11.5%	1.8%
1991	28.2%	35.7%	21.5%	12.6%	2.0%
1992	27.3%	36.5%	21.1%	13.1%	2.0%
1993	27.2%	35.8%	20.2%	14.7%	2.1%
1994	27.2%	35.8%	19.9%	15.0%	2.1%
1995	27.5%	35.8%	19.4%	15.1%	2.2%
1996	28.0%	36.0%	19.0%	15.0%	2.0%
1997	28.0%	36.0%	19.0%	15.0%	2.0%
1998	31.0%	35.9%	16.8%	14.0%	2.3%
1999	32.2%	35.7%	16.6%	13.3%	2.2%
2000	32.9%	35.1%	17.0%	12.8%	2.3%
2001	34.1%	34.3%	16.8%	12.4%	2.4%
2002	34.3%	34.6%	16.4%	12.3%	2.4%
2003	35.0%	33.5%	16.6%	12.5%	2.4%

Source: Mayor's Management Report

Appendix L
Median Contract Rents in Brooklyn by Neighborhood in 2002

	Unregulated Apartments	Rent- Stabilized Apartments	Rent- Controlled Apartments	Public Housing	In-rem Units	All Other Rentals	All Rentals
Williamsburg/Greenpoint	\$825	\$569	\$350	\$349	\$337	\$455	\$550
Brooklyn Heights/Fort Greene	1,000	742	619	265	247	613	700
Bedford-Stuyvesant	638	475	575	188	190	302	500
Bushwick	750	650	600	261	215	190	642
East New York/Starret City	750	624	440	325	269	725	619
Park Slope/Carroll Gardens	1,024	900	500	300	312	232	900
Sunset Park	800	690	575	NA	297	633	750
North Crown Hts. /Prospect Hts.	763	650	450	292	350	448	600
South Crown Heights	750	700	250	NA	544	799	700
Bay Ridge	1,000	742	640	NA	NA	364	775
Borough Park	750	650	393	NA	NA	830	724
Coney Island	765	700	750	NA	NA	NA	735
Flatbush	750	638	237	370	NA	527	550
Sheepshead Bay/Gravesend	850	700	600	NA	NA	710	700
Bensonhurst	869	691	400	219	NA	704	750
Brownsville/Ocean Hill	700	600	215	233	250	630	539
East Flatbush	728	696	368	NA	300	530	700
Flatlands/Canarsie	850	662	NA	251	NA	913	800

Source: U.S. Census Bureau; 2002 New York City Housing and Vacancy Survey

Appendix M

Distribution of Housing in Brooklyn by Neighborhood in 2002

	Home Ownership	Unregulated Apartments	Rent- Stabilized Apartments	Rent Control Apartments	Public Housing	In-rem Units	All Other Rentals
Williamsburg/Greenpoint	17.0%	20.0%	37.4%	3.0%	8.3%	4.9%	9.4%
Brooklyn Heights/Fort Greene	30.8%	24.9%	26.6%	3.0%	10.1%	2.1%	2.5%
Bedford Stuyvesant	19.0%	37.6%	15.6%	2.1%	13.9%	4.6%	7.2%
Bushwick	13.0%	33.0%	34.5%	1.0%	11.5%	5.0%	2.0%
East New York/Starret City	22.1%	31.0%	14.3%	0.8%	16.3%	2.3%	13.2%
Park Slope/Carroll Gardens	27.7%	37.2%	23.4%	2.6%	6.5%	1.3%	1.3%
Sunset Park	28.0%	41.8%	24.1%	1.7%	0.0%	2.6%	1.7%
North Crown Hts./Prospect Hts.	17.6%	19.7%	40.3%	2.5%	10.9%	3.8%	5.0%
South Crown Heights	14.6%	15.6%	63.7%	1.4%	0.0%	2.8%	1.9%
Bay Ridge	39.6%	24.9%	29.4%	4.5%	0.0%	0.0%	1.6%
Borough Park	28.4%	38.5%	29.1%	1.8%	0.0%	0.0%	2.1%
Coney Island	26.6%	38.5%	32.5%	2.4%	0.0%	0.0%	0.0%
Flatbush	33.0%	10.7%	27.9%	0.4%	13.3%	0.0%	14.6%
Sheepshead Bay/Gravesend	18.3%	14.8%	60.9%	0.4%	0.0%	0.0%	5.6%
Bensonhurst	44.9%	20.4%	27.9%	2.4%	2.7%	0.0%	1.7%
Brownsville/Ocean Hill	18.9%	26.6%	17.6%	0.5%	21.2%	6.8%	8.6%
East Flatbush	33.1%	29.4%	31.8%	0.8%	0.0%	2.0%	2.9%
Flatlands/Canarsie	60.2%	25.7%	3.9%	0.0%	7.2%	0.0%	3.0%

Note: Home ownership reflects all types of properties: single-family, cooperative, condominium, etc.
Source: U.S. Census Bureau; 2002 New York City Housing and Vacancy Survey

Appendix N

Reported Crime in New York City

Bronx:								
	Murder	Rape	Robbery	Assault	Burglary	Larceny	M.V. Theft	Total
1993	512	718	16,378	8,925	18,938	7,511	15,345	68,327
1994	400	719	14,037	8,970	16,896	6,737	14,249	62,008
1995	304	763	11,687	7,979	14,234	6,251	10,875	52,093
1996	249	650	9,975	6,343	11,497	5,904	9,611	44,229
1997	196	663	8,911	6,419	9,591	5,307	8,151	39,238
1998	166	633	7,571	6,474	8,247	4,661	7,170	34,922
1999	137	497	6,754	5,947	7,536	4,372	6,966	32,209
2000	190	504	6,070	6,182	7,447	4,546	6,671	31,610
2001	190	500	5,178	5,335	5,813	4,367	5,522	26,905
2002	171	521	5,160	4,936	5,185	4,624	5,199	25,796
2002 Share of City by Crime	29.3%	25.7%	19.0%	23.8%	16.6%	10.1%	19.7%	16.8%
Percent Change 1993-2002	-66.6%	-27.4%	-68.5%	-44.7%	-72.6%	-38.4%	-66.1%	-62.2%
2002 Crimes per 1000 People (2000 Census)	0.13	0.39	3.87	3.70	3.89	3.46	3.90	19.35
Brooklyn:								
	Murder	Rape	Robbery	Assault	Burglary	Larceny	M.V. Theft	Total
1993	721	1,142	30,816	15,043	30,897	15,867	32,777	127,263
1994	559	1,150	25,388	14,406	26,844	13,840	27,623	109,810
1995	387	1,078	20,811	12,581	22,290	12,259	21,399	90,805
1996	341	1,005	16,918	11,130	18,749	10,775	16,440	75,358
1997	275	976	15,393	10,799	17,009	10,696	14,384	69,532
1998	239	889	13,969	10,254	15,083	10,385	12,653	63,472
1999	263	820	12,899	9,232	13,354	10,201	11,806	58,575
2000	240	737	11,905	9,141	12,464	10,261	11,045	55,793
2001	256	714	10,440	8,287	10,954	9,827	9,186	49,664
2002	223	732	9,982	7,242	10,345	10,321	8,208	47,053
2002 Share of City by Crime	38.2%	36.2%	36.8%	35.0%	33.1%	22.6%	31.2%	30.6%
Percent Change 1993-2002	-69.1%	-35.9%	-67.6%	-51.9%	-66.5%	-35.0%	-75.0%	-63.0%
2002 Crimes per 1000 People (2000 Census)	0.09	0.30	4.05	2.94	4.20	4.19	3.33	19.09
Manhattan:								
	Murder	Rape	Robbery	Assault	Burglary	Larceny	M.V. Theft	Total
1993	392	732	20,304	9,273	23,649	44,178	15,672	114,200
1994	320	625	17,423	8,969	20,795	39,129	12,883	100,144
1995	241	600	13,558	7,990	17,409	32,793	9,638	82,229
1996	200	616	11,284	7,102	13,790	28,512	8,378	69,882
1997	147	547	10,038	6,793	11,422	27,463	6,644	63,054
1998	104	429	8,796	6,106	10,205	25,955	5,669	57,264
1999	129	334	7,728	5,368	8,337	25,187	4,534	51,617
2000	105	359	7,073	5,195	7,534	24,389	4,232	48,887
2001	102	315	6,044	4,619	6,537	22,058	3,455	43,130
2002	83	367	5,974	4,257	6,365	20,840	3,292	41,178
2002 Share of City by Crime	14.2%	18.1%	22.0%	20.5%	20.3%	45.4%	12.5%	26.7%
Percent Change 1993-2002	-78.8%	-49.9%	-70.6%	-54.1%	-73.1%	-52.8%	-79.0%	-63.9%
2002 Crimes per 1000 People (2000 Census)	0.05	0.24	3.88	2.76	4.13	13.48	2.14	26.69

Appendix N (Continued)

Reported Crime in New York City

Queens:

	Murder	Rape	Robbery	Assault	Burglary	Larceny	M.V. Theft	Total
1993	277	554	16,997	6,662	24,055	16,510	42,948	108,003
1994	270	623	14,403	6,269	22,595	14,187	35,312	93,659
1995	223	503	12,566	5,927	19,329	12,780	26,586	77,914
1996	166	556	10,222	4,990	16,047	12,355	22,302	66,638
1997	133	528	9,040	5,236	15,146	11,072	19,926	61,081
1998	108	470	8,130	5,269	12,348	9,496	16,094	51,915
1999	121	396	7,780	4,834	11,002	9,337	14,108	47,578
2000	112	414	6,710	4,682	9,656	9,207	12,406	43,187
2001	88	352	5,830	4,136	8,401	9,025	10,423	38,255
2002	95	359	5,657	3,745	8,442	9,007	8,871	36,176
2002 Share of City by Crime	16.3%	17.7%	20.9%	18.1%	27.0%	19.7%	33.7%	23.5%
Percent Change 1993-2002	-65.7%	-35.2%	-66.7%	-43.8%	-64.9%	-45.4%	-79.3%	-66.5%
2002 Crimes per 1000 People (2000 Census)	0.04	0.16	2.54	1.68	3.79	4.04	3.98	16.23

Staten Island

	Murder	Rape	Robbery	Assault	Burglary	Larceny	M.V. Theft	Total
1993	25	79	1,397	1,218	3,397	1,671	4,876	12,663
1994	33	79	1,299	1,159	3,253	1,566	4,456	11,845
1995	26	74	1,111	1,051	2,387	1,342	3,300	9,291
1996	28	61	925	1,050	1,903	1,144	2,734	7,845
1997	16	69	953	1,012	1,698	1,148	2,207	7,103
1998	12	55	535	745	1,295	964	1,729	5,335
1999	17	38	480	567	1,071	1,019	1,589	4,781
2000	24	57	455	652	1,054	970	1,319	4,531
2001	13	38	381	637	988	963	1,023	4,043
2002	12	45	356	536	974	960	776	3,659
2002 Share of City by Crime	2.1%	2.2%	1.3%	2.6%	3.1%	2.1%	2.9%	2.4%
Percent Change 1993-2002	-52.0%	-43.0%	-74.5%	-56.0%	-71.3%	-42.5%	-84.1%	-71.1%
2002 Crimes per 1000 People (2000 Census)	0.03	0.10	0.80	1.20	2.19	2.14	1.73	8.19

Source: New York City Police Department Office of Management Analysis and Planning, CompStat Unit

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