



An Economic Snapshot of the Bedford-Stuyvesant Neighborhood

Major Findings

- The population in Bedford-Stuyvesant grew by 34 percent between 1980 and 2015, faster than the citywide rate of growth.
- The immigrant population has grown by one-third since 2000, far faster than in Brooklyn or in the City as a whole.
- The number of businesses has increased by 73 percent since 2000, the fourth-fastest rate of growth among New York City's 55 Census-defined neighborhoods.
- Private sector employment has increased by 45 percent since the end of the recession, exceeding 17,000 jobs in 2016.
- The retail trade and the leisure and hospitality sectors had the largest job gains between 2009 and 2016.
- In 2015, there was a wide disparity in median household incomes between new residents (\$50,200) and long-term residents (\$28,000).
- The number of households with incomes below the federal poverty level has increased by 13 percent since the end of the recession.
- The share of households that devoted more than 30 percent of their incomes to rent increased from 47 percent to 55 percent between 2005 and 2015.
- Residents suffer from above-average incidences of chronic health problems.
- Violent crime fell by 44 percent between 2000 and 2016, but crime remains a concern.

Bedford-Stuyvesant is one of the many neighborhoods in Brooklyn to experience a resurgence. In the past 15 years, the population has grown by one-quarter and now exceeds 150,000 people. Most of the growth has been driven by an influx of new residents, which has changed the neighborhood's composition.

New residents are attracted to the neighborhood's brownstones, relatively low housing costs and close proximity to Manhattan. With a sharp decrease in crime and an increase in restaurants, cafés, bars, retail shops and live entertainment, Bedford-Stuyvesant is becoming a popular place to live and work.

Many of the new residents are immigrants, white, or young, and are likely to have higher incomes than long-term residents. Their arrival has put pressure on housing costs, making it increasingly less affordable for long-term residents, especially seniors, to remain in the neighborhood.

In the past 15 years, Bedford-Stuyvesant's economy has grown much faster than the City's economy as a whole. The neighborhood now has more than 1,900 businesses, and its employment has reached a record level. The retail trade and the leisure and hospitality sectors have registered the largest job gains.

Gentrification has brought economic growth and new opportunities to Bedford-Stuyvesant, but the benefits have not been shared by all residents. Many long-term residents still face challenges. New York State and New York City have announced initiatives to address poverty, housing affordability and healthcare, which will improve conditions for all Bedford-Stuyvesant residents.

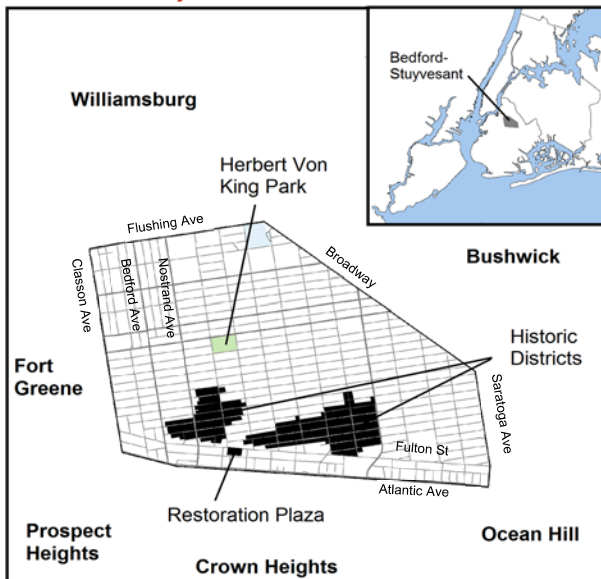
Introduction

Bedford-Stuyvesant has been a center of black and African-American culture since the 1930s, when it emerged as the second-largest black community in New York City. Many famous people grew up in the area, including Shirley Chisholm, Lena Horne, Lil' Kim, Tracy Morgan, Floyd Patterson, Jackie Robinson, Chris Rock and Jay-Z.

Bedford-Stuyvesant lies in the heart of north central Brooklyn (see Figure 1), and is served by the subway and many bus lines. It is located near Williamsburg, Bushwick, Ocean Hill, Crown Heights, Prospect Heights and Fort Greene.

Commercial activity is centered on Fulton Street and the many avenues that connect to it, including Bedford, Lewis, Nostrand, Tompkins and Throop, and Malcolm X and Marcus Garvey boulevards. With numerous late-19th-century brick and brownstone townhouses and other distinctive structures, the area has three major historic districts that cover more than 1,600 residential buildings, public buildings and churches.

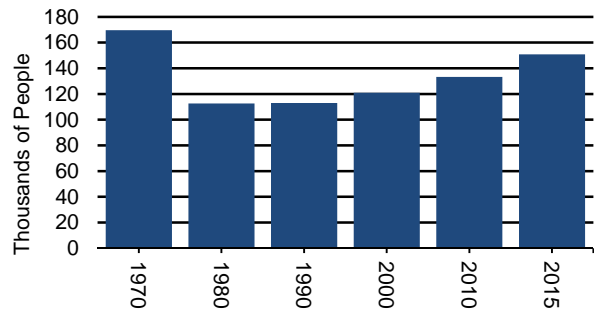
FIGURE 1
Bedford-Stuyvesant



Demographic Trends

After a large decline during the 1970s (mirroring the citywide decline), the population in Bedford-Stuyvesant grew by 34 percent between 1980 and 2015 (faster than the citywide growth rate of 21 percent) to reach 150,900 residents (see Figure 2). The population has increased by 25 percent in just the past 15 years, more than three times faster than the citywide rate.

FIGURE 2
Population Growth in Bedford-Stuyvesant



Sources: U.S. Census Bureau; IPUMS NHGIS, University of Minnesota; OSC analysis

The ethnic and racial mix of the population has undergone significant change in the past 15 years as the neighborhood has attracted new residents. According to data from the U.S. Census Bureau, three-quarters of the residents identified as black or African-American in 2000, but this share had declined to half of the population by 2015.

In 2015 (the latest year for which census data are available), one-quarter of the residents were white and nearly one-fifth were Hispanic. By comparison, in 2000, less than 3 percent of the population was white (the Hispanic share of the population has remained relatively unchanged). The Asian population has grown, but remains relatively small, making up less than 3 percent of the neighborhood.

The immigrant population in Bedford-Stuyvesant grew rapidly between 2000 to 2015, increasing by 33 percent compared to 6.5 percent in Brooklyn as a whole and 12 percent citywide. By 2015, immigrants made up nearly one-fifth of the neighborhood's population (29,000 residents).

Residents from the Dominican Republic, the fastest-growing nationality in the neighborhood over the past decade, made up 13 percent of the immigrant population. Residents born in Mexico, Barbados, Guyana and Jamaica each accounted for about 7 percent of the immigrant population, and 4.5 percent were from Trinidad and Tobago.

The median age of Bedford-Stuyvesant residents was 30 years, compared to the citywide average of 36 years. The number of residents under 18 years old (43,900) grew by 27 percent between 2010 and 2015, more than three times faster than the rest of the population. This segment of the population accounted for 29 percent of Bedford-Stuyvesant's population, the third-highest concentration among the City's 55 Census-defined neighborhoods.

Overall, more than one-quarter (29 percent) of the population had at least a bachelor's degree. However, there was a disparity between long-term and new residents.¹ In 2015, less than one-fifth of long-term residents had at least a bachelor's degree, compared with nearly half of new residents (46 percent).

Median household income has increased by less than 7 percent since 2010, reaching \$39,500 in 2015. The increase was only half the citywide rate of growth (14.4 percent), and the median in Bedford-Stuyvesant was significantly lower than the citywide median (\$55,800).

In addition, there is a wide disparity between long-term and new residents with respect to income. In 2015, new residents comprised one-third of the households. The new residents had a median household income of \$50,200, compared to \$28,000 for long-term residents. This is a relatively new development. In 2010, the household income of new residents was similar to those of long-term residents.

The share of households living in poverty has hovered at about 30 percent since the end of the

recession, significantly higher than the citywide poverty rate (19 percent). Moreover, the number of households in poverty increased by 13 percent from 13,800 in 2009 to 15,600 in 2015. One-third of all households receive Supplemental Nutrition Assistance Program (SNAP) benefits (i.e., food stamps), compared to one-fifth citywide.

There were 14,000 senior residents (defined as 65 years or older) living in the neighborhood. Most seniors are long-term residents. Their median household income is low (\$25,500 in 2015), and 42 percent rely on SNAP benefits. The number of residents aged 55 to 64 rose rapidly (by 18 percent) between 2010 and 2015.

Strong Business Growth

Bedford-Stuyvesant has experienced strong business growth since 2000. The number of businesses grew by 73 percent, reaching 1,910 firms by 2015 (the latest year for which data are available). This is a faster rate of growth than in Brooklyn (48 percent) and the City overall (16 percent), and the fourth-fastest rate of growth among all 55 neighborhoods in New York City.

Most businesses in Bedford-Stuyvesant are small. Almost three-quarters have fewer than five employees and about 86 percent have fewer than 10 employees. Most of these small businesses are grocery stores, restaurants, bars, personal services establishments (e.g., dry cleaners, hairdressers and nail salons), real estate offices and nonprofit organizations.

Only 20 businesses in the neighborhood have 100 or more employees. More than half of these are involved in either health care or social services, including facilities that provide health services, nursing and rehabilitative care, and family services. Large firms include the Interfaith Medical Center, the Bedford-Stuyvesant Family Health Center and the Concord Baptist Nursing and Rehabilitation Center.

¹ Long-term residents are defined as those residing in the neighborhood for at least 10 years. New residents are defined as those who have moved within the past four years.

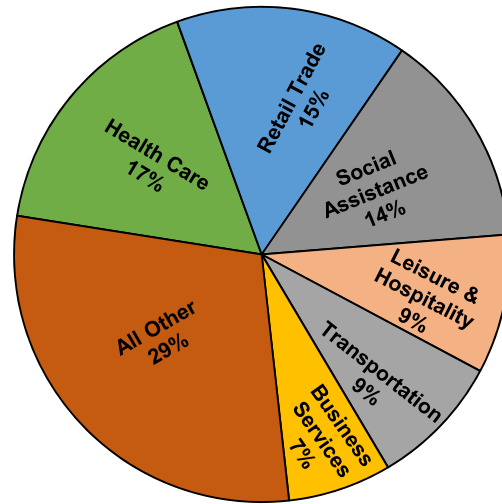
Record Job Growth

Private sector employment in Bedford-Stuyvesant reached a record level of 17,070 jobs in 2016 (see Figure 3). The number of jobs increased by 45 percent (5,300) since the end of the recession in 2009, more than twice as fast as the citywide growth rate. The retail trade and the leisure and hospitality sectors registered the largest job gains, with each sector accounting for about one-fifth of the jobs added in the neighborhood since 2009. Figure 3 also shows that the rate of job growth has accelerated in recent years.

Health care was the largest sector with 2,860 jobs, accounting for 17 percent of all private sector employment in 2016 (see Figure 4). More than three-quarters of these jobs were concentrated in hospitals, nursing homes and residential care facilities. This sector, however, has added only 280 positions since 2009.

Retail trade was the second-largest sector with 2,560 jobs, or 15 percent of all private sector employment. This sector added 990 jobs since 2009, an increase of more than 60 percent. Most of the neighborhood's 500 retail businesses were small, with 90 percent of them employing no more than 10 people. Grocery stores and beverage stores make up more than half of the total, followed by health and personal care businesses, such as pharmacies.

FIGURE 4
Distribution of Area Jobs in 2016

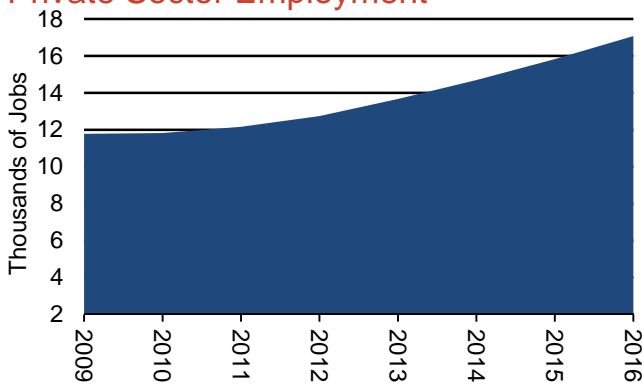


Sources: NYS Department of Labor; OSC analysis

The social assistance sector was the third-largest employment sector with 2,390 jobs. This sector was responsible for 14 percent of all private sector jobs, a far greater concentration than the citywide average (5 percent). However, this sector has added only 400 positions since 2009.

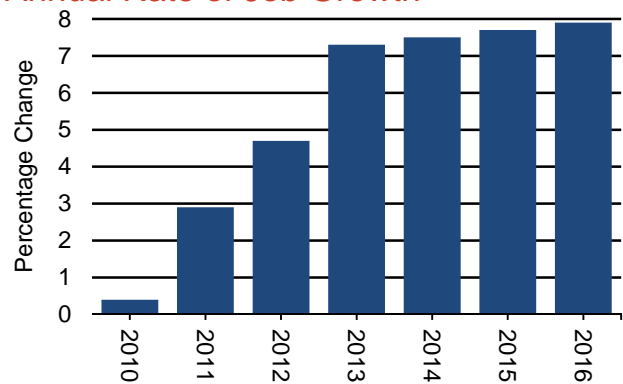
The leisure and hospitality sector was responsible for 1,540 jobs, accounting for 9 percent of all private sector employment. This sector has more than doubled in size since 2009, adding 910 jobs. Most of these positions were in food services, restaurants and drinking establishments.

FIGURE 3
Private Sector Employment



Sources: NYS Department of Labor; OSC analysis

Annual Rate of Job Growth



The transportation, warehousing and wholesale trade sector accounted for 1,470 jobs, or 9 percent of all private sector positions in the area. Employment in the sector has increased by more than 50 percent since 2009, with most of the jobs added in the private bus and taxi industries.

Professional and business services employment has more than doubled since 2009 to reach 1,140 jobs in 2016, or 7 percent of all private employment. Most of the gains were concentrated in administrative support services.

The average salary for private sector jobs increased by more than 8 percent between 2013 and 2016. Nonetheless, the average salary in Bedford-Stuyvesant (\$37,500 in 2016) was lower than in Brooklyn as a whole (\$41,500) because of the predominance of relatively low-paying jobs in the social assistance, retail, health care, restaurant and personal services sectors.

The educational services sector had an average salary of \$60,700, but accounted for less than 6 percent of all private sector jobs. However, it has grown rapidly in recent years with the expansion of charter schools in the neighborhood. The sector has more than doubled in size since 2009, reaching 990 jobs by 2016, and the average salary has risen by 50 percent.

The construction sector had an average salary of \$41,700 in 2016. While it accounted for less than 6 percent of employment, the sector grew by more than 50 percent to reach 990 jobs.

Residents in the Work Force

About 56 percent of the working-age population of Bedford-Stuyvesant (62,500 residents) were employed in 2015, a similar share as in Brooklyn and the City. Nearly half worked in Brooklyn, while 38 percent commuted to Manhattan.

Bedford-Stuyvesant residents work in a wide range of occupations, including as administrative assistants, designers, home health aides, retail salespeople, managers, office clerks, customer service representatives, restaurant workers,

public safety workers (e.g., security, police and fire), truck and bus drivers, teachers, and construction workers. Nearly three-quarters of residents work in occupations that pay less than \$50,000 annually. Only 5 percent work in occupations that pay more than \$100,000 annually.

According to the latest data from the U.S. Census Bureau, the area's unemployment rate declined to 12 percent in 2015 (compared to 7.6 percent for Brooklyn), from a high of 18.5 percent in 2011. In 2015, the unemployment rate for long-term residents (15.6 percent) was nearly twice the rate for new residents (8.6 percent)

Housing

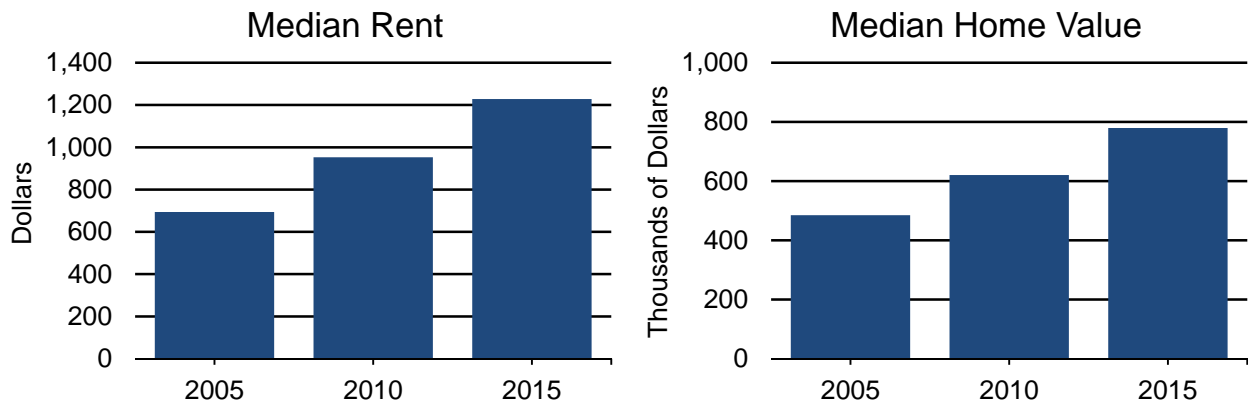
Housing affordability in Bedford-Stuyvesant is a serious problem, even though nearly two-thirds of all apartments are either rent-stabilized or public housing. The median monthly rent (including utilities) increased by 77 percent from 2005 to 2015, rising to \$1,230 (see Figure 6).

More than half (55 percent) of all households that rented their apartments in 2015 devoted at least 30 percent of their incomes to rent (which is the point at which rent is considered a burden), up from 47 percent in 2005. Nearly one-third of all households faced a severe rent burden, devoting more than half of their incomes to rent.

In Bedford-Stuyvesant, 20,400 people live in public housing apartments under the control of the New York City Housing Authority (NYCHA)—the highest number in any community district in Brooklyn. With NYCHA residents representing 13.5 percent of the population, Bedford-Stuyvesant's share is two and a half times the share for all of Brooklyn.

The neighborhood has 15 public housing developments with a total of 8,240 units. The largest are the Marcy development (with more than 1,700 units) and the Sumner and Tompkins developments (each with more than 1,000 units). Like many NYCHA facilities, these properties are in disrepair.

FIGURE 6
Rising Housing Costs



Sources: U.S. Census Bureau, American Community Survey; OSC analysis

Many private rental units are also in disrepair. The NYU Furman Center reported a rate of 72.7 serious housing code violations per 1,000 units in 2015, one and a half times greater than the citywide rate (48.3 serious violations).

Less than one-fifth of the housing units in Bedford-Stuyvesant are owner-occupied, which ranks 40th among the City’s 55 Census-defined neighborhoods. Median home values (for one-, two- and three-family homes and condominiums) have risen sharply in recent years, from \$484,800 in 2005 to \$779,400 in 2015 (see Figure 6). The increase (61 percent) was nearly twice as fast as the growth in Brooklyn overall (36 percent).

Rising housing costs and low incomes have contributed to increased displacement and homelessness. Bedford-Stuyvesant has a large number of homeless shelters and other temporary housing sites. School District 16 (which covers most of the neighborhood) has one of the highest concentrations of homeless students in New York City, according to the Institute for Children, Poverty and Homelessness.

Senior citizens in Bedford-Stuyesant are facing difficulty remaining in their homes as a result of rising housing costs and other factors. The City, through its Age-Friendly NYC initiative, is working

with community partners to help seniors remain active and age in their own neighborhoods. The community board, elected officials and others have pointed to the need to create new senior centers and assisted living facilities.

Neighborhood Health Care

Residents suffer from above-average incidences of chronic health problems. According to the New York City Department of Health, of the 59 community districts in New York City, Bedford-Stuyvesant ranks in the top 10 for smoking, diabetes, new HIV diagnoses, obesity, stroke, mental health, alcohol hospitalizations and adult hospitalizations for asthma.

The Affordable Care Act increased the number of Americans with health insurance by offering subsidies to lower-income taxpayers who purchase health insurance through government-sponsored health insurance marketplaces. It also expanded Medicaid eligibility to those at 138 percent of the poverty level, with the federal government paying most of the costs for states, like New York, that agreed to expand eligibility. Nearly 47 percent of Bedford-Stuyvesant residents now receive Medicaid benefits.

However, Congress continues to debate changes to the Affordable Care Act and cuts in Medicaid funding to the states, which would have a significant impact on residents' ability to access health care services.

The neighborhood also has a shortage of primary care physicians. Although residents can receive care at Woodhull Hospital and Interfaith Medical Center, both hospitals are struggling with financial and operating problems.

Moreover, emergency room wait times greatly exceed the statewide average. According to the most recent report from the New York State Department of Health,² the average time patients waited in the emergency room before being seen for a diagnostic evaluation by a health care professional was 46 minutes at Interfaith and 99 minutes at Woodhull, compared to the statewide average of 21 minutes. As a result, there is strong demand for new urgent care centers.

Proper nutrition is also a challenge for many residents. The Bed-Stuy Campaign Against Hunger is one of many groups that operate food pantries in the neighborhood. It also manages programs to promote nutrition and healthy living for residents of all ages.

In July 2017, New York City announced a \$32 million public health initiative to reduce the rat population in three of the most infested parts of the City, including Bushwick and Bedford-Stuyvesant. The initiative aims to reduce the potential to spread disease, prevent damage to infrastructure and improve the quality of life.

Crime

The number of major felony crimes declined by one-third between 2000 and 2016.³ Violent crime (murder, rape, robbery and assault) declined even more (44 percent). Despite these improvements, however, crime remains a problem.

According to the NYU Furman Center, the crime rate per 1,000 residents in 2016 was significantly higher in Bedford-Stuyvesant (18.4) than in the City overall (12.2). In addition, Bedford-Stuyvesant accounted for 7 percent of all shootings in the City in 2016 and 6 percent of all gun arrests, despite accounting for less than 2 percent of the City's population.

In 2016, the two police precincts that cover the public housing developments in Bedford-Stuyvesant reported a 11 percent increase in crime on housing development properties. Given the high concentration of NYCHA facilities in the neighborhood, new resources have been targeted for NYCHA developments through the Mayor's Action Plan for Neighborhood Safety.

Education

The neighborhood has 41 public elementary and middle schools serving about 14,000 students. There are 27 traditional elementary and middle schools, and 14 charter schools, the highest number of charter schools of any neighborhood in Brooklyn, and the third-highest among all community districts in the City.

In recent years, the traditional elementary and middle schools in Bedford-Stuyvesant have shown notable improvement in English and math proficiency, but they still lag behind the citywide averages. Since 2014, the share of students who scored at the proficient level in English language arts rose from 18 percent to 26 percent in 2017. The share of students who scored at the proficient level in math increased from 17 percent to 21 percent. Charter schools in Bedford-Stuyvesant outperformed the citywide averages for charter schools in both English and math.

² New York State Health Profiles, https://profiles.health.ny.gov/measures/all_state/12310.

³ Major felony crimes are defined by the Federal Bureau of Investigation as murder, rape, robbery, felonious assault, burglary, grand larceny and auto theft.

Development Initiatives

The Bed-Stuy Gateway business improvement district (Bed-Stuy BID), which was established in 2009, includes 1.5 miles of the Fulton Street commercial corridor and parts of Nostrand Avenue. The Bed-Stuy BID organizes businesses to collaborate on initiatives aimed at improving the business climate. According to the City, the Bed-Stuy BID has helped locate and develop more than 300 ground-floor retail businesses.

The Bedford-Stuyvesant Restoration Corporation operates JobsPlus, a job training and placement program targeting public housing residents. It also operates the Economic Solutions Center, which facilitates economic self-sufficiency and family stability by teaching financial independence and skill-building.

Local civic leaders and community groups are working to advance two community-oriented projects. One proposal would renovate the Sumner Armory into a community center. (Part of the facility is currently used as a homeless shelter.) Another proposal would convert the Kosciuszko pool into a year-round facility, with new recreational and community spaces built above the pool.

In February 2016, the former Pfizer manufacturing plant on Flushing Avenue was repurposed by the New York City Economic Development Corporation, with support from the Brooklyn Borough President. The plant now

operates as a 10,000-square-foot shared kitchen and culinary incubator to help food entrepreneurs develop new businesses.

The City is studying a possible rezoning of industrial land along Atlantic Avenue to allow mixed-use projects, including residential development. Earlier rezoning proposals approved in 2007 and 2012, which covered the southern and northern parts of the community district, sought to maintain neighborhood character by limiting building heights and providing incentives for the development of housing and retail corridors.

As part of the Mayor's initiative to create or preserve 200,000 affordable housing units over 10 years, the City announced an initiative in January 2016 that would preserve 13 buildings with 212 apartments in Bedford-Stuyvesant and Crown Heights as affordable housing until 2047.

New York State recently established the Vital Brooklyn initiative, which targets central Brooklyn, including Bedford-Stuyvesant. This \$1.4 billion initiative will make investments in health care, affordable housing, open spaces, resiliency, youth programs and work force development. The initiative draws on several existing programs and allocates funds to help restructure private hospitals in the area. As part of the process, Interfaith Medical Center will merge with Brookdale Medical Center and Kingsbrook Jewish Medical Center.