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Center *for an*  
Urban  
Future

# Making Rezoning Work

INTEGRATING WORKFORCE DEVELOPMENT  
INTO NEW YORK CITY'S REZONINGS



**Making Rezoning Work** is a publication of the Center for an Urban Future and JobsFirstNYC. Researched and written by the Center for an Urban Future. Edited by Eli Dvorkin and Laird Gallagher of the Center for an Urban Future, with input from Jessica Conway-Pierce and Marjorie Parker of JobsFirstNYC. Additional research by Elisabeth Appel, Mitul Arora, Devin Borg, Taylor DeStefano, Justin Helmkamp, Isaac Landman, Daisy Ni, Owen Patterson, Naomi Sharp, Charles Shaviro, and Minqi Song. Designed by Stislow Design.



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**JobsFirstNYC** creates and advances solutions that break down barriers and transform the systems supporting young adults and their communities in the pursuit of economic opportunities. Our innovative approach to developing new partnership models has helped shape public policy, private philanthropic investments, and the best practices of employers, colleges, service providers, high schools, and others. Over the last 14 years, JobsFirstNYC has worked with more than 150 organizations in communities across New York City to build innovative solutions that connect young adults to economic opportunities.

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# Integrating Workforce Development Into New York City's Rezoning

**AS NEW YORK CITY GRAPPLES WITH A PROTRACTED ECONOMIC CRISIS BROUGHT ON BY COVID-19, CITY** leaders will be searching for opportunities to help spark a lasting economic rebound and regain many of the nearly 500,000 jobs lost since March 2020. One option is to use zoning tools to encourage economic development, attracting private investment at a time when public funding is extremely limited and helping to revive the city's battered economy.

But to earn the trust of communities that have been hit hardest by the pandemic—and ensure that new development benefits the New Yorkers most in need of economic opportunities—New York City will need to develop a bold new vision for building workforce development infrastructure at the neighborhood level.

Since 2016, communities across New York City, from East New York to Inwood, have undergone large-scale residential rezoning. Designed to encourage the construction of affordable housing, neighborhood rezoning plans have nonetheless sparked understandable fears that new development enabled by land-use changes will lead to gentrification and displacement. The de Blasio administration has responded to these concerns by tying housing protections and other investments to neighborhood rezoning plans. However, thus far, the rezoning plans have lacked investment and accountability around local workforce development.

The need for these investments is clear: In the six neighborhoods which have already been rezoned, median household income is nearly \$17,000 below the city average. More than a year into the COVID-19 pandemic, the estimated unemployment rate in East Harlem is upward of 20 percent and nearly 30 percent along Jerome Avenue in the Bronx. For many residents of these neighborhoods—and many others throughout the city—obtaining a living-wage job in an eventual economic recovery is made harder without access to quality workforce development services.

While recent rezoning plans have included numerous commitments—from housing protections for current renters to new community spaces and playgrounds—workforce investments have been minimal. According to its commitment trackers, the city budgeted just \$462,250 for job training initiatives focused on just two of the six residential neighborhoods approved for rezoning since 2016. Just \$312,500 had been spent on new job training programs as of June 2021.

A more deliberate approach is needed: one that provides communities with a blueprint for establishing and strengthening neighborhood-level workforce networks, taps private sector dollars to invest in meeting workforce needs, builds the capacity of training providers to serve more residents, scales up the most effective workforce programs from across the city, and incentivizes partnership and collaboration. This report examines the current role of workforce investments in the city's recent and ongoing neighborhood rezoning plans and charts a path for city policymakers, workforce practitioners, philanthropic leaders, and local community-based organizations and business leaders to support a new model for place-based workforce investment that can help expand economic opportunity in the communities that need it most.



This report—a joint effort between Center for an Urban Future and JobsFirstNYC—demonstrates the need to integrate a comprehensive workforce development strategy into future rezonings and offers a blueprint for how to do so. Informed by more than 50 interviews with workforce development practitioners, community leaders, city officials, nonprofit executives, and economic development experts—as well as analysis of data on economic and workforce conditions, city reports, budget documents, and other information—the report identifies effective models for place-based workforce development in and outside New York, examines obstacles to integrating workforce development investments into rezoning plans, and lays out a set of practical and actionable recommendations to integrate community-focused skills-building and workforce development investments into rezoning efforts—now and in the future.

## **Many New York City neighborhoods face serious barriers to employment, but investments in workforce development have not kept pace.**

In order to help more New Yorkers participate in the city’s emerging economic recovery from the COVID-19 pandemic, neighborhoods from the South Bronx to the north shore of Staten Island will need help tackling pervasive barriers to employment, including boosting skills to meet the demands of a fast-changing economy.

The need is clear: While New Yorkers have seen a proliferation of low-wage jobs in recent years and a growing need for job training and skills-building to access better-paying work, there’s been relatively little new funding for workforce development. Federal funding for workforce development in New York City has dropped from \$87.1 million in 2001 to \$74.5 million in 2020—a 14.5 percent decline, adjusting for inflation—and state and local funding has struggled to make up the difference.

After reaching its highest level of employment on record in 2019, New York City’s economy has been battered by COVID-19. The steepest job losses have been clustered in many of the city’s lowest-income communities and in industries with a large share of the city’s accessible jobs. As of June 2021, employment in restaurants and bars remains 34 percent below the pre-pandemic level. Employment is down 64 percent in accommodations, 24 percent in clothing stores,

17 percent in building services, and 19 percent in manufacturing. And while most of the city’s office sectors have held up much better—for instance, jobs in the information sector are down just 3.5 percent—far fewer of those jobs are held by New Yorkers without college degrees or other postsecondary credentials.

For too many New Yorkers, jobs in the industries that are proving more resilient to the current crisis—and are likely best positioned to lead an economic rebound—remain out of reach. Most of New York City’s growing occupations that pay middle-income wages or higher, from registered nurses to marketing specialists, typically require at least some form of postsecondary credential. But access to these jobs remains sharply divided by geography: for instance, while 86 percent of Upper East Side residents hold at least a bachelor’s degree, the rate is just 13 percent in Mount Hope. Indeed, 19 percent of New Yorkers over twenty-five—over 1.1 million people—do not hold a high school diploma or its equivalent. Even more New Yorkers—1.8 million people, or 23 percent of the population—have limited English proficiency, locking them out of many opportunities to take part in the city’s economic rebound.

The result is that economic mobility and success vary dramatically from neighborhood to neighborhood, with harsh consequences from the pandemic-driven economic downturn. From a citywide unemployment rate of 4.3 percent in July 2019, among the lowest on record, unemployment surged to 29 percent in West Farms and 36 percent in Brownsville as of December 2020. And an estimated 183,734 (27 percent) of 18- to 24-year olds were out of school and out of work in 2020.<sup>1</sup>

Many of those disparities are particularly acute in neighborhoods that have been rezoned or where rezonings are under consideration. For instance, over 38 percent of Inwood residents speak English less than very well. In Sunset Park, more than 46 percent of adults lack a high school diploma. And in East New York, fewer than 15 percent of adults have a bachelor’s degree.<sup>2</sup> These barriers mean that even when jobs are available, neighborhood residents don’t necessarily have the tools to get them. “There are these big sectors in East New York that have living-wage jobs, but we need investments in the training to get more people into the jobs,” says Michelle Neugebauer, executive director at the East New York-based nonprofit Cypress Hills Local Development Corporation (CHLDC).

## **Neighborhood-level rezonings present a vital—but largely untapped—opportunity to make crucial investments in workforce development.**

Across dozens of interviews with workforce development practitioners, community-based organizations, local employers, economic development officials, and other experts—alongside an extensive review of available data—a clear pattern emerged: neighborhood rezoning initiatives present an important but undervalued opportunity to combat these significant barriers to economic access through intensive and early integration of workforce development investments.

“Workforce investments should absolutely be included in the rezoning plans—workforce development, adult education, and bridge programming,” says Michelle de la Uz, executive director of Fifth Avenue Committee and a member of the City Planning Commission. “We absolutely need to raise wages and household income for people that are unemployed or underemployed, or whose jobs are at risk of displacement either because of a rezoning or just because of trends in the economy. It takes a multiyear funding commitment at a scale that’s necessary to address whatever the gaps are locally.”

For many years, the city’s approach to workforce development—like much of the nation’s—was largely focused on rapid attachment to any available job. In more recent years, the approach has evolved to emphasize both sector- and place-based models that align training programs with employer demand along defined career paths; integrate workforce development programs into economic development initiatives; and stitch together skills-building programs across education and job training providers to better reflect industry demand for both hard and soft skills.

But as New York City’s workforce development needs explode amid a protracted economic crisis, the city faces a major challenge—and an opportunity—to design and implement new and strengthened place-based approaches. There are multiple benefits to these approaches, which can both prepare local residents to access new jobs that are being created as a result of economic development in the community and boost

the skills needed to access well-paying jobs elsewhere in the city—increasing household incomes as a way of helping people remain rooted in their communities even as neighborhoods undergo changes.

“New York City has an enormous opportunity to invest in workforce development through its neighborhood rezonings,” says Katy Gaul-Stigge, president and CEO of Goodwill Industries of Greater New York and Northern New Jersey and the former executive director of the Mayor’s Office of Workforce Development. “The city’s approach shouldn’t be limited to connecting local residents to temporary construction jobs—it should include place-based strategies and targeted investments in skills-training that ensure residents of rezoned neighborhoods can access permanent good jobs throughout the city, and the rezoning lives up to its promise of truly improving life for all in the neighborhood.”

## **With a more intentional rezoning process, New York could make significant new investments in place-based strategies to help spur an inclusive economic recovery.**

Place-based workforce development focuses investments on the areas with the greatest barriers to economic access—like the neighborhoods being rezoned—by bringing resources directly to the people who have the most to gain from education and training programs catered to local needs. “The city has an opportunity to be in the forefront of a lot of the experiment and change in workforce development,” says Ben Margolis, executive director of Southwest Brooklyn Industrial Development Corporation. “Rezoning, which by definition are places of concentrated public investment, are logical places where workforce investments at the forefront of the field can and should take place.”



# New York City has an enormous opportunity to invest in workforce development through its neighborhood rezonings”

KATY GAUL-STIGGE, PRESIDENT AND CEO OF GOODWILL INDUSTRIES  
OF GREATER NEW YORK AND NORTHERN NEW JERSEY

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Place-based approaches are attuned to economic and social realities in individual neighborhoods while still responding to employer needs. And they can provide support to the most precarious, who might have fallen through the cracks in other systems. “The value of place-based approaches is that particularly for more vulnerable job seekers, the support systems they need to be successful are generally located closer to home,” says Christopher Watler, chief external affairs officer at the Center for Employment Opportunities (CEO), a national workforce development organization that supports employment opportunities for formerly incarcerated people.

Workforce development has great potential to act as a hedge against displacement by providing education and skills-building that can lead to quality job opportunities and life-long economic stability. “This is the opportunity to bridge workforce development with economic development in this city,” says Sunil Gupta, vice president of adult and continuing education at LaGuardia Community College. “Under the guidance of the city, a lot of good things can happen.”

But harnessing that potential will require a new strategy to build and strengthen place-based workforce networks and harness the opportunity that rezoning presents to tap private dollars for sustained investment in skills-building and job training infrastructure.

## **Although the rezoning process has led to numerous community commitments, workforce investments have been lacking.**

When the city proposes a neighborhood rezoning, it develops a series of commitments tied to land-use changes. These commitments revolve around housing protections but also include investments in infrastructure, schools, parks, and small business services. But our research finds that substantial investments in workforce development have been all but nonexistent in approved rezonings.

According to its commitment trackers, the city budgeted \$462,250 for job training initiatives across all six neighborhoods approved for rezoning to date, of which no more than \$312,500 had been spent as of June 2020. These six rezonings resulted in more than 320 specific commitments ranging from public transit improvements to rental assistance programs. But just 33 of those commitments were focused on workforce-related issues, and only seven included specific budget amounts.

In East New York, the first neighborhood rezoned under the current administration, the city committed to a new Workforce1 Career Center—a hub for jobseekers operated by the Department of Small Business Services—but did not make any specific investments in job training or skills building. In the fifth rezoned neighborhood, Inwood, the city created a new Career and Technical Education program at a local high school but included no new funding for adult programs as part of its plans. In fact, of the six neighborhood rezonings approved under the de Blasio administration so far, three have not included any investments in worker training: East New York, Far Rockaway, and Bay Street.

Without a blueprint to prioritize and design neighborhood-level investments in workforce development infrastructure, the years-long rezoning process—including eight months or more in the formal uniform land use review process (ULURP) and years of community discussions—has failed to deliver on this vital opportunity. “When it came to the final negotiation, it was really all about the housing,” says Michelle Neugebauer of Cypress Hills LDC. “The other things the community wanted and needed, the second priority being living-wage jobs and economic development, really took a backseat.”

## **Workforce needs, local job opportunities, and the capacity of community-based organizations vary significantly by neighborhood, requiring a flexible and intensive approach.**

Building job readiness and knocking down barriers to employment for residents of neighborhoods undergoing rezoning requires a flexible approach to place-based workforce development. Zoning changes can unlock new economic activity that will lead to job creation—a crucial need as the city reels from months of unprecedented job losses—but identifying emerging job opportunities by networking with employers and building local capacity to prepare residents for them should begin long before a rezoning occurs. An inclusive approach to local workforce investment will require long-term investment in boosting educational attainment; support for bridge programs that can provide onramps to further education and training for New Yorkers with limited English proficiency or who lack digital skills; and partnerships that integrate—and fund—wrap-around supports like mental health services and childcare with skills development and job training.

To lay the groundwork for this approach, city leaders should work with community partners to map the current ecosystem of trusted, community-based institutions—including training and social services providers, community colleges, place-based intermediaries, and local employers—in neighborhoods poised for new development, and create neighborhood-specific plans to strengthen existing talent development infrastructure and replicate effective models to close gaps.

Our research has identified several promising strategies both in and outside of New York that together yield a set of best practices New York City can look to in the future. In downtown Manhattan, Lower East Side Employment Network (LESEN), a JobsFirstNYC partnership, provides a model for how local organizations focused on business outreach, together with social services and job training providers, can join forces to generate access to job opportunities spurred by new development. Outside of New York, cities such as Philadelphia have pioneered programs that partner with large employers to develop training programs. Others like Boston passed changes to zoning law requiring all developments of a certain scale to contribute funding for education and training.

New York City has a clear opportunity to integrate workforce development into future neighborhood rezonings, but significant obstacles remain. The next mayor should launch a comprehensive neighborhood-based workforce development strategy to build and strengthen local hiring and training networks and coordinate investments across agencies—long before proposing any rezonings. The city should proactively develop a local workforce network in every neighborhood with a poverty or unemployment rate higher than the city average, whether or not a rezoning is imminent.

To pay for these crucial investments, the next mayor and City Council can establish citywide linkage fees—modeled on Boston’s successful Neighborhood Jobs Trust initiative—which would add a small fee on new market-rate developments over a minimum number of square feet and use the proceeds to create an education and training fund for neighborhoods undergoing rezoning. Coupled with other city investments, these new initiatives should include expanding place-based approaches to develop strong local networks, building the capacity of local organizations, scaling effective programs to serve new communities, and connecting residents of rezoned neighborhoods to skills-building, education, and job placement opportunities across the city.



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## Minimal Workforce Commitments in Six Recent Rezonings

According to the official NYC Rezoning Commitment Tracker, the city has allocated just \$462,250 to fund education and training for adult residents as part of six recent rezonings. As of June 2021, just \$312,500 has been spent on direct education and training programs and services in only one of the six neighborhoods.

- In East New York, the first neighborhood to be rezoned, the only workforce-related commitment, besides encouraging outreach to local residents for construction jobs, was the construction of a Workforce1 Career Center (WF1). Neither of the two workforce commitments had a funding amount listed. The WF1 Center opened in November 2016. Entities responding to HPD RFPs are required to develop a local hiring plan; thus far, these have included the Dinsmore-Chestnut and Grant Avenue Muni Lot RFPs.
  - In Far Rockaway, none of the three workforce-related commitments have funding amounts listed, though the \$30 million renovation of the Far Rockaway library will allow the library to increase its adult education services. Construction of the Far Rockaway Library began in August 2018, with construction ongoing as of October 2021.
  - In East Harlem, two of the five workforce-related commitments have funding amounts listed (\$500,000 for a satellite Workforce1 Center and \$150,000 for local training). As of June 2021, the satellite Workforce1 Center had not yet been developed, and the allocation for local training has gone to preexisting services offered by the Upper Manhattan Workforce1 Center, which is located outside the rezoned area.<sup>3</sup>
  - In Jerome Avenue, two of the six workforce-related commitments have funding amounts listed (\$632,250 total: \$312,250 for retraining autoworkers and \$80,000 per year for a four-year Jerome program manager position.) Small Business Services hired the program manager at the end of 2018. As last reported on the Rezoning Commitments Tracker, the Auto Workers Workforce Training program launched in 2019, but ongoing funding had not been allocated to continue the program beyond 2020.
  - In Inwood, three of the fourteen workforce-related commitments have funding amounts listed (\$2.65 million to build a STEM Center at a high school, over \$2 million to “develop and launch the GWEC STEM Institute, a year-long STEM enrichment program,” and \$100,000 to implement an NYCx Co-Lab Challenge). There is no new funding for any workforce-related programs or services for people not attending high school.
  - In Bay Street, none of the three workforce-related commitments have funding amounts listed.
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# Leaky Pipelines, Lacking Access: The Opportunity Gap in Neighborhood Rezoning

**THE ECONOMIC TOLL OF THE COVID-19 PANDEMIC HAS** fallen hardest on the city's most vulnerable residents. In lower-income communities from Mott Haven to East Elmhurst, unemployment has spiked to levels last seen during the Great Depression; job losses have been especially severe in occupations and industries—from food service and personal care to transportation and retail—that are most accessible to New Yorkers without a postsecondary credential. Even the most established workforce development programs face uncertainty as employers cancel or postpone hiring plans.

With so many New Yorkers out of work and a bleak fiscal outlook for the city and state, new private-sector investment in New York City's economy will be critical to recovery. In this environment, land-use changes, including neighborhood rezonings, hold the potential to spur renewed economic activity, encouraging job creation and a time when public dollars are stretched thin. But without commensurate investments in people—including a new level of commitment from the city's leaders to career education and skills-building infrastructure—too few of the economic benefits will reach the New Yorkers most in need.

Data on educational attainment and economic access reveals particularly sharp opportunity divides in neighborhoods that have undergone recent neighborhood rezonings. To ensure that future economic development can benefit current residents—and cultivate an economic recovery that includes New Yorkers who face the greatest structural barriers to employment—New York will need to mobilize new efforts to fix leaks across the education system and tackle the most persistent barriers to economic opportunity.

The twelve neighborhoods the de Blasio administration has considered for residential rezoning have significantly higher barriers to economic access—among them high poverty rates, high unemployment, low educational attainment, high incarceration rates, high percentages of public housing, and underperforming public schools—than the rest of New York City. In

addition, young adults in these communities are less likely to graduate high school and more likely to end up out of school and out of work—exacerbating the risk that this economic crisis will restrict economic mobility for an entire generation of the city's youth.

## **Barriers to Economic Opportunity: Data from Neighborhood Rezoning**

**NEW YORK CITY'S LEAKY EDUCATIONAL PIPELINE IS EVIDENT IN MOST OF THE COMMUNITIES UNDERGOING REZONINGS.** High school graduation rates are lower than the citywide average, more young adults are neither working nor in school, and the share of residents with at least a bachelor's degree is low. In ten of the twelve neighborhoods considered for residential rezoning, more than 20 percent of adults lack a high school diploma or equivalent. In some communities, the share is much higher. For instance, in the community around Southern Boulevard, 35 percent of adults never graduated high school, nearly double the citywide average. Likewise, the high school graduation rate is just 61 percent, 16 percentage points below the citywide average. Even in a growing economy, job prospects remained dim for New Yorkers without a high school diploma. The average New Yorker without one earns just \$21,233 annually—compared to \$56,910 for those with a postsecondary credential. Now that the city faces a protracted economic downturn, the opportunity divide by education is likely to grow even wider.

When it comes to college credentials, similar disparities persist. On average, 30.2 percent of adults over 25 have a bachelor's degree or higher in these 12 neighborhoods, compared to the city's 37.4 percent average. In East New York, Southern Boulevard, and Jerome Avenue, fewer than 16 percent of adults have a bachelor's degree.

## New York City's Neighborhood Rezoning

Neighborhood	Borough	Rezoning Status	Oversight Agency
Bay Street	Staten Island	Approved June 2019	EDC
Bushwick	Brooklyn	Stalled	DCP
Chinatown	Manhattan	In Process	—
Downtown Far Rockaway	Queens	Approved September 2017	EDC
East Harlem	Manhattan	Approved November 2017	DCP
East New York	Brooklyn	Approved April 2016	DCP
Flushing West	Queens	Withdrawn	DCP
Gowanus	Brooklyn	In Process	DCP
Inwood	Manhattan	Approved August 2018	EDC
Jerome Avenue	Bronx	Approved March 2018	DCP
Long Island City	Queens	Anticipated	—
Southern Boulevard	Bronx	Withdrawn February 2020	—

## Economic Opportunity Indicators in New York City's Neighborhood Rezoning

Even Before the COVID-19 Crisis, Economic Barriers Were Pervasive

Neighborhood	Poverty rate (population for whom poverty status is determined)	Unemployment rate	Share of adults 25+ with high school credential	Share of adults 25+ with bachelor's degree	Share of people with limited English proficiency	Median household income	Incarceration rate per 1000 adults 18+	Share of people in NYCHA housing	Share of residents ages
<b>BAY STREET</b>	23.8%	6.3%	80.1%	29.8%	22.2%	\$54,698	7.9	8.2%	17.8%
<b>BUSHWICK</b>	27.8%	8.3%	72.7%	29.0%	30.1%	\$47,446	7.2	4.7%	12.6%
<b>CHINATOWN</b>	29.2%	6.7%	67.1%	33.4%	35.9%	\$34,007	4.7	25.0%	11.6%
<b>DOWNTOWN FAR ROCKAWAY</b>	19.8%	8.3%	76.0%	28.0%	18.0%	\$50,214	7.1	2.8%	16%
<b>EAST HARLEM</b>	33.4%	9.7%	74.3%	31.9%	20.0%	\$33,756	11.4	26.4%	13.8%
<b>EAST NEW YORK</b>	27.2%	8.0%	79.4%	15.2%	13.6%	\$38,763	12.8	10.0%	21%
<b>FLUSHING WEST</b>	24.5%	3.7%	70.3%	20.2%	65.5%	\$37,514	1.9	0.1%	8.5%
<b>GOWANUS</b>	9.7%	5.3%	92.5%	73.0%	8.1%	\$122,002	2.3	10.1%	12%
<b>INWOOD</b>	19.5%	8.4%	73.6%	31.0%	38.3%	\$50,628	3.9	4.3%	15.4%
<b>JEROME AVENUE</b>	38.4%	11.4%	64.8%	13.1%	35.9%	\$27,874	10.9	1.9%	21.2%
<b>LONG ISLAND CITY</b>	14.9%	5.8%	84.4%	44.0%	33.1%	\$64,821	3.5	3.7%	12.5%
<b>SOUTHERN BOULEVARD</b>	37.0%	11.4%	65.2%	13.7%	31.3%	\$25,835	13.0	6.8%	20.8%
<b>AVERAGE FOR REZONED NEIGHBOR- HOODS</b>	<b>27.0%</b>	<b>8.7%</b>	<b>74.7%</b>	<b>24.8%</b>	<b>24.7%</b>	<b>\$42,656</b>	<b>9.0</b>	<b>8.9%</b>	<b>15.3%</b>
<b>NEW YORK CITY AVERAGE</b>	<b>18.9%</b>	<b>6.9%</b>	<b>81.1%</b>	<b>37.4%</b>	<b>23.1%</b>	<b>\$60,762</b>	<b>3.9</b>	<b>4.7%</b>	<b>14%</b>

Source: Center for an Urban Future analysis of data from ACS 2018 5-year data by Neighborhood Tabulation Area, via NYC Planning Population FactFinder; 2018-19 NYSED data; Incarceration Rate data accessed via Environment & Health Data Portal, which used the ACS 2011-2016; Public housing data accessed via the NYCHA Registered Business Dataset, which used the 2019 NYCHA Data Development Book; Out-of-school, out-of-work youth calculated via 2014-2018 ACS.

## **West Philadelphia Skills Initiative:** Work with an area’s largest employers to develop training programs tailored to their job openings.

The University City neighborhood in West Philadelphia is home to the University of Pennsylvania, the Children’s Hospital of Philadelphia, and other world-class institutions in higher education and medicine. But the area is also home to a community facing some of the greatest barriers to economic access in all of Philadelphia. Nearly a third of residents live below the poverty level, and the unemployment rate is high. In 2011, the non-profit University City District (UCD) founded the West Philadelphia Skills Initiative (WPSI) to connect residents of West Philadelphia to quality entry-level jobs with the area’s large employers. “There’s a ton of opportunity in University City, and there’s a lot of poverty in the neighborhoods adjacent to this institutional core,” says Alissa Weiss, formerly UCD’s director of strategic initiatives and communications, describing the initiative’s beginnings. “Why can’t we build a bridge between people looking for work and institutions looking for talent?”

WPSI works with employers to identify an entry-level role with about 15 or more open positions for which they are planning to recruit and designs a tailored curriculum. The program has partnered with Allied Universal to do security officer training and Drexel to train medical assistants. Some employers, like the Children’s Hospital, have become regular partners. In 2018, WPSI served about 150 people and had a 91 percent job placement rate.

“The University City District is an economic development and a workforce entity,” says Ashley Putnam, director of the Economic Growth & Mobility Project at the Federal Reserve Bank of Philadelphia. “It’s a trusted partner for the employer and for the workers, which is what’s needed for good connectivity.”

## **Essex Crossing:** Raising the bar for workforce investments in new development

On the Lower East Side, a 1.65-million-square-foot development known as Essex Crossing offers an encouraging example of a private developer making significant investments in a neighborhood. Lower East Side’s Community Board 3 was adamant that it would only support development projects that included strong community benefits. In response, the NYC Economic Development Corporation (EDC) signed a Memorandum of Understanding (a good-faith agreement, though not legally binding) with the community board and LESEN, stating that LESEN candidates would be the first to be considered for all permanent jobs at Essex Crossing, and requiring the developer to make quarterly reports to a community board task force.

The city’s Request for Proposals (RFP) for the site’s development, issued in 2013, also laid out unusually specific expectations for the future developer regarding community benefits. In addition to good-faith efforts to comply with EDC’s HireNYC program, the RFP required the developer to agree to hiring goals (hire 50 percent of workers from a target population, defined as people making under 200 percent of the poverty threshold), submit a plan explaining how it would meet those hiring goals and how it planned to collaborate with local workforce organizations, work with the city to provide skills training and education opportunities to workers, and have a staff member in charge of workforce development efforts and communication with EDC.

Throughout our research, sources brought up Essex Crossing as an example of how the city can link strong workforce investments to economic development. In some cases, the development group behind the project has gone beyond what the city asked for, says Katie Archer, the director of community relations at Essex Crossing. Though it wasn’t a city requirement, Archer works with three partner organizations to find employees: Workforce1, LESEN, and Building Skills NY. For construction jobs at Essex Crossing, more than half of the workers placed through the designated hire program have come from LESEN, says Archer. LESEN candidates also get considered first for permanent jobs at Essex Crossing, with companies that include Trader Joe’s, Target, and the Regal movie theater.



**THESE EDUCATIONAL DISPARITIES BEGIN IN CHILDHOOD.**

While 56 percent of Manhattan third-through-eighth graders meet targets for English/language arts and math proficiency, in Bushwick, East Harlem, East New York, Jerome Avenue, and Southern Boulevard, proficiency levels remain below 40 percent. Without these crucial skills in their early education, students in these neighborhoods are unprepared for many college and career options. The neighborhoods that have been rezoned so far all have a significant percentage of out-of-school, out-of-work youth, defined as 16 to 24-year-olds who aren't in school or working. In East New York, roughly one in five young people were not in school or working as of 2019; in Bronx Community District 5, which contains much of the Jerome Avenue corridor, that figure was 21 percent; around Bay Street, it was nearly 18 percent, compared to the citywide average of 14 percent. (Although data from the period since the pandemic hit is not yet available, these rates have almost certainly spiked.)

**LIMITED ENGLISH PROFICIENCY DISPROPORTIONATELY AFFECTS RESIDENTS OF COMMUNITIES UNDERGOING REZONINGS AND CAN FURTHER RESTRICT ACCESS TO QUALITY JOBS.** More than 30 percent of residents in Bushwick, Chinatown, Flushing West, Jerome Avenue, Inwood, Long Island City, and Southern Boulevard

report speaking English less than very well, compared to a citywide average of 23 percent. Limited English proficiency tends to confine people to their own neighborhoods—which is a challenge when it comes to looking for work. Knowing English “allows you to get out of your own neighborhood,” says Stephanie Lau, assistant executive director of the Chinatown Manpower Project, which provides a range of job training, literacy, and entrepreneurship services. In particular, Lau cites a pressing need for bridge programs that teach ESOL in the context of other job-specific skills, and can help local residents access job opportunities in other communities.

**ALMOST EVERY NEIGHBORHOOD THAT HAS BEEN CONSIDERED FOR RESIDENTIAL REZONING HAS A HIGHER INCARCERATION RATE THAN THE CITY AVERAGE.** In the six neighborhoods that have been approved for rezoning, an average of 9 in 1,000 adults has been incarcerated, compared to the city's overall incarceration rate of 3.9. In an economic downturn, says Christopher Watler of CEO, formerly incarcerated people face even steeper barriers to employment. “The participants we serve generally are people with limited education, limited work experience, limited skills—so really at the bottom of the pool of people who are looking for work,” says Christopher Watler of CEO.

## Chicago's North Lawndale Employment Network: Tackling the steepest barriers to employment

Since 1999, the North Lawndale Employment Network (NLEN) has helped residents of Chicago's North Lawndale neighborhood—particularly those with a criminal record and other significant barriers to employment—develop basic job readiness skills, find living-wage jobs, and connect with supportive services.

North Lawndale has significant economic challenges—a high poverty rate, high unemployment, and a large formerly incarcerated population, in addition to issues including gun violence and drug trafficking. When Brenda Palms-Barber was brought on as NLEN's first executive director, a position she still holds today, her mission was to understand why North Lawndale's unemployment rate was so much higher than in the rest of the city. In the following months, she became convinced that many of the neighborhood's economic barriers could be traced to the criminal justice system and the effects of mass incarceration.

“Our first step was to help residents of this community develop basic work skills, especially those who have a criminal record,” says Palms-Barber. NLEN launched U-Turn Permitted, a month-long job readiness program for people with one or more felony convictions. With funding from the city and state, NLEN built a network of job training programs, financial counseling and credit-building services, income supports, and other resources. NLEN's model relies heavily on bridge programs, which provide extra support for people who need it before beginning a traditional job training program. “They're fundamental,” says Palms-Barber. “We would not have a program—we could not give people jobs—if we did not have a bridge program.”

# Rezoning to Date: Significant Employment Barriers but Minimal Workforce Investments

**DESPITE THE SIGNIFICANT BARRIERS TO ECONOMIC** access in the neighborhoods where rezoning has happened or is under consideration, this report finds that New York City has made few investments in workforce development as part of recent rezonings. In each case, the long-term challenge of expanding access to employment opportunities through investments in place-based skills-building and job training infrastructure has been overshadowed by other concerns, from housing protections to concessions for community spaces. To ensure that zoning changes function to boost equitable access to job opportunities for local residents in addition to spurring affordable housing construction, this will need to change.

“What has been lacking in most of these rezonings is a big workforce or economic development push that is commensurate with certificate of no harassment, or right to counsel,” says Chris Walters, land use policy coordinator at the Association for Neighborhood and Housing Development (ANHD), referring to housing protections that neighborhood groups have campaigned for successfully. “You have neighborhoods saying, ‘Don’t rezone until these measures are put in place.’”

In our research interviews with community groups and local stakeholders, as well as other organizations familiar with the rezoning approval process, it became clear that many view workforce development as a missing component in rezoning discussions. Seny Taveras, executive director of CUNY in the Heights, a continuing education initiative focused on northern Manhattan, recalls that dynamic during meetings of the Northern Manhattan Agenda, a coalition of local groups in Washington Heights and Inwood launched by Council Member Ydanis Rodriguez to organize around the neighborhood’s proposed rezoning. “Though I argued a lot for professional development and workforce development, the discussion was minimal,” she says. “People feel like the priority is having a home.”

With multiple issues and concerns competing for attention and relatively few high-profile champions,

investments in education, skills training, and job placement have typically failed to gain much traction. In East New York, the first rezoning undertaken by the de Blasio administration, the city’s one concrete workforce commitment was creating a new Workforce1 Career Center. But experts say that this investment alone is inadequate to help narrow the opportunity divide in the city’s underresourced communities.

The Department of Small Business Services describes Workforce1 as a service that “prepares and connects qualified candidates to job opportunities.” While these centers help New Yorkers create resumes and apply to jobs, they are limited in their ability to help prepare large numbers of residents with significant barriers to employment to gain job readiness and train for in-demand careers—without commensurate investments in career training organizations and skills-building initiatives that can help expand the pool of “qualified” candidates in the first place.

Larry Rothchild, director of workforce development at St. Nicks Alliance, used to run a Workforce1 Center, but he doubts their effectiveness as the primary vehicle for workforce investment in neighborhoods undergoing rezoning. “I think the real need is local training and local placement,” says Rothchild. “The Centers are more for people who are completely job-ready when they walk in. There’s no follow-up when the project ends—it’s really not career-focused in that way.”

The list of commitments made in recent rezonings also includes language requiring that respondents to city RFPs demonstrate a plan for outreach to local residents for construction jobs, but community-based organizations say that these provisions are nearly impossible to enforce. “There’s no meat on the bones or accountability mechanism,” says Michelle Neugebauer of Cypress Hills LDC. “Your plan for local hire can be really loose, and I don’t think there’s a mechanism in place to hold development teams accountable for those commitments.”

In some recent rezonings, a push for workforce investments has played a slightly larger role. For instance,

in East Harlem, a strong network of local organizations published its own community plan that informed the city’s rezoning. Dubbed the East Harlem Neighborhood Plan, the community plan argued for numerous investments alongside the rezoning and included a section on workforce and economic development. The city took up one of the requests, committing to build a new satellite Workforce1 Career Center in the neighborhood.

The Jerome Avenue rezoning represents the city’s most concentrated effort to invest in workforce development alongside land use changes—in part because the rezoning is expected to catalyze real estate development that would directly affect local industry. The existing corridor of auto shops along Jerome Avenue is likely to close or relocate when the avenue opens to residential development. The auto mechanics who work along the corridor are some of the highest-earning residents in their low-income community, and many could be left without jobs. The Jerome Plan included some provisions for auto workers, though local leaders and advocates say their effectiveness is limited by a slow rollout. However, the city has made more comprehensive workforce investments there than in other rezonings,

including supporting the creation of a local network of workforce providers the Jerome Avenue Revitalization Collaborative (JARC), a partnership of JobsFirstNYC, and allocating \$632,250 to create an Autoworkers Workforce Training Program and to hire a full-time program manager.

Besides Workforce1 Centers, the most consistent workforce investment tied to current rezoning proposals is for local hiring in the construction jobs that new development will create. But getting local residents into construction jobs is complex, in part because legal concerns about mandating local hiring make these efforts all but unenforceable. As a result, the city’s language around local hiring is largely aspirational and has offered few tangible commitments as part of rezoning plans. (A 2020 agreement between the de Blasio administration and the building trades unions sets goals for boosting hiring from lower-income communities for work on city-owned buildings and could be expanded and replicated.)

For example, the most common workforce commitment around local hiring—present in five of six rezonings so far—promises to “expand local hiring incentives

## **Boston’s Neighborhood Jobs Trust: Using linkage fees to fund worker training**

Since 1987, Boston has required developers of commercial projects larger than 100,000 square feet to pay linkage fees that go towards job training and other services for low-to-moderate-income Boston residents. For every square foot, the developer contributes \$1.78 to the Office of Workforce Development’s Neighborhood Jobs Trust (NJT). Developers can choose to make a general contribution to the fund or request that their contribution go towards training workers for permanent jobs at their own site.

NJT supports programs that connect neighborhood residents who have multiple barriers to employment to living-wage jobs. Most participants in NJT-funded programs have no more than a high school diploma or GED, and most live in areas with high unemployment. The fund makes grants to training programs in a range of industries, including finance, nursing, and hospitality. It also funds adult education, English language learning, and training programs with a financial education component. In 2016-2017, NJT gave \$2.2 million to education and job training programs that served nearly 2,400 Boston residents, including \$1.2 million in grants to community-based organizations providing job training, enabling them to serve 270 people. (Of those 270, 84 percent graduated from their programs, and 70 percent (189 participants) secured jobs afterward.) The remainder of the funding went to special projects: English learning programs, including one specifically for residents of Boston Housing Authority buildings; Individual Training Accounts; and Boston’s Tuition-Free Community College Plan, among other initiatives.

Boston’s linkage fees offer a way to concretely tie economic development to workforce development while generating much-needed revenue. For instance, Boston’s Millennium Tower, a 60-story glass skyscraper with luxury apartments that began construction in 2013, contributed almost \$400,000 to NJT.

in HPD-financed developments.” But this commitment functions as a suggestion rather than an enforceable mechanism, according to several housing and workforce experts consulted for this report. But even if the city cannot mandate local hiring by law, local leaders say that the city can do more to set benchmarks around outreach measures and ensure follow-up with construction companies, developers, and training providers. Only in Downtown Far Rockaway is the requirement slightly more specific: to “implement a targeted hiring outreach plan.”

Neugebauer hasn’t come away from the East New York rezoning with confidence in the city’s follow-through on local hiring goals. “I can just tell you from experience that we won a city RFP, and we put together a local hire plan, but no one has ever asked us about it, and we’re getting ready to close on our project,” she says.

Ensuring that city agencies meet their commitments will require a new level of advocacy from local elected officials coupled with transparent oversight from the Mayor’s Office.

In addition to a narrow focus on linking people to jobs in the building trades, workforce-related commitments tend to lack clear accountability mechanisms, such as funding amounts or timelines for rollout.

In the Inwood rezoning, which included a greater focus on workforce development than most other recent rezonings, eleven of the fourteen workforce-related commitments state that “no new funding is required.” This includes all commitments involving career training and adult education. “Where they say ‘no new funding required,’ that’s absurd,” says Greg Bangser, deputy executive director and COO of the Inwood-based Northern Manhattan Improvement

## **The LESEN model: Establish a network of local nonprofits well in advance of large-scale development**

The Lower East Side Employment Network, a JobsFirstNYC partnership, has a straightforward approach: Local organizations work as a team to link people to jobs with employers in the neighborhood. Combined, the organizations that make up LESEN serve more than 10,000 people and engage with 300 businesses every year. LESEN connects about 170 people to jobs annually, with residents of the Lower East Side making up roughly half of the job candidates.

David Garza, president and CEO of Henry Street Settlement and LESEN’s founder, sees the network as a response to a changing Lower East Side. “Everybody knew large-scale economic development was coming,” he says. “On the Lower East Side, we had enough lead time to put in place certain things—trust, communication, infrastructure, some political positioning—to help local residents benefit.”

Lead time is crucial for a successful network, say Garza and Gaspar Caro, LESEN’s partnership director. To be effective, a local workforce network should be developed before large-scale development arrives—at least two or three years prior, suggests Garza. LESEN had almost five years before major development projects came to the neighborhood. “We had the time, the space, the runway to really develop our collaboration before major projects came into the neighborhood,” says Caro.

Garza and Caro believe every neighborhood could use a network of local organizations that focuses on workforce—not a duplicate of LESEN, but a network that can respond to that community’s particular issues. “Each neighborhood should probably be having a conversation about developing an employment network, but the details of what they would look like would be very different. There’s no plug and play template,” says Caro. Still, in every neighborhood, a workforce network can address the lack of coordination among workforce organizations, give employers a single source to turn to when hiring, and connect people to training and job opportunities while providing wraparound supports.

A small number of other neighborhoods have started to develop LESEN-like networks (JobsFirstNYC, a partner in this report, is helping several neighborhoods establish these networks). Jerome Avenue Revitalization Collaborative (JARC) responds to workforce issues related to the Jerome Avenue rezoning, while YES Bed-Stuy in Bedford-Stuyvesant and Youth WINS on Staten Island are organizing apart from any rezoning proposals.



Corporation. “Effective training and adult education programs require significant funding.”

Often these programmatic commitments reflect city agencies’ preexisting programs, and outcomes are not measured as part of the city’s commitments tracker, making an independent assessment of their effectiveness nearly impossible. In the Rockaways, for instance, the commitment to “promote local hiring and job opportunities for area residents” is followed by a description of the existing Workforce1 Center. Similarly, in the Inwood commitments, “Increase access to employment opportunities for local residents” is followed by a description of the city’s Workforce1 Centers, a description of the city’s Industry Partnerships, and a statement that SBS will prioritize Inwood residents for Workforce1 services. The timeline is listed as ongoing, with no new funding required—indicating that these commitments would have happened regardless of whether a rezoning occurred.

At the same time, the focus on the construction and building maintenance jobs which are a direct result of the rezoning may obscure a broader issue: Workforce investments need not be limited to connecting people to jobs in their neighborhoods that are created as a direct result of the rezoning—especially since those jobs are often temporary and limited in number. As New York embarks on the long road to economic recovery, new investment will be needed to help residents in communities that have been disproportionately harmed by the pandemic to access the jobs that are poised to rebound in sectors like tech, healthcare, and green infrastructure. With the right training and support, residents of neighborhoods undergoing rezonings—the majority of whom do not have a four-year degree—could gain access to those jobs.

To seize this opportunity, according to local leaders interviewed for this report, New York will need a clear process for identifying and integrating these crucial investments at the onset of rezoning planning. But to date, the process has been highly fragmented, with multiple layers of nonbinding review and varying levels of community input taking place before ULURP kicks off and the City Council holds a final vote. The lack of structure around the design and integration of these commitments and concessions means that rezoning discussions typically stretch on for years, even as investments in workforce development and skills-building initiatives fail to materialize.

## East New York: A Backseat for Workforce Investments

In April 2016, East New York was approved as the de Blasio administration’s first neighborhood rezoning, following a lengthy community engagement process. In response to news that East New York would be the first de Blasio-era rezoning, neighborhood groups came together to advocate for community benefits. They called themselves the Coalition for Community Advancement and—with support from the technical assistance collaborative that includes ANHD and the Pratt Center for Community Development—released a community plan.<sup>4</sup> The coalition’s plan was centered on housing issues, but it also requested protections for the local manufacturing industry, a Workforce1 Center, local hiring on development projects, training to prepare residents for career paths in construction, and programs to help young adults enter the building trades.

Over the course of several months, the city met with the coalition to share information about the upcoming rezoning, discuss community needs, and negotiate over the final list of commitments the city would make to East New York if the rezoning was approved. Michelle Neugebauer of Cypress Hills LDC, a member of the coalition’s steering committee, recalls the coalition being hopeful. But that feeling dampened as talks went on, and the group narrowed its focus to advocating for the most immediate need: housing protections.

Ana Aguirre, the executive director of United Community Centers and another member of the coalition’s steering committee, agrees that workforce issues received relatively little focus. “Workforce was not really a conversation,” she says. “They just mentioned that jobs will be available.”

Aguirre lists a number of investments that would have been useful to neighborhood residents, particularly investments in high school equivalency programs and ESOL. Construction training programs and programs that allow people to earn credentials in healthcare and early childcare could have prepared local people to work for the businesses that might move in as buildings went up and families moved into the neighborhood. Neugebauer saw opportunities for training programs in transportation, manufacturing, and construction: “These are big sectors in East New York that have great living-wage jobs, but we need investments in training to get more people into the jobs.”

The city made two workforce-related commitments in its final East New York Neighborhood Plan: building a Workforce1 Career Center and requiring that respondents to city RFPs “demonstrate a plan for outreach” for local hiring. But reactions have been mixed. Aguirre was initially in favor of a Center in the neighborhood but is disappointed by how it functions in practice. “The Workforce1, though well-intentioned, is not doing what we were expecting,” she says. She had hoped the Center would offer comprehensive support and training for people looking for jobs, but the Workforce1 system lacks follow-up after the initial job match, and the Center provides little training beyond resume workshops and interview preparation. Looking back, says Neugebauer, “The real problem is there was no plan on workforce development. I think the expectation was that HireNYC and the Workforce1 Center would be enough.”

## **Jerome Avenue: Stronger Workforce Focus, but Limitations Persist**

Of the five de Blasio-era rezonings so far, Jerome Avenue has seen the greatest focus on workforce development. Unlike in the other rezonings, workforce concerns were part of the discussion around Jerome Avenue from the beginning. The corridor was lined with auto shops, which were expected to experience closures or relocations once zoning changes allowed residential development. A network of community groups—the Bronx Coalition for a Community Vision, led by Community Action for Safe Apartments (CASA)—mobilized in response to the rezoning and made the displacement of auto workers a primary focus. The coalition pushed for protections for auto workers alongside housing protections and campaigned for the preservation of portions of the manufacturing land where auto shops were located.

“Auto workers are some of the highest-income people in this area. They live here, they shop here—that makes a huge impact,” says CASA’s director, Sheila Garcia, who led the coalition.

To its credit, the city recognized workforce issues as a serious concern. DCP, SBS, and the Office of Workforce Development led discussions with community groups,

mapped neighborhood resources, and incorporated workforce commitments into the Jerome Plan. Among those commitments was the creation of a new Jerome Program Manager position to oversee economic and workforce development efforts as the rezoning unfolded.

The city’s strongest commitment was to support the creation of the Jerome Avenue Revitalization Collaborative (JARC), a network of local workforce organizations similar to the Lower East Side’s LESEN model. After a process of asset mapping to identify services and gaps in the Jerome area, the city brought in JobsFirstNYC—a partner on this report—to lead the creation of the JARC. “The big win was the employment network,” says Ashley Putnam, who helped lead the city’s involvement in creating the JARC. A network allowed the city to mobilize resources already in the neighborhood and gave community groups a platform to identify and advocate for their own needs.

The Jerome Plan included a commitment to fund retraining and relocation for auto workers—but the investments may be too little, too late, according to some community advocates. The investments may also be impractical for many of the workers they were meant to serve. Sheila Garcia of CASA doubts that any retraining effort could counter the negative effects of the rezoning on auto workers: “You’re displacing a whole bunch of workers that are probably never going to get paid at that rate again,” she says. “What training could you provide for a worker that’s making about \$47,000 a year, who doesn’t have a high school diploma?”

Several investments have been slow to roll out. Jerome’s new program manager was hired more than eight months after the rezoning was approved. And even as businesses along Jerome Avenue experience displacement pressure, retraining for auto workers has yet to be developed. “When these rezonings happen, the real estate developers are in as early as possible,” says Kenneth Adams, former dean of workforce and economic development at Bronx Community College and current Laguardia Community College president. “That’s just the market response. We should be doing investment in skills training before rezoning is even passed. Otherwise, the ship will have sailed for many people.”

# Challenges and Opportunities to Integrate Workforce Investments into Neighborhood Rezoning

**REZONING COULD BE A CATALYST FOR SUBSTANTIAL** new investment in workforce development infrastructure in the communities with the greatest need. A community-driven process to secure commitments from both city government and private developers has the potential to greatly expand and improve the design, funding, and implementation of cutting-edge approaches to workforce development. But to realize this opportunity, the next mayor, local elected officials, planning agencies, and community-based organizations will need to work together to address several challenges.

## **To be effective, workforce investments should begin long before a rezoning is approved.**

New York City has among the lengthiest land-use review processes in the nation, with months spent in the formal ULURP process and years in discussion. This system all but ensures that new investment in workforce development—obtained through rezoning commitments—happens too late in the process to be most effective. Making local workforce investments before a major influx of development is important “so that people are earning the incomes and are ready for a higher-cost market,” says Neugebauer of Cypress Hills LDC. “Currently, [workforce] investments are not aligned with what really happens after a big rezoning.”

As of June 2020, the city was yet to spend any of the money dedicated to retraining auto workers along Jerome Avenue, where auto shops have been closing since the rezoning was approved in 2018. Contacted in the months before the pandemic, local workforce organizations were still unsure what the training would look like, who would provide it, or how auto workers could sign up, and when they could expect to have more information.

Investments earlier in the process could make promising initiatives more effective. For instance, a dedicated program manager for Jerome Avenue was hired to provide a central contact point for jobseekers, businesses, and construction projects. But it took eight months to hire the position after the rezoning was approved—nearly a year and a half after ULURP began.

## **Even neighborhoods with strong workforce organizations need support to facilitate resource mapping and collaboration.**

For neighborhood-level workforce development investment to be effective, investment should foster connections among the programs and organizations already on the ground in a community. But experts say that a lack of awareness about the programs, providers, and services already present in a community—coupled with funding that rarely incentivizes collaboration—makes it difficult to leverage new investments to foster local networks and to identify when to bring in outside resources.

The lack of collaboration stems partly from the city’s approach to workforce funding, which typically places organizations in competition. Funding is tied to specific outcomes, like job placement or retention, but a single outcome cannot be counted twice—so if two organizations work together to support an individual and that individual gets a job only the organization directly responsible for that placement will be reimbursed. “These organizations, although they’re in the same spatial area and potentially serving the same people, are often not working together,” says Ashley Putnam, former economic development advisor at the Mayor’s Office of Workforce Development. “Or if they are, it is transactional, not collaborative.”



**We really need to see the bridge programs come to life.** A lot of our clients are at the cusp—maybe they need one cycle of ESL, and then they could go into vocational training and really be successful in that.”

STEPHANIE LAU, ASSISTANT EXECUTIVE DIRECTOR OF THE CHINATOWN MANPOWER PROJECT

To improve the effectiveness of local workforce investment, new RFPs could foster collaboration between workforce organizations in neighborhoods being rezoned by offering financial incentives to groups that work together, according to several workforce development experts interviewed for this report. This approach can avoid duplicating services, create links between adult education and bridge programs into more intensive job training, and encourage community-based organizations to expand referral networks by benefiting financially from shared success.

To implement this network-based approach, New York can learn from and replicate a number of place-based workforce development initiatives in communities across the city. This includes a small number of successful community-based networks such as LESEN and the Young Adult Sectoral Employment Project (YASEP)—JobsFirstNYC projects—as well as campus-based initiatives at the Southwest Brooklyn IDC, Industry City, and the Brooklyn Navy Yard.

**Investments in bridge programs, adult basic education, and supportive services can expand access to job training programs that deliver the best outcomes.**

Designed for people who need extra support before transitioning to a career-focused training program or further education, bridge programs provide a crucial onramp to training for New Yorkers who need a boost of math, literacy, English language, or soft skills. For

New Yorkers with significant barriers to employment—including immigrants with limited English proficiency, people without a high school diploma, and people with as low as seventh-grade reading levels—bridge programs can make effective workforce training accessible. In our interviews with workforce experts, the need for bridge programs came up more than any other training model. “Bridge programs have been proven to be highly effective. It’s a best practice model,” says Sunil Gupta of LaGuardia Community College.

To date, New York has not funded bridge programs as the best practice they are, despite the near-consensus among workforce development experts. According to the most recent progress report on New York City’s Career Pathways initiative, the city has only invested \$6.4 million into bridge strategies—only about 10 percent of the \$60 million annual investment Career Pathways commits the city to fund by 2020.

Bridge programs work by addressing all the barriers that could keep a person from succeeding in a job, degree program, or training program, which requires a combination of educational and social service support. A candidate for a bridge program may lack sufficient math skills for a tech training program because she never graduated high school, but she also might be a single parent who can’t make regularly scheduled classes because she has difficulty accessing childcare. A high-quality bridge program would identify and address both of those barriers. The most successful bridge programs often take place either outside regular working hours or include a stipend so that individuals who can’t sacrifice a source of income while completing a training program can still participate.



For Stephanie Lau, assistant executive director of the Chinatown Manpower Project (Chinatown is another neighborhood that has been discussed as a candidate for rezoning), these programs are a proven, powerful model that could help her clients and other vulnerable New Yorkers. “We really need to see the bridge programs come to life,” she says. “A lot of our clients are at the cusp—maybe they need one cycle of ESL, and then they could go into vocational training and really be successful in that. But for a while now, the current landscape has not been focused on bridge programming.”

## **Many neighborhoods lack sufficient capacity among local workforce development organizations to meet growing demand—even with new investment.**

Even if the city builds workforce investments into the rezoning process much earlier, many neighborhoods are not prepared to implement them. For instance, many communities lack strong, local workforce development organizations, and those that exist may lack the capacity to scale up their services quickly.

Inwood, the fifth neighborhood to be rezoned, is one such example. “There’s definitely a dearth of providers in this area,” says Sara Chapman, director of education and career services at Northern Manhattan Improvement Corporation (NMIC), a nonprofit provider of social

### **Colorado Springs Workforce Asset Map (WAM!): Create a publicly available map of workforce resources**

Asset mapping addresses a basic but daunting problem: Workforce providers—not to mention residents—often lack a clear sense of the resources in their neighborhoods. “Providers don’t know what’s in a community to collaborate around, and the residents don’t have the information or the access to understand what employment and training resources are available to help them,” says Sharon Sewell-Fairman, executive director of the Workforce Professionals Training Institute (WPTI). WPTI worked with the JARC to go through a basic asset mapping process, which included community surveys and resulted in a map of the types of services available along the Jerome Avenue corridor. That map was not made public or kept updated—but an early-stage project in Colorado Springs is showing how asset mapping can translate to an online tool for both providers and jobseekers.

Tatiana Bailey, director of the Colorado Springs Economic Forum, pitched the idea for an asset map at a workforce panel a few years ago. “There are good organizations doing good work out there—that’s not the issue,” says Bailey. “The issue is that a lot of them overlap, and a lot of people don’t know about those resources.” She suggested a website that listed all of Colorado Springs’s workforce resources in one place and had a simple interactive format that allowed users to connect with the resources they needed. With the support of the region’s major workforce organizations, she secured city funding and created the Colorado Springs Workforce Asset Map (WAM!).<sup>5</sup>

As a result of collaborating to put together the asset map, local workforce organizations are working together more. High school counselors can refer students to the website and use a career exploration curriculum available on the site—which is especially valuable in underfunded school districts where counselors have overwhelming caseloads. “Counselors have been some of the most vociferous [supporters] for us,” says Bailey. “Saying, ‘This workforce asset map is gold because we can’t sit down with these kids and give them the amount of time we would like.’”

services. “There’s not a large enough network—we’re the largest service provider up here, and the next one is small.”

Community groups are also limited by space. Tara Lannen-Stanton, former director of adult learning at Queens Public Library, doubts that the new Inwood library building—for all its benefits—“will have room to meet the growing demand for adult education programs.”

## **Local hiring provisions lack accountability but can be strengthened.**

In every rezoning, neighborhood groups push the city to ensure that local residents have access to new construction jobs. Because of legal obstacles to mandating local hiring, however, the city does not make enforceable commitments around local hire. But the current alternative—HireNYC—lacks an accountability mechanism. Angel

Mescain, the district manager of East Harlem’s community board, says, “In our community, we’re seeing all this construction, and we’re not benefiting from it. We hear all the time how difficult it is for East Harlem residents to get on jobs—residents who have their OSHA card, have experience, have a union card, and can’t get on jobs.”

In addition to supporting for local workforce networks that can tap into hiring opportunities at neighborhood small businesses—and expanding effective job training programs into new communities through local partnerships—experts say that New York City needs to pursue state-level legislation that would require contractors and businesses working with the City to hire New Yorkers from high poverty neighborhoods.

## **San Francisco: Mandating local hiring**

Not every city has been as cautious as New York when it comes to local hiring mandates. Despite uncertainty around the legality of requiring developers to hire locally—doing so could be construed as discrimination against non-state residents, which violates a constitutional clause—several cities have chosen to set local hiring requirements and risk potential lawsuits. San Francisco is one example: for city-funded development projects on public land or worth over \$600,000, San Francisco residents must perform at least 30 percent of work hours. The city also requires half of the apprentice work hours to go to local residents.<sup>6</sup> Contractors must submit a local hiring projection estimating work hours per trade for workers and apprentices, a local hiring plan, and the payroll for their entire workforce to the city.

Since the policy went into effect in 2012, local hiring rates have increased significantly. Before the requirement, San Francisco residents completed fewer than 20 percent of work hours on city projects; the average now exceeds the 30 percent mandate. “Even without us being there to remind employers, it’s become a standard,” says Ken Nim, CityBuild director at San Francisco’s Office of Economic and Workforce Development. “When contractors are bidding on public works contracts in San Francisco, they know they have to hire local residents. They call us. They look at their workforce and work with their unions, and say, ‘Hey, I need to get local residents on this project because it’s San Francisco and it’s publicly funded.’”

Nim’s strongest recommendation for cities considering a local hiring policy is to couple it with investment in training. That is where San Francisco has an advantage: unlike most other cities, it has a city-run construction pre-apprenticeship program that feeds into union apprenticeships. “Our CityBuild program came before the local hire requirement, so we’d already established the foundation of having a workforce program that builds that pipeline. We’ve already got buy-in from the unions, buy-in from the employers,” says Nim. The pre-apprenticeship program targets participants with barriers to employment, including recent immigrants, formerly incarcerated people, and people without a college degree.

## Recommendations

# Building a Citywide, Neighborhood-Based Workforce Investment Strategy for Future Rezoning

**The next mayor should make coordinated workforce investments a top priority.**

**LAUNCH A COMPREHENSIVE NEIGHBORHOOD-BASED WORKFORCE DEVELOPMENT STRATEGY TO BUILD AND STRENGTHEN LOCAL HIRING AND TRAINING NETWORKS AND COORDINATE INVESTMENTS ACROSS AGENCIES.**

Building strong local workforce networks and making coordinated investments in education and training at the community level should be a top priority for the city's future leaders. The next mayor should convene every agency with a role in both neighborhood planning and workforce development—including the Department of City Planning, Economic Development Corporation, Small Business Services, Department of Education, and the Mayor's Office of Workforce Development—and collaborate with workforce practitioners, local businesses, and community advocates to design a coordinated set of investments in education, training, and other workforce needs to take place in advance of major land-use changes. The resulting investment strategy should include specific timelines, reporting requirements, and funding amounts to ensure transparency and create accountability that extends beyond the limited updates available in the city's current commitment tracker.

**DEVELOP A LOCAL WORKFORCE NETWORK IN EVERY NEIGHBORHOOD WITH A POVERTY OR UNEMPLOYMENT RATE HIGHER THAN THE CITY AVERAGE—WHETHER OR NOT A REZONING IS IMMINENT.**

Every neighborhood with significant barriers to economic access should have a network of local organizations focused on identifying and responding to the neighborhood's workforce challenges. But to date, networks focused on workforce development and job access only exist in a handful of communities, including the LESEN initiative on the Lower East Side and the JARC network in the Bronx. As part of a broader strategy to cultivate an inclusive economic recovery, the next mayor should lead the development of local workforce networks to serve every community across the city with high rates of poverty and unemployment.

Workforce networks should look different in every neighborhood, depending on the job and training opportunities available locally and the needs of neighborhood residents. But each should include recurring annual funding for a dedicated coordinator position to liaise between businesses, training providers, community-based organizations, jobseekers, private developers, and city agencies. Strong networks can connect residents to jobs and training opportunities both inside and outside their own neighborhoods and help coordinate a community-wide response to future rezoning proposals.

## **The city and state should tap new revenue streams linked to development and dedicated to workforce investment.**

**ESTABLISH CITYWIDE LINKAGE FEES FOR DEVELOPERS OF MARKET-RATE COMMERCIAL, RESIDENTIAL, AND INDUSTRIAL SPACE, AND USE THE PROCEEDS TO CREATE AN EDUCATION AND TRAINING FUND FOR NEIGHBORHOODS UNDERGOING REZONING.** Faced with an ongoing fiscal crisis stemming from the pandemic, public dollars for workforce development—already in short supply pre-COVID—are likely to be even more constrained. Boston’s Neighborhood Jobs Trust has allowed the city to tie economic and workforce development, creating a system that requires developers to make investments in workforce development. The next mayor should work with the State Legislature to pass similar legislation bringing this revenue model to New York City. For every square foot of new development, the developer would contribute \$2 into a new Local Workforce Development Fund, seeding grants that would be used to build the capacity of quality local workforce providers in neighborhoods with new development.

A significant share of the fund should be distributed through RFPs for education and training programs in neighborhoods being rezoned—particularly bridge programs; programs that involve partnerships between local organizations and larger, reputable organizations outside of the neighborhood; paid internships and apprenticeships; programs that boost adult education, HSE attainment, and language acquisition; and programs with wraparound services to meet other basic needs, from childcare to MetroCards. As in Boston, developers should be allowed to choose whether their fee goes to a general education and training fund or to a training program that creates pathways for local residents to be hired on their projects.

**REQUIRE DEVELOPERS AND CONTRACTORS WITH CITY CONTRACTS TO PARTNER WITH LOCAL WORKFORCE NETWORKS AND PASS COMMUNITY HIRING LEGISLATION AT THE STATE LEVEL.** The city should go beyond its current approach to local hiring mandates, which lack accountability and rarely result in new jobs for local residents. City leaders should work with the State to pass legislation requiring developers and contractors who do business with the city to meet local hiring goals. Provisions should include authorizing a minimum ratio of apprentices on building projects; requiring demonstrated partnerships with the local workforce organizations, including a first-look policy, in which the job advertisements are advertised with the local network first; and annual reporting requirements to create transparency around local hiring goals.

## **The next mayor and City Council should build and strengthen neighborhood-based workforce development capacity in advance of major land-use changes.**

**LEVERAGE PUBLIC FUNDING TO INCENTIVIZE LONG-TERM PARTNERSHIPS AMONG COMMUNITY-BASED ORGANIZATIONS AND WORKFORCE DEVELOPMENT PROVIDERS.** The city should structure future RFPs to prioritize programs that develop partnerships among local workforce networks, incentivizing job training providers to work with community groups, libraries, and social services nonprofits on larger contracts. Bridge programs are especially well suited for partnerships: Community-based organizations can offer bridge programs created in partnership with larger, non-local providers, creating onramps for participants to transition into in-depth education or training programs. Funding should be allocated for multiple years in order to allow organizations to build strong partnerships, plan quality programs, refine their approach after running several cycles of the program, and gather data on effectiveness and outcomes that extend beyond initial job placement.

**CREATE A COMMUNITY TOOLKIT FOR DESIGNING AND PLANNING WORKFORCE INVESTMENTS AS PART OF ANY FUTURE ZONING REFORM.** To lay the groundwork for an inclusive and effective approach to workforce development in advance of any future rezoning, the city should work with community stakeholders and independent intermediary organizations to develop and launch a community toolkit for designing, planning, and advocating for strategic workforce investments. This toolkit should include several critical features, including data on a community’s workforce needs, a list of workforce investment options with associated costs, and asset maps identifying local workforce development and job training organizations, social services providers, and grassroots initiatives, along with the services they provide. The map should also include local skills-building infrastructure, such as community colleges, libraries, and city resources like Workforce1 Centers and JobsPlus programs in NYCHA housing. Maps should be translated into the neighborhood’s most common languages, and the city should be responsible for helping local organizations publicize them using LinkNYC kiosks, social media, and print advertisements, as well as using this mapping process to identify key investment needs.

**SET A GOAL OF LAUNCHING 5,000 NEW APPRENTICES BY 2025.** The city currently has a modest goal of creating 450 new apprenticeship positions through the ApprenticeNYC program. This skills-building approach can help low-income New Yorkers access well-paying careers—learning an in-demand trade while earning a salary from day one—and could play a major role in expanding pathways to careers for residents of neighborhoods undergoing development. The next mayor should power up this initiative by setting an ambitious goal of launching 5,000 new apprentices by 2025. To ensure that this approach will help expand access to employment in neighborhoods undergoing new development, the next mayor should place particular focus on launching new apprenticeship programs in the industries poised to lead an economic rebound, including tech, healthcare, renewable energy, green infrastructure, and the creative industries. This new commitment should also include an expansion of pre-apprenticeship programs—especially in the building trades, where too few New Yorkers from low-income communities have been able to access the apprenticeship programs that currently exist.

## ENDNOTES

1. JobsFirstNYC, “1 in 4 Young Adults in New York City Were Out of School and Out of Work in 2020,” August 2021. [https://jobsfirstnyc.org/wp-content/uploads/2021/08/2021.08.12\\_Brief\\_CPSCOVID\\_FINAL-3.pdf](https://jobsfirstnyc.org/wp-content/uploads/2021/08/2021.08.12_Brief_CPSCOVID_FINAL-3.pdf)
2. Center for an Urban Future analysis of data from the U.S. Census Bureau, American Community Survey, 2014–2018. For all data findings, we analyzed the population working-age (age 25-64) residents.
3. The commitment of \$150,000 to “fund local workforce development training” appears on one version of the city’s commitments list, but does not appear on the city’s interactive commitments tracker
4. Hester Street, “East New York Community Plan.” <https://hesterstreet.org/projects/east-new-york-community-plan/>, Coalition for Community Advancement: Progress for East New York/Cypress Hills, “East New York Neighborhood Rezoning: Community Plan,” July 2015. [https://hesterstreet.org/wp-content/uploads/2017/07/RezoningReport\\_ENY\\_web.pdf](https://hesterstreet.org/wp-content/uploads/2017/07/RezoningReport_ENY_web.pdf)
5. Colorado Springs Workforce Asset Map, <https://wam.uccs.edu>.
6. Abigail Savitch-Lew, “Labor, Law and Lessons from California: The Debate Over Local Hiring and the Rezonings,” *City Limits*, December 22, 2016. <https://citylimits.org/2016/12/22/labor-law-and-lessons-from-california-the-debate-over-local-hiring-and-the-rezonings/>



