

SIGNAL OR NOISE? QOZ'S IN QUEENS

QUALIFIED OPPORTUNITY ZONE AFFECT ON DEVELOPMENT ACTIVITY IN QUEENS, NEW YORK 2015 TO 2018

NICK KUNZ & SUPRIMA BHELE

LEAH MEISTERLIN
ADVANCED SPATIAL ANALYSIS
COLUMBIA GSAPP
MAY 2019

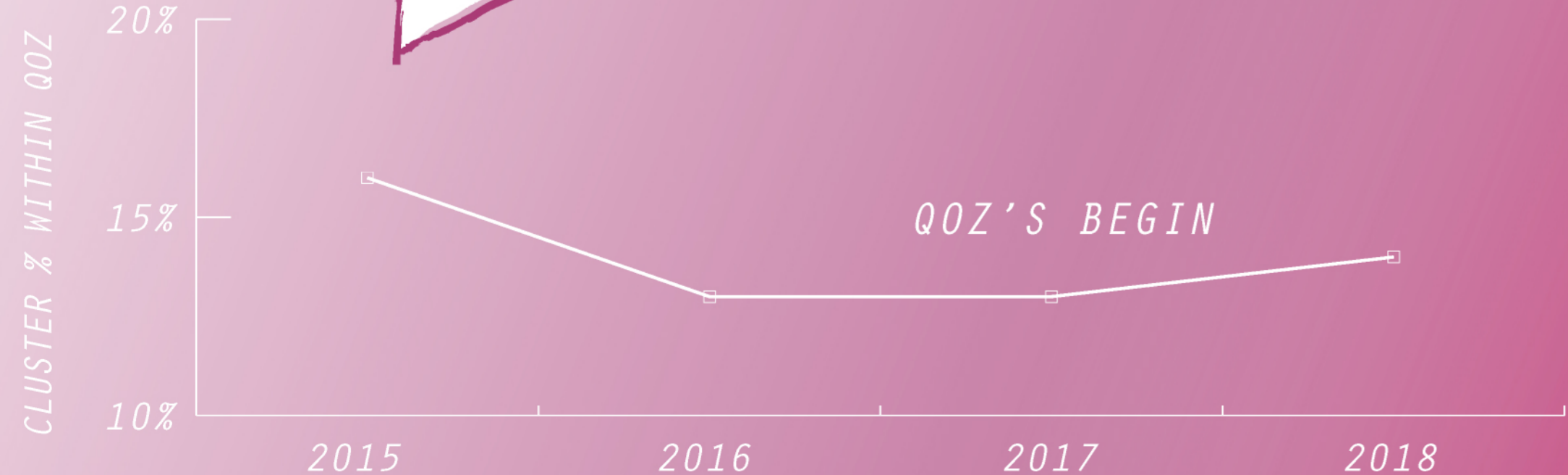
DESPITE A SIGNIFICANT INCREASE OF DEVELOPMENT ACTIVITY IN QUEENS, NEW YORK IN 2018 WITHIN QUALIFIED OPPORTUNITY ZONES (QOZ), THE CLUSTER ANALYSES CONDUCTED IN THIS STUDY DID NOT SUGGEST AN INCREASE IN THE SPATIAL CONCENTRATION OF DEVELOPMENT ACTIVITY, DEFINED BY SALES AND PERMITTING WITHIN QOZ'S.

THIS STUDY ASKED IF THERE WAS ANY EARLY EVIDENCE, WHICH SUGGESTS THAT QOZ'S HAD ATTRACTED DEVELOPMENT WITHIN THE SPATIAL BOUNDARIES OF QOZ'S.

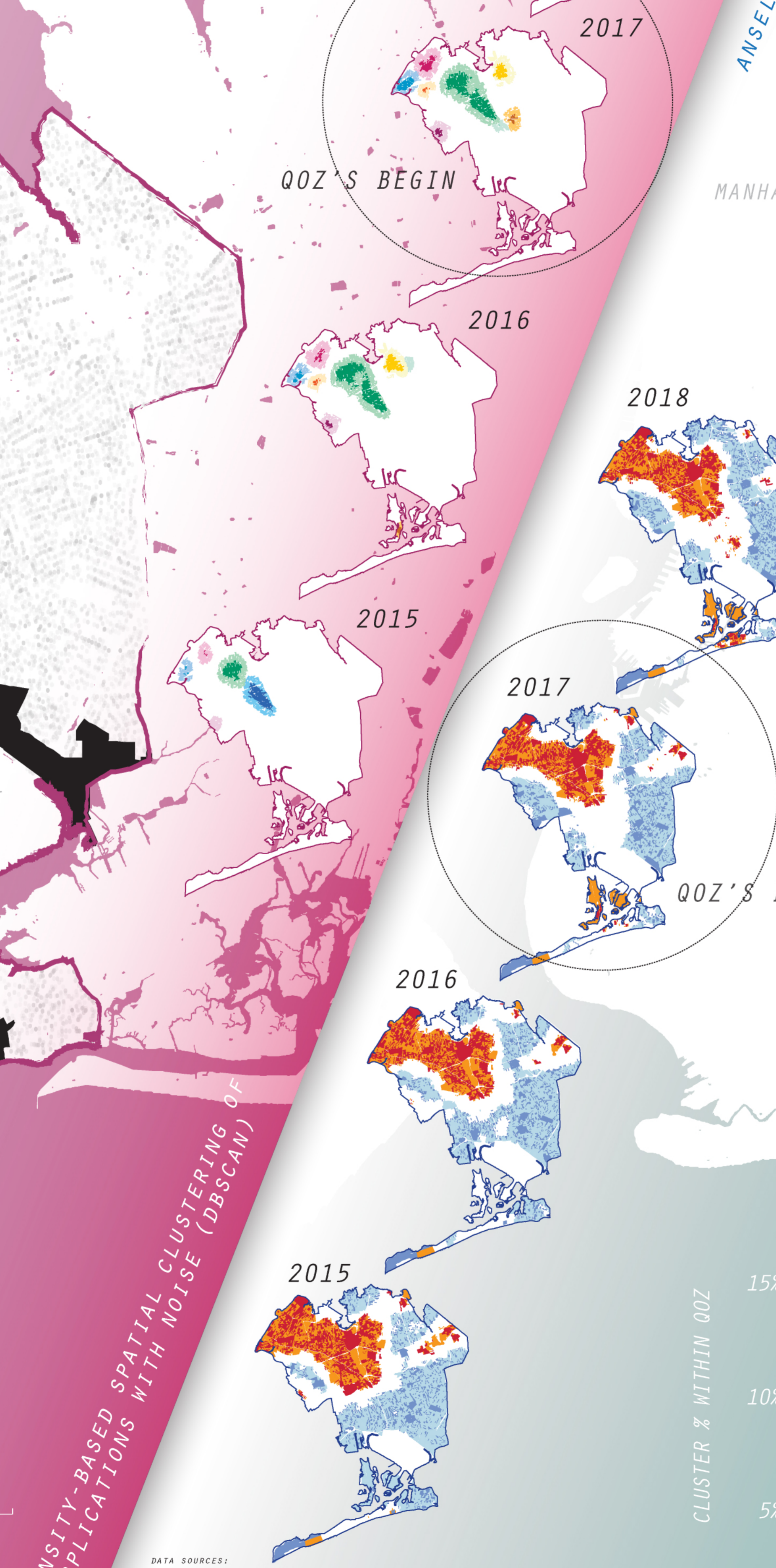
THIS WAS DETERMINED BY DBSCAN, WHICH GENERATED CLUSTERS BY TUNING THE DISTANCE BAND BY KNN DENSITY AND A MINIMUM CLUSTER THRESHOLD SET AT THE SQUARE ROOT OF THE TOTAL NUMBER OF SALES AND PERMITS ON AN ANNUAL BASIS, WHILE DISREGARDING SPATIAL OUTLIERS. IT SUGGESTED THAT THERE WERE EXISTING CLUSTERS OF DEVELOPMENT ACTIVITY AROUND CURRENT QOZS SINCE 2015 (BEFORE QOZ'S WERE ENACTED IN 2017).

ANSELIN LOCAL MORAN'S I, REVEALED AN INSIGNIFICANT CHANGE IN THE PERCENTAGE OF DEVELOPMENT ACTIVITIES WITHIN QOZ'S, BUT THE CLUSTERS WITHIN THESE ZONES HAD HIGH SIGNIFICANCE. THE LOW DEVELOPMENT ACTIVITY AMONG THE CLUSTERS AND LOW P-VALUES SUGGESTED STRONG SPILLOVER EFFECT OF DEVELOPMENT CLUSTERS AROUND THE QOZ'S.

THE ANALYSES SUGGESTED THAT THE INTRODUCTION OF QOZ IN 2017 DID NOT HAVE AN IMMEDIATELY OBVIOUS OR SIGNIFICANT BOROUGH WIDE INFLUENCE IN THE PROPORTION OF DEVELOPMENT WITHIN THE INCENTIVIZED AREAS IN THE FOLLOWING YEAR.



DENSITY-BASED SPATIAL CLUSTERING OF APPLICATIONS WITH NOISE (DBSCAN)



DATA SOURCES:
NEW YORK CITY DEPARTMENT OF FINANCE, "NEW YORK CITY ROLLING REAL ESTATE SALES DATA", NEW YORK CITY DEPARTMENT OF FINANCE, 2019.

NEW YORK CITY DEPARTMENT OF CITY PLANNING, "ADMINISTRATIVE AND POLITICAL DISTRICTS", NEW YORK CITY OPEN DATA, 2019.

NEW YORK CITY DEPARTMENT OF CITY PLANNING, "FACILITIES DATABASE", NEW YORK CITY OPEN DATA, 2019.

NEW YORK CITY DEPARTMENT OF BUILDING, "DOB PERMIT ISSUANCE", NEW YORK CITY OPEN DATA, 2019.

NEW YORK STATE OF OPPORTUNITY, "THE OPPORTUNITY ZONE PROGRAM IN NEW YORK STATE", EMPIRE STATE DEVELOPMENT, 2019.

