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Can Policy Mitigate Displacement in Arts-Led Gentrification? A Comparative Study of New-York and Berlin

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ABSTRACT

Arts-led neighborhood change can generate cultural activity and investment while also increasing affordability and displacement pressures. This study examines how contrasting policy approaches address these pressures through a comparative case study of Williamsburg and Bushwick in Brooklyn and Friedrichshain-Kreuzberg and Neukölln in Berlin. Using secondary quantitative evidence on rents, affordability, income, and demographic change together with qualitative research on residential, industrial, and cultural displacement, the study compares a more development-oriented policy model in Brooklyn with a more preservation-oriented model in Berlin. The findings show that neither approach eliminated affordability or displacement pressure. Brooklyn expanded housing and redevelopment while significant affordability pressures persisted, whereas Berlin used stronger regulatory and preservation mechanisms but continued to experience substantial housing pressure. The comparison suggests that housing production and preservation address different dimensions of displacement and should not be treated as substitutes. Because the study is observational, the findings identify comparative patterns rather than causal effects. The policy implications therefore favor a combined approach integrating housing production, tenant protection, cultural-space preservation, and community participation.

RESEARCH BACKGROUND

Gentrification generally refers to the transformation of lower-income or historically disinvested neighborhoods through new investment, rising property values, and the arrival of wealthier residents and businesses. Although the process may improve buildings and public spaces, it can also displace existing residents, businesses, workers, and cultural communities[1-3].

Ruth Glass first used the term to describe the replacement of working-class residents by middle-class groups[1]. Neil Smith later explained gentrification through the “rent gap”: redevelopment becomes profitable when the potential value of land is significantly higher than its current value[2]. David Ley added a cultural explanation by examining how artists are attracted to inexpensive and unconventional

urban spaces. Their studios, exhibitions, and lifestyles may increase a neighborhood's cultural visibility and symbolic value[3].

Arts-led gentrification can therefore be defined as a process in which artistic and cultural activity contributes to the attractiveness of a neighborhood, while investors, developers, and public policies convert this cultural value into higher property values and redevelopment. Artists should not be treated as the sole cause of displacement. They may contribute to the early cultural transformation of an area but later become unable to afford the neighborhood themselves[3,4].

Modern gentrification is also shaped by rezoning, real-estate investment, tourism, housing shortages, cultural branding, and government planning. The effects of arts-led gentrification therefore depend not only on artists but also on the policies regulating housing, development, land use, and community participation.

Artistic activity can benefit cities by creating cultural spaces, supporting local creativity, restoring unused buildings, and strengthening neighborhood identity. However, when cultural development is not supported by affordable housing, tenant protection, and secure artist workspaces, it may contribute to displacement.

The harmful effects of gentrification are not limited to residents being directly forced from their homes. They may also include rising rents, the inability of lower-income households to move into the area, the loss of local businesses and industrial jobs, cultural alienation, and the displacement of artists[3-5].

New York and Berlin provide useful cases because both are major cultural cities that have experienced arts-led neighborhood change under different policy systems.

In Williamsburg and Bushwick, relatively inexpensive industrial spaces attracted artists and cultural activity. Cultural visibility was later connected to rezoning, real-estate development, rising rents, and the loss of industrial and affordable spaces[4-6]. In Greenpoint-Williamsburg, inflation-adjusted median rent increased from approximately $1,290 in 2006 to $2,610 in 2024[7].

Berlin has stronger tenant protections, public housing ownership, social-preservation areas, and subsidized studio programs[8-10]. Nevertheless, displacement remains a serious problem. Berlin's median asking rent reached €15.78 per square metre in 2025, approximately 75 percent higher than in 2016[8]. A survey of more than 2,000 people who had moved from Friedrichshain-Kreuzberg and Mitte found that 15.4% of analysable moves constituted direct displacement [11].

Brooklyn and Berlin therefore provide a useful comparative setting because both experienced substantial arts-led neighborhood change, while their policy environments differ considerably in the balance between redevelopment, housing production, tenant protection, market regulation, and social preservation [4–12]. The comparison makes it possible to examine how different policy approaches address similar forms of displacement pressure without assuming that observed differences were caused by a single policy.

This study asks: How do the development-oriented policy approach observed in Brooklyn and the

preservation-oriented approach observed in Berlin differ in addressing displacement pressures associated with arts-led gentrification in Williamsburg, Bushwick, Friedrichshain-Kreuzberg, and Neukölln?

The study has three objectives: first, to identify the principal forms of affordability and displacement pressure observed across the four case areas; second, to compare the policy mechanisms used in Brooklyn and Berlin to address those pressures; and third, to examine the limitations and trade-offs associated with the two policy approaches.

The contribution of the comparison lies not in determining which city has "solved" gentrification, but in showing how two contrasting policy models address different dimensions of the same problem. The study therefore examines where development-oriented policies and preservation-oriented policies appear to provide protection, where important gaps remain, and what those differences imply for a more integrated policy approach.

METHODOLOGY

This study uses a comparative case-study design based on secondary quantitative and qualitative evidence. A comparative design is appropriate because arts-led gentrification is shaped not only by cultural activity but also by housing markets, land-use regulation, tenant protections, redevelopment policy, and patterns of property ownership [2,3]. Rather than attempting to isolate a single causal variable, the study compares how similar forms of neighborhood change developed under different policy environments.

The four case areas were selected purposively. Williamsburg and Bushwick represent related stages of arts-led neighborhood change in Brooklyn: Williamsburg combines artistic transformation with large-scale rezoning and redevelopment, while Bushwick illustrates the later movement of cultural activity and affordability pressure into an adjacent neighborhood [4–7,13]. Friedrichshain-Kreuzberg and Neukölln provide Berlin cases in which substantial housing and displacement pressure developed within a policy environment characterized by stronger rent regulation and social-preservation measures [8,9,11,12,23,24]. The cases therefore permit comparison of similar displacement pressures under contrasting institutional responses.

The study draws on several categories of secondary evidence. Quantitative evidence includes rent trends, income, affordability measures, demographic change, population change, and housing-market indicators collected from official and institutional datasets. Qualitative evidence is drawn from academic research, government documents, community-planning materials, and studies of resident, tenant, industrial, and artist displacement. Sources were selected when they provided evidence relevant to the same comparison categories across the cases: affordability pressure, residential displacement, commercial or industrial displacement, cultural and artist displacement, and policy intervention.

The analysis distinguishes between displacement pressure and documented displacement. Rising rents, declining affordability, income change, or demographic change are treated as indicators of neighborhood and affordability pressure, but they are not treated by themselves as proof that particular residents were displaced [25,26]. Direct displacement is identified only where the available evidence documents involuntary moves, eviction, lease loss, industrial or business displacement, or similar outcomes [5,11,25]. Quantitative indicators are therefore interpreted together with qualitative evidence rather than being used as interchangeable measures of displacement.

The same analytical framework is applied to both policy environments. Each major policy is examined according to its objective, mechanism, coverage, observed outcomes, and remaining limitations. Because the study relies on observational secondary evidence, it does not attempt to estimate the independent causal effect of individual policies. Where causal effects cannot be established, the analysis instead identifies associations, patterns, and evidence consistent with particular policy effects.

RESULTS

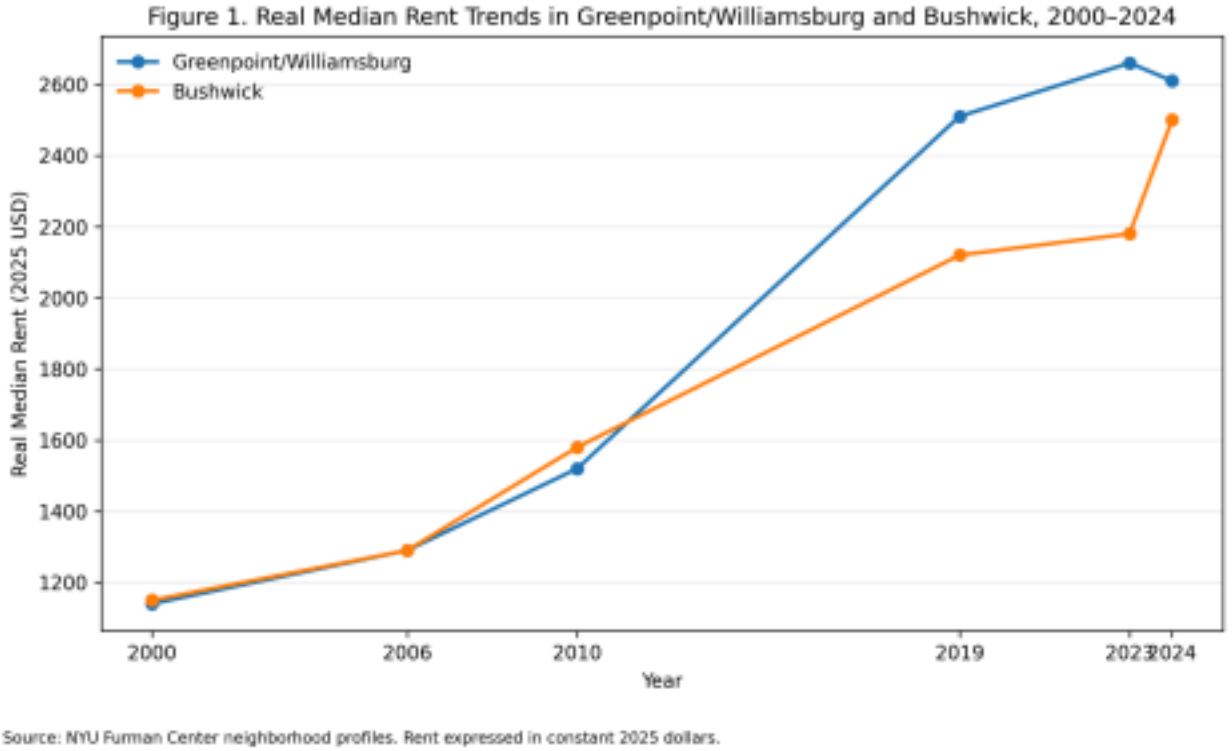
This section compares the policy responses to arts-led gentrification in Brooklyn and Berlin. The analysis first identifies the principal quantitative and qualitative changes observed in each case, then examines the policies used and the evidence concerning their outcomes and limitations. Policy outcomes are interpreted cautiously: observed trends are used to assess patterns and remaining pressures rather than to attribute neighborhood change to a single policy intervention.

1. What Changed in Brooklyn?

The main result in Brooklyn is that substantial redevelopment and housing growth did not prevent affordability from worsening.

In Williamsburg and Greenpoint, the 2005 rezoning enabled large-scale residential development, particularly on previously industrial waterfront land[6]. The policy succeeded in increasing the amount of housing and attracting significant private investment. However, this development occurred alongside strong increases in rents and land values. Real median gross rent in Greenpoint/Williamsburg increased from approximately $1,290 in 2006 to $2,610 in 2024. The share of recently available units affordable to households earning 80% of Area Median Income also declined[7].

A similar pattern appeared in Bushwick. Although the neighborhood experienced less waterfront-style redevelopment, rising demand was accompanied by increasing rents and declining affordability. Real median gross rent increased from approximately $1,290 in 2006 to $2,500 in 2024[13].
The important result is therefore not simply that Brooklyn gentrified. It is that economic development and additional housing were compatible with continued affordability loss[6,7,13]. This suggests that increasing housing supply through redevelopment, without sufficiently strong affordability and preservation mechanisms, was unable to prevent displacement pressure.



NYU Furman Center neighborhood profiles [7,13].

Figure 1 shows substantial real rent growth in both Brooklyn case neighborhoods. Between 2006 and 2024, median rent increased by 102.3% in Greenpoint/Williamsburg and by 93.8% in Bushwick. At the same time, the share of recently available rental units affordable to households earning 80% of Area Median Income declined from 36.9% to 23.7% in Greenpoint/Williamsburg and from 65.2% to 40.9% in Bushwick. These trends indicate that substantial neighborhood investment and rising household incomes coincided with continued affordability pressure. However, rent trends alone do not demonstrate displacement, so they must be considered together with demographic change and qualitative evidence[7,13].

2. What Policies Were Used in Brooklyn?

Brooklyn's policy response consisted mainly of four types of intervention:

Rezoning and housing production. The 2005 Greenpoint-Williamsburg rezoning opened significant areas to residential development and aimed to combine redevelopment with new housing and public amenities.[6]

Affordable housing requirements. Inclusionary housing policies, followed later by Mandatory Inclusionary Housing, attempted to ensure that part of the housing created through rezoning remained affordable.[6,14]

Tenant protection. Rent stabilization and New York City's Right to Counsel provided protections for existing tenants, particularly against excessive rent increases in regulated units and eviction.[15,16]

Community-led planning. The Bushwick Community Plan proposed stronger affordable housing, anti-displacement measures, preservation of manufacturing space and greater community control over future development.[17]

These policies targeted different parts of the gentrification process. Rezoning primarily addressed investment and housing supply; inclusionary housing addressed affordability within new development; tenant protections focused on existing residents; and community planning attempted to control neighborhood change more broadly.

3. What Worked, What Failed, and What Trade-Offs Appeared in Brooklyn?

The Brooklyn policies produced mixed rather than uniformly unsuccessful results.

The clearest success of rezoning was the creation of new housing, redevelopment of underused land and improvement of public spaces. From an economic-development perspective, the intervention worked. Williamsburg became a highly attractive residential and commercial area, and considerable private capital entered the neighborhood.[6,14]

However, the policy performed less successfully when evaluated against affordability and displacement prevention. Although affordable units were created, their number and affordability levels were insufficient to counteract the broader increase in market rents and property values. The result was affordable housing being added within a neighborhood that was simultaneously becoming significantly less affordable overall.

This reveals an important limitation of inclusionary housing. Producing some affordable housing does not necessarily produce an affordable neighborhood. If the majority of new development remains market-rate and surrounding land values continue rising, the overall affordability effect may remain negative.[7,14]

Tenant protections performed a different function. Rent stabilization can protect tenants who already occupy regulated apartments, while Right to Counsel can reduce the vulnerability of tenants facing eviction. These policies therefore address displacement more directly than redevelopment policies.[15,16}

Their limitation is coverage. They protect particular tenants rather than controlling the broader housing market. They do not necessarily protect newcomers seeking affordable housing, residents outside regulated units, small businesses, artists' studios or other cultural spaces.

The Bushwick Community Plan revealed another policy problem: community participation does not automatically translate into implementation. Although the plan attempted to place affordability, manufacturing preservation and anti-displacement measures at the center of neighborhood planning, the

failure to implement the original community-led framework limited its practical impact.[17,18]

The principal Brooklyn trade-off was consequently between growth and preservation. Policies were comparatively effective at enabling development but weaker at ensuring that the benefits of development remained accessible to existing lower- and middle-income communities.

4. What Changed in Berlin?

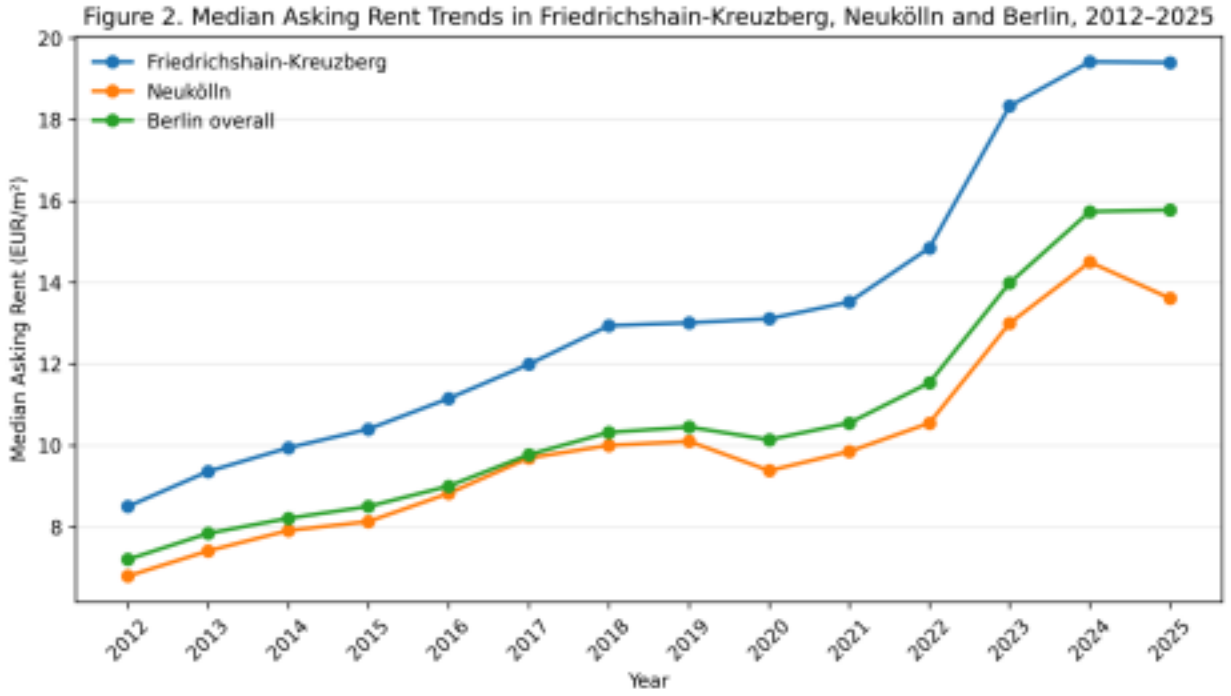
This section compares the policy responses to arts-led gentrification in Brooklyn and Berlin. The analysis first identifies the principal quantitative and qualitative changes observed in each case, then examines the policies used and the evidence concerning their outcomes and limitations. Policy outcomes are interpreted cautiously: observed trends are used to assess patterns and remaining pressures rather than to attribute neighborhood change to a single policy intervention.

In areas such as Kreuzberg and Neukölln, rents and property values continued to increase despite extensive regulation. This means Berlin's policies did not stop gentrification or remove the underlying demand for centrally located housing.[8,11,12]

However, these policies were designed to constrain particular mechanisms through which displacement could occur. Rent regulation restricted certain rent increases, while Milieuschutz limited forms of physical upgrading, conversion and redevelopment associated with displacement pressure [9,19]. Rent regulation restricted certain rent increases, while Milieuschutz limited forms of physical upgrading, conversion and redevelopment that could accelerate the replacement of existing residents.

Berlin therefore presents a different result from Brooklyn. Whereas Brooklyn's system permitted extensive market transformation while attempting to include affordability within it, Berlin more frequently attempted to restrict particular market processes themselves.

The continued rise in housing costs nevertheless shows that these measures did not eliminate gentrification or affordability pressure [8,11].



Source: IBB Wohnungsmarktbericht 2025, asking-rent dataset 2012–2025.

Figure 2 shows that asking rents increased substantially across both case districts and Berlin overall, but not at the same rate. Between 2012 and 2025, median asking rent increased by approximately 128.2% in Friedrichshain-Kreuzberg, compared with 119.2% across Berlin overall. Neukölln experienced a smaller, although still substantial, increase of approximately 100.4%. Friedrichshain-Kreuzberg therefore outpaced the wider Berlin market over the full period, while Neukölln increased more slowly than the city-wide benchmark. These differences do not establish that particular policies caused the different trajectories, but they provide a useful benchmark for evaluating how housing-market pressure developed under Berlin's stronger regulatory framework.[8]

5. What Policies Were Used in Berlin?

Four policies are particularly relevant to the evaluation.

The Mietpreisbremse, or rent brake, limits the rent that can generally be charged when entering many new rental agreements relative to the local comparative rent.[19]

Milieuschutz, or social preservation areas, allows districts to regulate particular renovations, changes in use and condominium conversions when such changes threaten the existing social composition of an area.[9]

Restrictions on the conversion of residential housing to other uses seek to prevent permanent housing

from being removed from the rental market, including through certain forms of short-term accommodation[20].

Finally, the Mietendeckel, introduced in 2020, represented Berlin's most aggressive attempt to control rents by freezing or limiting rents across a large portion of the city's housing stock. However, the Federal Constitutional Court declared the law void in 2021 because Berlin lacked the legislative authority to enact it in that form[21].

Unlike Brooklyn's emphasis on redevelopment combined with affordable housing requirements, Berlin's policies therefore relied considerably more on direct market regulation and preservation of existing housing.

6. What Worked, What Failed, and What Trade-Offs Appeared in Berlin?

Berlin's experience suggests that stronger regulation can protect existing residents more directly, but cannot by itself resolve the structural causes of gentrification.

Milieuschutz is one of the more important examples. Instead of waiting until luxury redevelopment has already occurred, it allows authorities to restrict renovations or conversions that may increase displacement pressure. It therefore addresses the mechanism through which a building can be upgraded for a wealthier population.

This is a significant advantage over policies that rely primarily on creating new affordable units. Rather than compensating for displacement after market values increase, Milieuschutz attempts to preserve existing affordability and social composition[9].

The rent brake is designed to limit the extent to which market demand translates into higher rents in covered new tenancies [19]. Evidence of suspected violations, however, demonstrates the importance of enforcement and tenant capacity to challenge non-compliance [22].

The Mietendeckel illustrates a different type of failure. Its weakness was not necessarily that direct rent intervention could not reduce housing costs, but that the policy was legally unsustainable under the existing division of legislative authority. It therefore demonstrates that policy effectiveness must be evaluated not only economically but also institutionally and legally[21].

Berlin also shows the limits of regulation when housing remains scarce. Controlling rent increases may protect existing tenants, but it does not automatically create additional housing. Very strong restrictions can therefore generate a trade-off between tenant stability and incentives for housing investment or supply, particularly if regulation is not combined with construction and public or affordable housing provision.

Berlin’s policy framework intervened more directly in existing tenancies and displacement mechanisms

than Brooklyn's more development-oriented model, but it was still unable to eliminate affordability pressures [8,9,11,19-22].

Area	**Rent Change**	**Income / Income Level**	**Affordability / Protection**	**Demographic / Population Change**
Greenpoint/Williamsburg	$1,290 (2006) → $2,610 (2024), +102.3%	Median household income: $50,580 → $110,480, +118.4%	Affordable at 80% AMI: 36.9% → 23.7%; severe rent burden: 27.6% → 22.8%	Population: 146,253 → 218,831, +49.6%; Hispanic share: 30.0% → 20.9%
Bushwick	$1,290 (2006) → $2,500 (2024), +93.8%	Median household income: $43,600 → $102,920, +136.1%	Affordable at 80% AMI: 65.2% → 40.9%; severe rent burden: 35.7% → 28.1%	Population: 140,437 → 107,466, −23.5%; Hispanic share: 68.4% → 39.8%; White share: 9.0% → 31.3%
Friedrichshain-Kreuzberg	€8.50/m² (2012) → €19.40/m² (2025), +128.2%; Berlin overall: +119.2%	2024 median household net income: €2,675/month	Rental share: 91.6%; regulated/subsidised rental share: 7.1%	Population index 105.1 (2015 = 100): approximately +5.1%
Neukölln	€6.79/m² (2012) → €13.61/m² (2025), +100.4%; Berlin overall: +119.2%	2024 median household net income: €2,325/month	Rental share: 83.7%; regulated/subsidised rental share: 9.2%	Population index 100.4 (2015 = 100): approximately +0.4%

Sources: NYU Furman Center [7,13]; IBB Wohnungsmarktbericht 2025 and district profiles [8,23,24].

Taken together, the quantitative indicators show substantial but uneven neighborhood change across the four cases. Because New York and Berlin measure housing conditions differently, the comparison focuses on changes over time rather than absolute rent levels. The next step is to place these trends alongside the policy responses and qualitative evidence of displacement

Case	Observed Quantitative Change	Main Policy Response	Qualitative Evidence	Interpretation
Williamsburg	Rent +102.3%; affordability at 80% AMI fell from 36.9% to 23.7% [7]	2005 Greenpoint-Williamsburg rezoning; inclusionary housing; rent stabilization; Right to Counsel [6,14-16]	Curran documents industrial displacement in Williamsburg as manufacturing spaces became attractive for residential redevelopment, including pressure from rising rents, lease refusals, buy-outs and zoning change [5].	Redevelopment and housing production occurred alongside substantial affordability and industrial-space pressure. Development benefits therefore did not prevent wider displacement pressures.
Bushwick	Rent +93.8%; affordability at 80% AMI fell from 65.2% to 40.9%; substantial demographic change [13]	Tenant protections; Bushwick Community Plan; community-planning initiatives [15-18]	Valli's interview-based research with Bushwick cultural producers shows how artists can contribute to a neighborhood's symbolic value while also remaining vulnerable to the later stages of gentrification [4].	Housing pressure and neighborhood change coincided with an arts-led cycle in which cultural producers could simultaneously participate in and become vulnerable to gentrification.
Friedrichshain-Kreuzberg	Rent +128.2%, compared with +119.2% Berlin-wide; regulated/subsidised rental share 7.1% [8,23]	Milieuschutz; Mietpreisbremse; conversion restrictions; tenant protection [9,19-21]	Beran and Nuissl's survey covering Friedrichshain-Kreuzberg and Mitte classified 15.4% of analysable moves as direct displacement, with rent increases among the major triggers [11].	Stronger regulation coexisted with substantial market and displacement pressure. Regulation targeted particular displacement mechanisms but did not eliminate gentrification or affordability pressure.

Case	Observed Quantitative Change	Main Policy Response	Qualitative Evidence	Interpretation
Neukölln	Rent +100.4%, compared with +119.2% Berlin-wide; regulated/subsidised rental share 9.2% [8,24]	Milieuschutz; rent regulation; restrictions on housing conversion [9,19,20]	Kadıoğlu's study of Berlin-Neukölln examines financialized gentrification, racial and territorial stigma and community resistance in an immigrant-dense working-class neighborhood [12].	Slower rent growth than Berlin overall should not be interpreted as an absence of gentrification. Community-level pressures persisted despite a more preservation-oriented policy framework.

The combined evidence shows that neither Brooklyn's more development-oriented approach nor Berlin's more preservation-oriented framework eliminated affordability or displacement pressures. The comparison instead points to differences in the mechanisms targeted by policy and provides the basis for identifying broader patterns across the two cities.

7. Comparative Discussion

The comparison produces several important policy findings.

First, neither development alone nor regulation alone was sufficient.

Brooklyn shows the limitations of a predominantly development-oriented approach[6,7,13-18]. New housing, investment and infrastructure can improve a neighborhood without making it affordable. If market values rise faster than affordable housing is protected or created, redevelopment may increase overall displacement pressure even while producing some affordable units.

Berlin demonstrates the opposite limitation. Berlin illustrates the opposite limitation. Its stronger tenant protections and rent regulation are designed to constrain particular displacement mechanisms, yet housing scarcity and substantial affordability pressure persisted [8,9,11,12,19–22]. Second, the cases suggest that preservation and production perform different functions and should not be treated as substitutes[25]. New affordable housing is necessary for future residents, while rent protections and preservation policies are necessary to prevent current residents from being displaced. A policy focused only on one side leaves an

important gap.

Third, timing matters. Policies appear more capable of protecting affordability when implemented before property values have increased dramatically. Once an area has already become highly desirable, governments must either subsidize increasingly expensive affordable housing or attempt to reverse market pressures that are already firmly established[26].

Fourth, policy coverage matters. Many housing protections apply only to particular residents or particular types of housing. Artists, independent cultural organizations, small businesses and creative workspaces may remain exposed even where residential tenants receive significant protection. This is especially important in arts-led gentrification because preserving residents without preserving affordable cultural space may still result in the disappearance of the artistic community that contributed to the neighborhood's identity[4,5,10].

Fifth, the comparison shows that policy effectiveness should not be measured only by whether gentrification was stopped. Neither city stopped it. A more useful evaluation is whether policies reduced involuntary displacement, maintained affordable housing, preserved access to the neighborhood, allowed beneficial investment and cultural development, and distributed the gains from neighborhood improvement more widely.

LIMITATIONS

This study has several limitations. First, it is an observational comparative case study based primarily on secondary evidence and therefore cannot isolate the causal effect of individual policies on displacement. Housing-market outcomes are influenced simultaneously by housing supply, investment, demographic change, tourism, broader economic conditions, and multiple overlapping policy interventions.

Second, Brooklyn and Berlin operate under substantially different legal, housing, welfare, and planning systems. The available datasets also use different geographic units, affordability measures, rent measures, and time periods. The comparison therefore focuses primarily on patterns of change within each case rather than treating numerical indicators as directly equivalent across cities.

Third, several quantitative indicators used in the study measure displacement pressure rather than displacement itself. Rising rents, income change, declining affordability, or demographic change may indicate increasing pressure but do not independently demonstrate that particular residents were involuntarily displaced [25,26]. Direct displacement is therefore distinguished from broader affordability pressure and is identified only where supported by more specific qualitative or survey evidence [5,11,25].

Finally, the analysis relies on evidence of varying type and coverage across the four areas. The conclusions should therefore be understood as identifying comparative patterns, policy mechanisms, and limitations rather than establishing causal estimates of policy effectiveness.

POLICY IMPLICATIONS

There is no universal policy that can prevent the harmful effects of gentrification in every city. Housing systems, tenant rights, property ownership, planning law, market pressure, and government capacity differ significantly between places such as New York and Berlin.

However, there can be a universal policy objective:

Urban improvement should occur without forcing existing residents, artists, and local businesses to leave, and those communities should share in the benefits created by regeneration.

Balancing the Benefits and Harms of Gentrification

Gentrification presents a policy problem because many of the changes associated with it can be beneficial. Investment may renovate neglected buildings, improve public spaces, increase access to services, support new businesses, strengthen public safety, and create employment opportunities. Urban regeneration can also reuse abandoned industrial buildings and provide new housing or cultural facilities. Nevertheless, the same improvements may increase land values, rents, and investor interest, making it difficult for existing residents and cultural producers to remain. UN-Habitat therefore distinguishes inclusive urban regeneration from a process in which physical improvement deepens social and spatial inequality[27].

The comparative findings do not identify a single policy capable of preventing displacement in every context. Instead, they reveal complementary gaps in the two approaches examined here: development and housing production may expand supply without adequately protecting existing communities, while preservation and rent regulation may protect incumbent residents without resolving structural shortages of affordable housing and workspace. Building on these findings and the wider policy literature, the following framework is therefore presented as a set of complementary policy principles rather than as a universally applicable formula [25–27].

A Balanced Policy Framework

A balanced policy should begin with protection rather than attempting to respond after displacement has already occurred. Before rezoning, major infrastructure construction, cultural branding, or public-space investment, the city should identify residents and businesses at risk. Indicators may include rising rents, eviction filings, property sales, loss of subsidized housing, conversion of rental units, commercial lease increases, and reductions in artist or industrial space.Early-warning systems can help governments identify emerging displacement risks and inform earlier intervention [26].

The first part of the framework should therefore protect existing residents. Possible measures include rent regulation, legal representation in eviction cases, anti-harassment enforcement, restrictions on luxury conversions, property-tax relief for vulnerable owner-occupiers, and regulation of temporary or furnished rentals. Berlin's *Milieuschutz* system illustrates this preservation-based approach. Its purpose is to

preserve the social composition of protected areas and restrict certain property practices that may cause sharp rent increases or displacement. Neukölln has also sought to use these protections against highly priced furnished temporary rentals.[9, 28]

Protection alone, however, is insufficient when the total supply of affordable housing is too limited. Cities must both preserve existing affordable housing and produce additional permanently affordable housing[25]. This may include public or social housing, nonprofit ownership, community land trusts, municipal acquisition of threatened buildings, and inclusionary requirements for private developments. HUD policy research identifies affordable-housing production, preservation, and the proactive use of multiple local tools as complementary rather than alternative strategies[25].

Inclusionary housing can form part of this approach, but it should not be the only instrument. New York City's Mandatory Inclusionary Housing programme requires a share of housing in qualifying rezoned areas to be permanently income-restricted[14]. This can produce affordable units, but an inclusionary requirement does not independently protect tenants in nearby buildings or prevent commercial and cultural displacement. It must therefore be combined with preservation, tenant protection, and deeper affordability requirements.

A balanced framework must also protect more than residential housing. Arts-led gentrification places studios, galleries, music venues, workshops, small manufacturers, and independent businesses under pressure. If housing is protected but cultural production spaces disappear, the neighborhood may retain some residents while losing the cultural activity that initially generated its identity. Policies should therefore include long-term affordable studio leases, acquisition of cultural buildings by public or nonprofit bodies, protection of industrial land, grants for local businesses, and limitations on the conversion of cultural spaces into luxury residential or commercial uses[4,5,10].

Finally, existing communities must participate in decision-making and receive measurable benefits from development. Community involvement should occur before the central decisions have been made, rather than after a redevelopment plan has already been designed. Residents should participate in determining affordability levels, public-space priorities, cultural protections, and the use of revenue generated by rezoning or development. UN-Habitat identifies resident participation, affordability, access to services, and support for local economic development as central elements of inclusive regeneration[27].

Applying the Framework to Brooklyn and Berlin

Brooklyn and Berlin demonstrate the weaknesses of relying too heavily on one side of the policy balance. Brooklyn illustrates the limits of a predominantly development-led approach. Rezoning and private investment produced new housing, businesses, public spaces, and economic activity, but affordable-housing and tenant protections were not sufficient to prevent substantial pressure on residents, industrial users, and artists[6,7,13-18].

Berlin illustrates a more preservation-oriented model. Rent regulation, *Milieuschutz*, tenant activism, and restrictions on certain property conversions can slow displacement. Nevertheless, these measures face

legal limits, enforcement problems, investor adaptation, and shortages of affordable housing and artist studios. Berlin therefore demonstrates that regulation can reduce harm, but preservation without sufficient housing and workspace production cannot fully resolve affordability pressures[8-12,19-24,28].

The comparison therefore supports considering a combined approach that draws on elements of both systems. It would use development to create additional housing and improve infrastructure, while applying Berlin-style protections to existing residents and buildings. New development would be permitted, but only alongside permanent affordable housing, no net loss of protected units, support for local businesses and artists, and enforceable community benefits[25,27].

CONCLUSION

This study compared how a more development-oriented policy approach in Brooklyn and a more preservation-oriented approach in Berlin address displacement pressures associated with arts-led gentrification. The evidence shows substantial affordability and neighborhood change across all four case areas, but the policy mechanisms used to address those pressures differ significantly. Brooklyn relies more heavily on redevelopment, housing production, inclusionary requirements, and protections for particular tenants, while Berlin places greater emphasis on regulation of existing tenancies, social preservation, and restrictions on particular forms of property transformation.

Neither policy environment eliminated affordability or displacement pressure. The comparison instead suggests that production and preservation address different dimensions of the problem. Development can expand housing and generate investment without necessarily preserving affordability for existing communities, while preservation can protect particular residents or housing relationships without resolving shortages of affordable housing and cultural workspace.

The study therefore does not establish that one model is universally more effective, nor does it demonstrate that artistic activity itself is inherently harmful. Rather, it suggests that the consequences of arts-led neighborhood change depend substantially on the housing, land-use, and institutional conditions through which cultural value is converted into economic value. The policy implication is not to prevent cultural development, but to combine housing production with protection for existing residents, affordable cultural space, and meaningful community participation.

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