
2017 Income and Affordability Study

April 13, 2017

Board Members

Chair:

Hon. Kathleen A. Roberts (Ret.)

Public Members:

Hilary Botein

Cecilia Joza

David Reiss

Helen Schaub

Owner Members:

Mary Serafy

Scott Walsh

Tenant Members:

Harvey Epstein

Sheila Garcia

Staff Members

Executive Director:

Andrew McLaughlin

Research Director:

Brian Hoberman

Sr. Research Associate:

Danielle Burger

Office Manager:

Charmaine Superville



2017 Income and Affordability Study

What's New

- ◆ Results from the *2015 American Community Survey* show that median renter income is \$43,261, median gross rent is \$1,317, and the median gross rent-to-income ratio is 32.0%.
- ◆ NYC's economy grew by 2.9% in 2016, compared to a 3.3% increase during 2015.
- ◆ The City gained 86,100 jobs in 2016, a 2.0% increase from 2015 in total employment levels.
- ◆ The unemployment rate fell in 2016, to an average of 5.2%, down from 5.7% in 2015.
- ◆ In 2016, an average of 58,770 people were staying in NYC Department of Homeless Services shelters each night, up 2.8% from 2015.
- ◆ The number of non-payment filings decreased 0.4% in 2016, while those actually heard in housing court decreased 5.4%, and the number of evictions rose 0.5%.
- ◆ Cash assistance caseloads increased 2.4% during 2016, while SNAP caseloads fell 0.7%, Medicaid enrollees fell by 11.6%, and job placements among cash assistance recipients rose 4.2%.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider “relevant data from the current and projected cost of living indices” and permits consideration of other measures of housing affordability in its deliberations. To assist the Board in meeting this obligation, the RGB research staff produces an annual *Income and Affordability Study*, which reports on housing affordability and tenant income in the New York City (NYC) rental market. The study highlights year-to-year changes in many of the major economic factors affecting NYC's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability. Such factors include NYC's overall economic condition — unemployment rate, wages, Consumer Price Index and Gross City Product — as well as the number of eviction proceedings and the impact of welfare reform and federal housing policies on rents and incomes.

Overview

Looking at NYC's economy during 2016, it showed many strengths as compared with the preceding year. Positive indicators include growing employment levels, which rose for the seventh consecutive year, increasing 2.0% in 2016. The unemployment rate also fell, declining by 0.5 percentage points, to 5.2%. Gross City Product (GCP) also increased for the seventh consecutive year, rising in real terms by 2.9% in 2016. The number of non-payment filings in Housing Court fell by 0.4%, and the number of cases heard in Housing Court fell 5.4%. Supplemental Nutrition Assistance Program (SNAP) caseloads also fell, for the third consecutive year, by 0.7%.

Negative indicators include the eighth consecutive year of increase in homeless levels, which rose to an average of almost 59,000 persons a night, an increase of 2.8% over 2015 levels. Cash assistance caseloads also rose, by 2.4% over 2015 levels. Inflation is also on the rise, with a 1.1% increase during 2016, compared to just 0.1% during 2015. Evictions also rose during 2016, increasing by 0.5%.

In addition, inflation-adjusted wages remained flat during the most recent 12-month period for which data is available (the fourth quarter of 2015 through the third quarter of 2016), rising just 0.1%.

The most recent numbers, from the fourth quarter of 2016 (as compared to the fourth quarter of 2015), show that homeless levels were up 4.6%; cash assistance levels were up 0.7%; SNAP recipients were up 0.4%; and the number of cases heard in Housing Court were up 7.9%.¹ However, many fourth quarter indicators were positive, with employment levels up 1.2%, the unemployment rate down 0.5 percentage points, the number of non-payment

filings in Housing Court down 2.2%, and fourth quarter GCP rising, by 1.8% in real terms.

Economic Conditions

Economic Output and Consumer Prices

NYC’s economy expanded during 2016, growing for the seventh consecutive year. NYC’s Gross City Product (GCP), which measures the total value of goods and services produced, increased by 2.9% during 2016, following an increase of 3.3% in 2015.² There has been positive economic growth in all but two quarters since the first quarter of 2009. During 2016, the greatest growth was during the first quarter, a 4.0% rise. For comparison, GCP increased by an annualized average of 1.8% per year between 2000

and 2009 and 4.3% in the 1990s. The analogous national number, United States Gross Domestic Product (GDP), increased 1.6% during 2016, lower than the increase of 2.6% during 2015.³

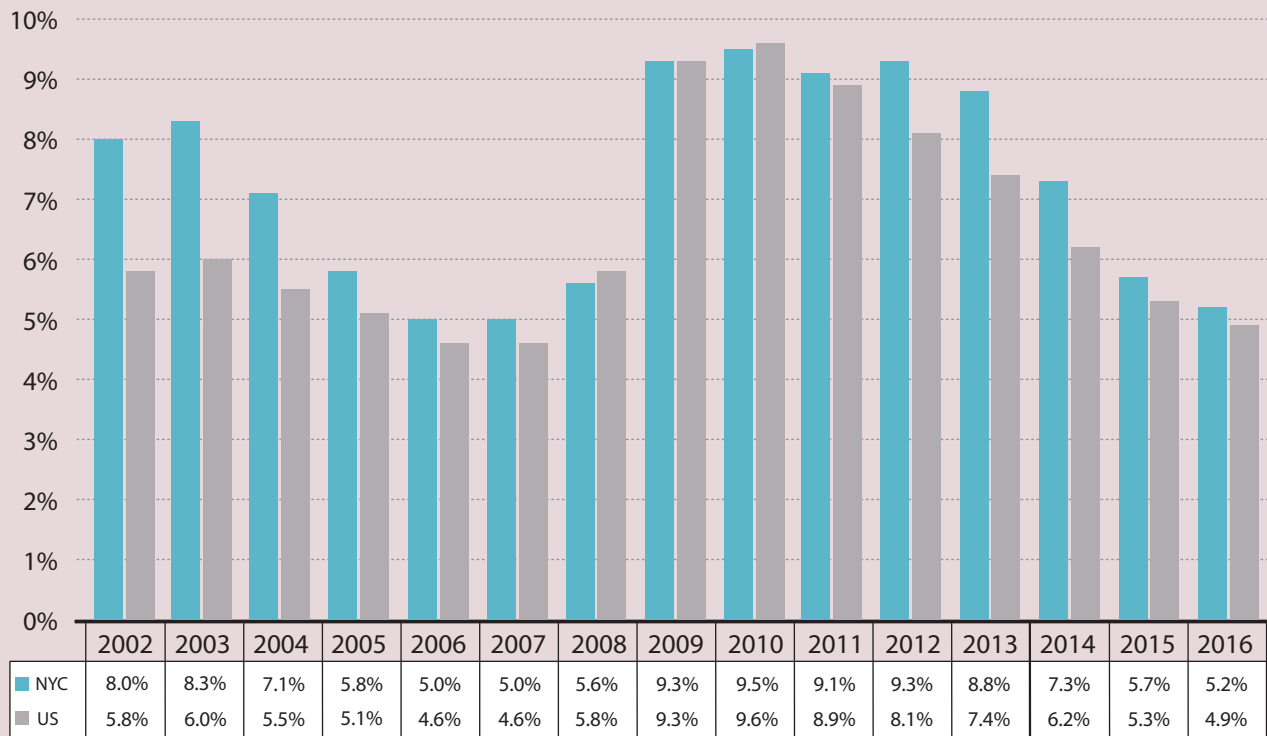
The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 1.1% in the NYC metropolitan area during 2016, a higher rate of inflation than seen in the previous year, when prices rose on average 0.1%.⁴ Inflation was lower than that of urban consumers in the U.S. as a whole, with prices rising 1.3%, following an increase of 0.1% during 2015.

Unemployment Statistics

NYC’s unemployment rate fell for the fourth consecutive year, declining 0.5 percentage points, to 5.2%.⁵ This is the lowest unemployment rate since

NYC and U.S. Unemployment Rates, 2002-2016

NYC & U.S. Unemployment Rates Fall in 2016



Source: U.S. Bureau of Labor Statistics and NYS Department of Labor; Data is updated annually and may differ from that in prior reports.

2007, when it was 5.0%. The U.S. unemployment rate declined by a smaller proportion, falling from 5.3% in 2015 to 4.9% in 2016, a 0.4 percentage point drop.⁶ (See graph on previous page and Appendix 1.)

In both January and February of 2017, the most recently available data, the unemployment rate for NYC was 4.8%. The 2017 January and February rates are both 0.8 percentage points lower than the same months of the prior year. The analogous national figure was 5.1% in January of 2017 and 4.9% in February, 0.2 percentage points lower than January of 2016 and 0.3 percentage points lower than the previous February.

For all of 2016, Manhattan and Queens had the lowest unemployment rates of the boroughs, 4.5%, with Staten Island's rate at 5.2%, Brooklyn at 5.3%, and the Bronx, consistently the borough with the highest unemployment rate, averaging 7.1%. Unemployment

rates fell in every borough during 2016, from between 0.4 percentage points in Manhattan, to as much as 0.7 percentage points in the Bronx.

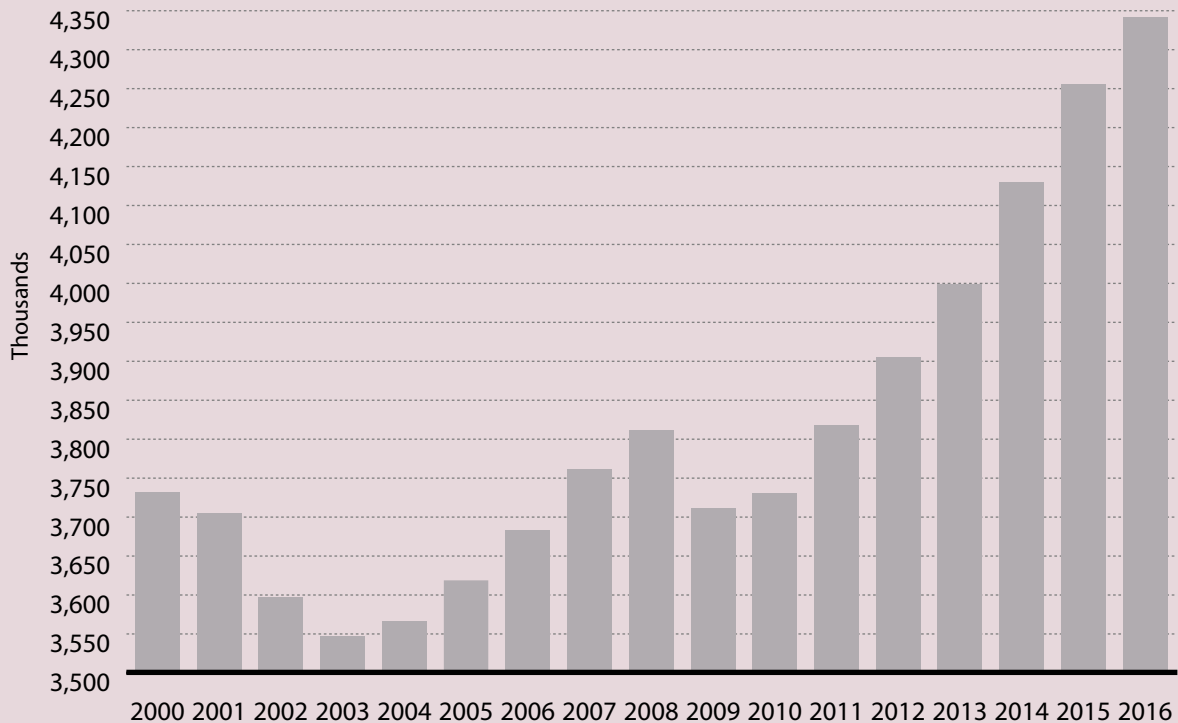
Employment Statistics

For the seventh consecutive year, the number of people employed in NYC increased, following gains in all but one year since 2003 (see graph on this page). Overall, among both city residents as well as those commuting into the city, NYC gained 86,100 jobs in 2016, a 2.0% increase from 2015.⁷

Employment levels rose in all but two industries, rising by the greatest proportion in the Construction sector, which grew by 5.0% (7,000 jobs) during 2016. The Education and Health Services sector also grew, rising by 3.7% (33,300 jobs) during 2016, and the Professional and Business Services sector grew by

Average Annual Payroll Employment, NYC, 2000-2016

NYC Employment Levels Rise for Seventh Consecutive Year



Source: NYS Department of Labor

3.3% (23,400 jobs). In the Manufacturing sector, which has declined in all but five years since 1990 (the first year for which data is available), employment fell by 1.9% (1,500 jobs), and is down more than 71% as compared with 1990. The Trade, Transport, and Utilities sector also fell, declining by 0.1% (800 jobs). All other sectors rose from between 0.5% and 2.3%. (See Appendix 2 for more detailed employment information.)

During the first two months of 2017, total employment levels were up as compared to the same months of 2016, with levels 2.0% higher in January and 1.5% higher in February, as compared with the same months of the prior year. Employment levels in both January and February were up in all but two sectors of each month.

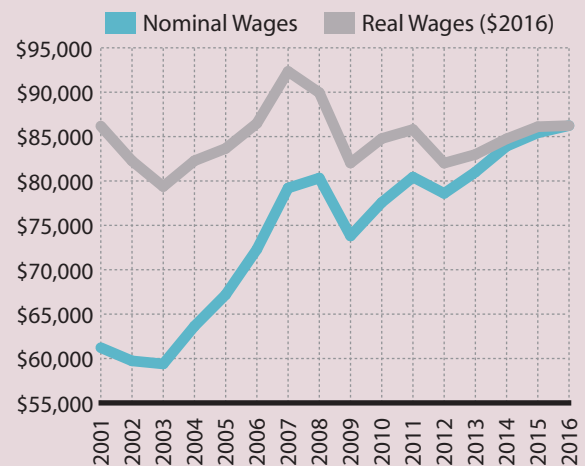
Two other employment indices are tracked in the *I&A Study*. The NYC labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased slightly in 2016, to 60.3%, up from 60.2% in 2015.⁸ This remained lower than the U.S. rate, which increased to 62.8% from 62.7% in 2015.⁹ A related statistic, the NYC employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. After remaining virtually unchanged between 2009 and 2012, the rate rose for the fifth consecutive year, up 0.4 percentage points in 2016, from 56.8% in 2015 to 57.2% in 2016. The U.S. employment/population ratio also rose in 2016, rising 0.4 percentage points from 2015 to reach 59.7%.

Wage Data

This report also examines wage data of employees working in NYC (regardless of where they live), though the analysis is limited by the fact that there is a significant lag time in the reporting of income data. Based on data derived from the NYS Department of Labor's Quarterly Census of Employment and Wages (QCEW), the most recent annual numbers cover the 2015 calendar year. The data for this time period shows an increase in both nominal wages and "real" wages (wages adjusted for inflation). Real wages

Real and Nominal Wages, 2001-2016

Both Real and Nominal Wages Increase in 2016



Source: NYS Department of Labor

Note: Each "year" consists of the first three quarters of that year, and the fourth quarter of the preceding year.

increased by 1.1% in 2015, following an increase of 4.0% in the prior year. Real wages rose from \$84,857 (in 2015 dollars) to \$85,785, with wages rising in all but one sector.¹⁰ Nominal wages (wages in current dollars) increased by 1.2% over the same time period, following a 5.3% increase in the prior year.

Due to the six-month lag time in reporting of QCEW wage data, in order to present the most recent statistics possible, staff has formulated a "year" that comprises the most recent 12-month period (in this case, the fourth quarter of 2015 through the third quarter of 2016). This "year" was then compared with the equivalent period of the preceding "year," which in this most recent time period showed that overall wages increased by 0.1% in real terms and by 1.0% in nominal terms (note that data is preliminary). This compares to increases in the preceding 12-month period of 1.6% in real terms and 1.8% in nominal terms. (See Appendices 3 and 4, and graph on this page.)

Real wages in the Finance and Insurance sector, which accounts for just over a quarter of all wages in the NYC QCEW (and therefore carries more weight than any other single sector), declined by a real 4.5%

during the most recent 12-month time period, the second largest proportional decline of any sector (of those that declined). This compares to rises of 0.1% and 5.6% in the prior two 12-month periods. The sector with the second greatest weight, Administrative, Waste, Educational, and Health Services (accounting for 16% of all wages), rose by a real 2.3% during this time period. Professional and Technical Services (accounting for 14% of all wages) rose by a real 2.0%. The Government sector, with 10% of all wages, also rose, by 1.6% in real terms. Two additional sectors, both with relatively low weight, saw decreases in real wages during 2016, including Management of Companies, which fell 4.6%.

On a quarterly basis, real wages as reported by the QCEW fell by 2.0% in the first quarter as compared to the same quarter of 2015, and rose 0.4% in the second quarter, and 1.9% in the third quarter. “Yearly” wage growth also includes the fourth quarter of 2015, when wages rose 1.0% in real terms.

“Annual” QCEW wage growth was impacted most by the negative growth of the Finance and Insurance sector, which helped pull overall wages lower than they would have grown otherwise. If the Finance and Insurance sector were removed from the analysis, wages would have grown by 2.1% in real terms, compared to the already noted growth of 0.1% overall.

The U.S. Bureau of Labor Statistics also tracks wage data, as part of their Current Employment Statistics (CES) survey.¹¹ Unlike the QCEW, this data cannot be analyzed for specific industries, and while more current than that of the QCEW, is based on a much smaller sample size. In addition, this data does not include certain monetary compensations that are included in the QCEW, such as bonuses and sums received when exercising stock options, so is therefore less variable on a month-to-month basis than data from the QCEW. Per the CES survey, weekly wages rose by a nominal 0.4% in NYC during calendar year 2016, lower than the rate of growth during 2015 (3.1%), and also lower than that of the nation as a whole (2.0%). In real dollars, weekly wages fell by 0.7% in NYC and rose by 0.7% for the nation as a whole between 2015 and 2016. On a quarterly basis, the CES data shows that NYC weekly wages (in real terms) fell in each quarter of 2016, by

the most in the first quarter (1.3%) and by the least in the third quarter (0.2%).

Bankruptcy Statistics

Staff also examined bankruptcy filings for NYC residents from 2000-2016. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000 and 2004, before surging to 42,852 in 2005 as bankruptcy laws were set to change. In the following year, with new laws in place making it more difficult to file for bankruptcy, only 7,961 persons filed for personal bankruptcy, an 81.4% decline. Filings then increased every year through 2010, reaching a high of 17,685. Filings then declined in each year between 2011 and 2015, before increasing in 2016, rising 0.3%, to 8,700. However, rates in the U.S. as a whole declined, by 6.0%.¹²

Poverty Statistics

The most recently available data from the Census Bureau reports that the NYC poverty rate for all individuals was 20.0% in 2015, lower than the rate of 20.9% in 2014. This compares to 14.7% for the nation as a whole, a decline from 15.5% in 2014.¹³ Poverty rates vary widely depending on borough. Rates range from a low of 13.8% in Queens, to 14.4% in Staten Island, 17.6% in Manhattan, 22.3% in Brooklyn, and 30.4% in the Bronx, consistently the highest rate of the boroughs. As compared to the prior year, rates fell in every borough but Manhattan, where they remained the same. (See Appendix 8.)

Also reported are poverty rates by age. The poverty rate for persons under the age of 18 in NYC was 28.6% in 2015. The rate was 17.6% for individuals 18 to 64 and 18.1% for persons 65 years and over. For families, 16.8% were living under the poverty line in 2015. For families containing related children under the age of 18, the figure is higher than that of all families, 24.1%. For married-couple families, the overall poverty rate was 10.4% in 2015, while for female- and male-headed families (i.e., no spouse present) it was 29.8% and 16.7%, respectively. Rates for every category but male-headed households fell as compared to the prior year, by as much as 1.8 percentage points.

The Census Bureau has also begun work on a “Supplemental Poverty Measure,” an additional measure of poverty that will include more factors in estimating income resources.¹⁴ Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for NYC residents from 2005–2014 and found poverty rates higher than those officially released by the Census Bureau.¹⁵ For instance, the official household poverty rate in 2014 was 19.1% and the CEO estimate was 20.7%. The gap between official and CEO estimates has been as high as 3.0 percentage points over the ten years studied by this City agency.

2014 New York City Housing & Vacancy Survey

Vacancy Rates, Income, Rent, and Affordability of Rental Housing

Results from the *2014 New York City Housing and Vacancy Survey (HVS)* were first reported in the *2015 Income & Affordability Study*, and they revealed the continuation of a very tight NYC housing market.¹⁶ This triennial survey of the housing and demographic characteristics of the City’s residents found that the Citywide vacancy rate was 3.45% in 2014, well below the 5% threshold required for rent regulation to continue under State law, but higher than that found during the last *HVS*, 3.12%.¹⁷

According to the *2014 HVS*, which reflects household income for 2013, the median income for all rental households was \$41,500. Tenants living in stabilized buildings built prior to 1947 (“pre-war”) had a median income of \$40,000, and post-46 (“post-war”) tenants earned a median income level of \$46,000. Stabilized tenants on the whole had a median income of \$40,600.¹⁸

The *HVS* also examines rent levels, and it revealed that in 2014, the median monthly contract rent, which excludes any additional tenant payments for fuel and utilities, for all rental units was \$1,200. Rent stabilized tenants on the whole paid this same amount (\$1,200) in median contract rent, including \$1,153 for pre-war rent stabilized apartments, and \$1,300 for post-war rent stabilized apartments. Median gross rent, which

includes fuel and utility payments, was \$1,325 for all renters. Rent stabilized tenants on the whole paid a median gross rent of \$1,300 in 2014, including \$1,266 for pre-war rent stabilized apartments, and \$1,413 for post-war rent stabilized apartments.

Examining affordability of rental housing, the *2014 HVS* reported that the median gross rent-to-income ratio for all renters was 33.6%, meaning that half of all households residing in rental housing pay more than 33.6% of their income in gross rent, and half pay less. Rent stabilized tenants as a whole had a median gross rent-to-income ratio of 36.2% in 2014, with rent stabilized tenants in pre-war apartments facing a median rent burden of 36.8% and tenants in post-war units with a lower median ratio, 34.6%. The contract rent-to-income ratio was 31.0% for all renters in 2014, and 33.0% for rent stabilized tenants.

Furthermore, a third (32.9%) of rental households pay more than 50% of their household income in gross rent. Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.¹⁹ For rent stabilized tenants on the whole, 35.7% pay more than 50% of their income towards gross rent, as do 36.5% of tenants in pre-war apartments and 33.5% of tenants in post-war apartments. It is important to note that an analysis done by RGB staff of the last four triennial *HVS* surveys found that officially reported rent-to-income ratios were somewhat high due to an anomaly in the way rents for tenants receiving Section 8 are recorded by the *HVS*. While generally paying no more than 30% of their income towards rent, tens of thousands of rent stabilized tenants receiving Section 8 are recorded with gross rent-to-income ratios in excess of 100%. The RGB analysis of *2014 HVS* data found that the gross rent-to-income ratio for rent stabilized tenants not receiving Section 8 was 33.5%, a difference of 2.7 percentage points from overall rent stabilized rates. Similarly, rates were lower by 1.2 percentage points in 2005, 1.1 percentage points in 2008, and 2.2 percentage points in 2011. The estimated “out of pocket” rent-to-income ratio for rent stabilized tenants in 2014 was 33.2%.

More detailed *HVS* data can be found in the prior two *I&A Studies*, and in Appendix D of the *Housing NYC* books published annually by the Rent Guidelines

Board. Preliminary data from the 2017 HVS is expected to be released in early 2018.

Other Measures of Affordability

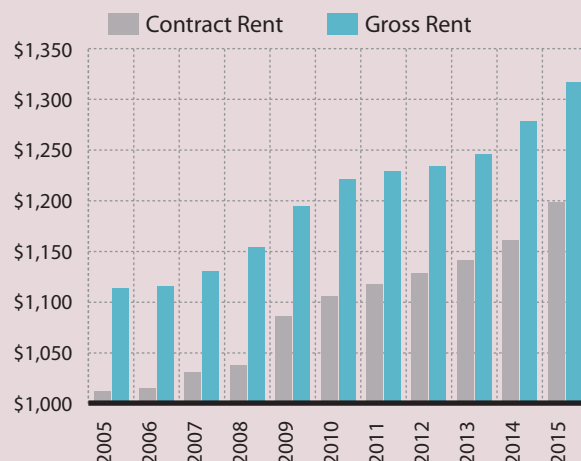
American Community Survey

Per data from the Census Bureau's most recent annual nationwide survey, the 2015 American Community Survey (ACS), NYC's median gross rent-to-income ratio ranks 25th highest among 82 big cities (those with populations of at least 250,000).²⁰ At 32.0%, the median gross rent-to-income ratio in NYC fell 0.7 percentage points from 2014 levels (see graph below). By borough, rates ranged from a low of 28.9% in Manhattan, to 32.1% in Brooklyn, 32.6% in Staten Island, 33.0% in Queens, and 35.6% in the Bronx. The only borough to rise as compared to the prior year was Manhattan, which rose by 0.5 percentage points. Rates fell by the greatest proportion in Staten Island, where they dropped by 2.1 percentage points.

The proportion of households Citywide paying 50% or more of their income towards gross rent fell as compared to 2014, decreasing from 30.2% to 29.5%. At the borough level, rates ranged from a low of 22.8%

Rent in Constant 2015 Dollars, 2005-2015

Inflation-Adjusted Contract and Gross Rents Climb Annually



Source: American Community Survey, 2005-2015

households paying at least 50% of their income towards gross rent in Manhattan, to a high of 36.0% of households in the Bronx.

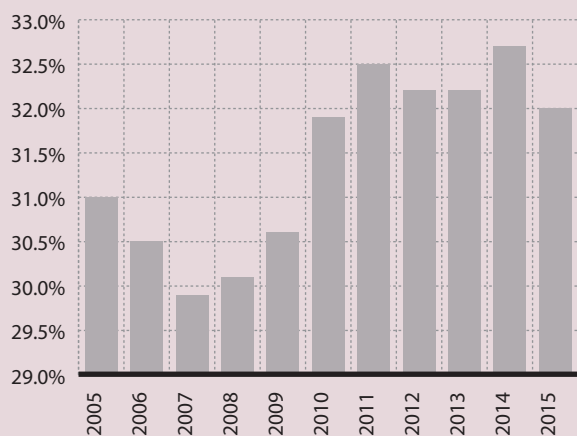
This survey also reports that the median contract rent in NYC was \$1,199 in 2015, and the median gross rent was \$1,317 (see graph above). Between 2014 and 2015, median monthly contract rents for all apartments in NYC increased an inflation-adjusted ("real") 3.2% and median gross rents increased by 3.1%. In nominal terms the increases were 3.4% and 3.2%, respectively. Inflation-adjusted gross rents rose by 2.7% in the Bronx, 2.8% in Brooklyn, 3.3% in Queens, 5.0% in Staten Island and 5.1% in Manhattan.

During 2015, median household income rose both nominally and in real terms, by 5.2% and 5.1% respectively, to \$55,752. Median household income for renters rose by a greater proportion than that of owner households, rising by a real 4.8% and 4.5%, respectively. Since the inception of this survey in 2005, renter income has fluctuated in real 2015 dollars from a low of \$39,855 in 2011 to a high of \$43,563 in 2008. It was \$43,261 in 2015.

The survey also provides average household income for cities in quintiles. In NYC the top quintile (i.e., the top 20%) in average household income makes 27.20 times more than the lowest quintile (i.e., the

Gross Rent-to-Income Ratio, 2005-2015

Gross Rent-to-Income Ratio Falls



Source: American Community Survey, 2005-2015

lowest 20%), the seventh highest ratio among big cities, and an increase from 27.02 in 2014. While New York's income disparity ratio does rank near the top nationwide, it lags behind Boston, with a ratio of 31.54, the highest disparity among big cities. Other major cities, such as Los Angeles (21.70), Chicago (23.88), Houston (20.23), and Philadelphia (21.54), all have smaller differentials between income levels than NYC. Including the aforementioned Boston, the cities ranking higher than NYC are New Orleans, Atlanta, Washington, DC, San Francisco and Miami, which have ratios ranging from between 27.25 and 31.54. The smallest disparity among big cities is in Virginia Beach, Virginia, with a ratio of 9.43. While the ratio between the upper and lower quintiles was 27.20 for all of NYC, it was 41.75 in Manhattan, where the top quintile makes an average of more than \$432,000 more annually than the lowest quintile.

Also reported is the percentage of income spent on monthly housing costs for different household income

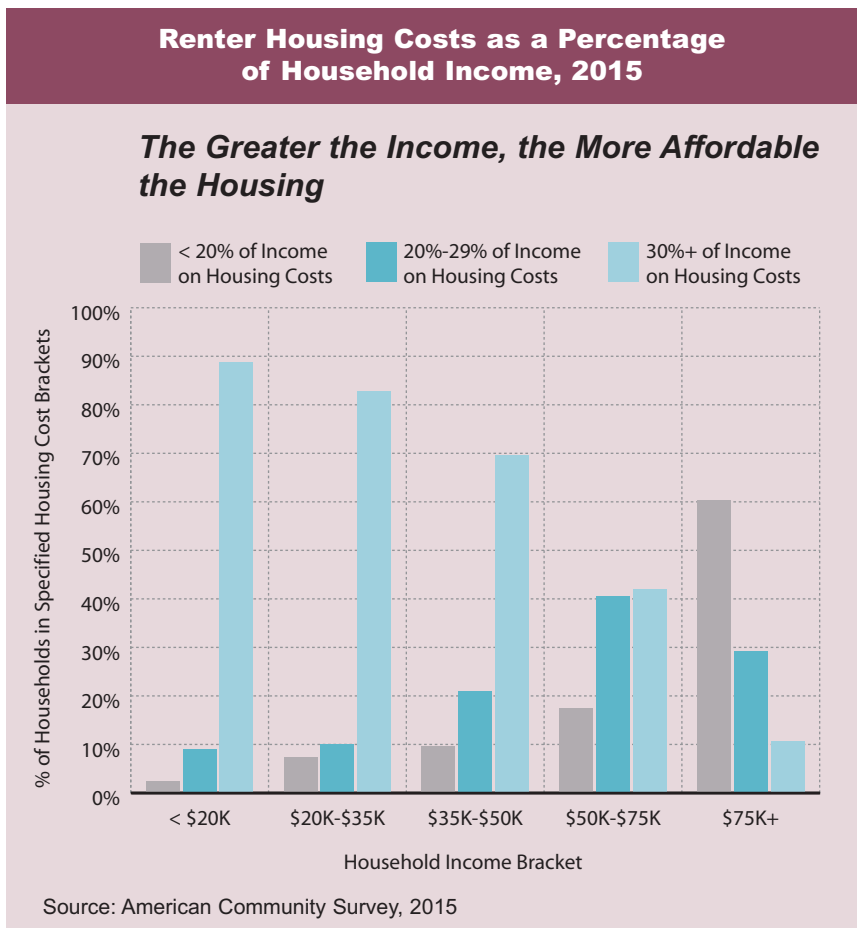
categories. Approximately 94% of all renters both pay rent and report an income, and among those renters, 25% make less than \$20,000 a year. For this lowest household income category, 88.8% spend at least 30% of their household income on housing costs and 2.3% spend less than 20%. As income levels increase, the proportion of renters who spend at least 30% of their household income on housing costs decreases, while the proportion paying less than 20% increases (see graph on this page). At the highest income category provided by the ACS, those households earning \$75,000 or more (30% of all renters), 10.6% spend at least 30% of their income on housing costs, while 60.2% spend less than 20%.

Consumer Price Index

One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to NYC (the local CPI area extends into the suburbs of the City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.²¹ For the 48-year period since the inception of rent stabilization (from 1968 to 2016) the cost of rental housing in the New York area rose 779% and overall prices rose more slowly, at 630%. This is the converse of nationwide averages, where the cost of rental housing rose at a slower pace than overall costs (585% and 590%, respectively).

Between 2015 and 2016, rental costs rose 3.4% in the NYC area, versus an overall increase in prices of 1.1%. This is slightly higher than the 2015 rent increase of 3.1%. This is the highest proportional increase since 2009 in the NYC area.

In the U.S. as a whole, rental costs rose at a faster pace than the NYC area, rising by 3.8% in 2016.



Rental costs in the NYC metropolitan area rose more slowly than three of the seven cities selected for comparison, including the metropolitan areas of Atlanta, Los Angeles, and San Francisco, where rents rose at rates between 4.7% and 6.6% in 2016. But rental rates in the NYC metropolitan area did rise faster than those in four other study areas, including Philadelphia, Boston, Chicago, and Washington, DC, where rents rose between 0.6% and 3.2%.

Section 8 Housing Availability

Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the NYC Housing Authority (NYCHA) opened the waiting list for the first time since 1994.²² These expanded funding levels led to significant increases in the number of Section 8 occupied units funded by NYCHA (which increased from 82,801 in Fiscal Year (FY) 2007 to a recent high of 100,570 in FY 2010, a 21.5% increase), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The number of Section 8 apartments has since fallen, to 84,638 units (a 2.0% drop from the prior year).²³ NYCHA also tracks the number of applicants newly placed through the Section 8 program. For the second consecutive year, placements rose, rising from 892 in FY 2015 to 1,706 in FY 2016. And placements rose again in the first four months of FY 2017 as compared to the first four months of FY 2016, from 501 to 546. There are approximately 119,000 persons currently on the NYCHA Section 8 waiting list, 1,000 persons fewer than last year.

The NYC Department of Housing Preservation and Development (HPD) also maintains a Section 8 program, although as opposed to NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.²⁴ As of December of 2016, HPD was funding 39,396 Section 8 vouchers, approximately the same number as the previous year. Notably, 46% of HPD's Section 8 vouchers are utilized by tenants with disabilities. And among all HPD Section 8 rentals, the average tenant

share of rent is \$403, with an average income level of \$16,347.²⁵

Non-Government Sources of Affordability Data

Staff also calculated electricity costs for a typical rental household. Assuming usage of 300 kWh and supply via Con Edison, the average renter's bill would have decreased by 5.5% during 2016, following an 8.2% decrease during 2015. During the most recent 12-month period (April of 2016 through March of 2017), due to price decreases in 10 of the 12 months of the year, costs fell 2.0% as compared to the prior "year." For comparison, during the previous 12-month period, costs decreased 9.2%.²⁶ New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2015 2.1 times that of the nation as a whole.²⁷ Last year Con Edison announced a residential rate hike as of January 2017 that would raise electric rates an average of 5.2%, the first rate increase for delivery services since April of 2012. They also estimate that tenants who use gas for cooking will see an average increase of 14.4% in the gas portion of their ConEd bill.²⁸

Another measure of affordability is the Council for Community and Economic Research's Cost of Living Index (COLI), which tracks the cost of living in almost 300 urban areas, including Manhattan and Brooklyn. Based on 60 different items, the survey collects more than 90,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services. In the first three quarters of 2016, Manhattan and Brooklyn ranked as numbers one and four/five, respectively, on the list of most expensive urban areas.²⁹ The study calculated that Manhattan was approximately 2.3 times as expensive to live in as the national average, while Brooklyn was approximately 1.7 times more expensive.

This same study found that someone moving from Boston who makes \$58,263 a year (the 2015 median household income in Boston, per the *American Community Survey*) would need to make \$90,959 to achieve the same standard of living in Manhattan, while paying 21% more for groceries, 18% more for transportation, and 135% more for housing (including

61% more for renters).³⁰ Moving to Brooklyn would be somewhat more economical, requiring a salary of \$68,347 to achieve the same standard of living. As with Manhattan, the most inflated component in Brooklyn is housing, which is approximately 48% more expensive than in Boston (with rental apartments 1% less expensive).

While the COLI study found that significantly more income is required to live in NYC with the same standard of living as in Boston, actual incomes fell short of what the study determined was required in Manhattan and Brooklyn. Actual 2015 median household incomes were \$75,575 in Manhattan and \$51,141 in Brooklyn, a difference of 16.9% and 25.2%, respectively.³¹

Per the COLI study, overall housing costs rose in Boston during 2016, increasing 5.9%, while housing costs fell in both Manhattan and Brooklyn, by 1.5% and 1.4%, respectively. But the subcategory of apartment rents rose in all three areas, by 17.8% in Boston, 5.8% in Manhattan, and 12.2% in Brooklyn.

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2016 the New York metropolitan area was the seventeenth least affordable area to buy a home, up from ninth in the fourth quarter of 2015. This follows eighteen straight quarters between 2008 and 2012 when the New York area ranked as least affordable. The survey found that 35.4% of owner-occupied housing in the metropolitan area was affordable to households earning the median income. Although it was one of the least affordable buyer's markets, substantially more homes were affordable than in recent years, such as in the fourth quarter of 2006, when only 5.1% of homes were considered affordable. The fourth quarter of 2016 was also more affordable as compared to the same quarter of the previous year, when 22.0% of homes were considered affordable.³²

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2017 study has not been released as of the publication of this report, but per their methodology,³³ in order to afford a two-bedroom apartment at the City's Fair Market Rent, (\$1,637 a month, as determined by the

U.S. Department of Housing and Urban Development³⁴) a full-time worker must earn \$31.48 per hour, or \$65,480 a year. Alternately, those who earn minimum wage would have to work 114-120 hours a week (or two persons would each have to work 57-60 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent. Because the Fair Market Rent rose by \$66, but the minimum wage increased by \$1.50-\$2.00 an hour in 2017, the amount of annual wages necessary to afford this apartment went up by 4.2%, but the number of hours working at minimum wage in order to afford this apartment went down by 10.7%-14.6%.

The Community Service Society's "The Unheard Third 2016" interviewed 1,079 low-income residents (those making under 200% of the federal poverty level (FPL)) in the summer of 2016.³⁵ Among their findings, they found that 17% of low-income residents had fallen behind on their rent or mortgage in the past year, and 10% had been threatened with foreclosure or eviction. This compares to 24% of last year's respondents who had fallen behind on their rent or mortgage, and 10% who had been threatened with eviction or foreclosure.

In addition, 14% of the lower-income respondents to "The Unheard Third" reported losing their job; 17% reported having their hours, wages, or tips reduced; 12% moved in with other people due to financial problems; and 13% had a utility turned off. The proportion of respondents who had their hours reduced, moved in with others, or had a utility turned off dropped two percentage points from the previous year, while the number who had lost their job fell eight percentage points. The survey also found that the share of low-income respondents with three or more hardships declined between 2015 and 2016, dropping from 37% to 34% for "poor" respondents (those earning up to 100% of the FPL) and from 35% to 27% for "near poor" respondents (those earning between 101% and 200% of the FPL).

And among a small sample (70 respondents) of low-income rent stabilized tenants responding to "The Unheard Third," the proportion who had fallen behind in their rent fell from 30% in 2015 to 20% in 2016, while the number who moved in with others fell from 21% to 13%, the number who lost their job fell from

24% to 16%, the number who moved in with others fell from 21% to 13%, and the number who had a utility turned off fell from 17% to 7%. There was a slight uptick in rent stabilized respondents who had been threatened with eviction, which rose from 9% to 10%, and a rise in the number of people who moved in with others, rising from 17% to 21%.

Real Property Tax Credit

For the third consecutive year, a tax credit for NYC renters, the “Enhanced Real Property Tax Credit for Homeowners and Renters,” offers a maximum tax credit of \$500 to NYC residents with household incomes of less than \$200,000 a year.³⁶ The amount of this credit depends on both income level and the amount of rent paid. For instance, a tenant with a household income of \$50,000 a year, who pays \$1,250 in rent (30% of their income), would receive a tax credit of \$16.31. But a tenant making \$50,000 a year and paying \$2,083 in rent (50% of their income), would receive a credit of \$87.19. A higher income household, earning \$100,000 a year, would need a rent in excess of \$2,646 (31.7% of their income) before they could receive any tax credit.³⁷

Cash Assistance Programs

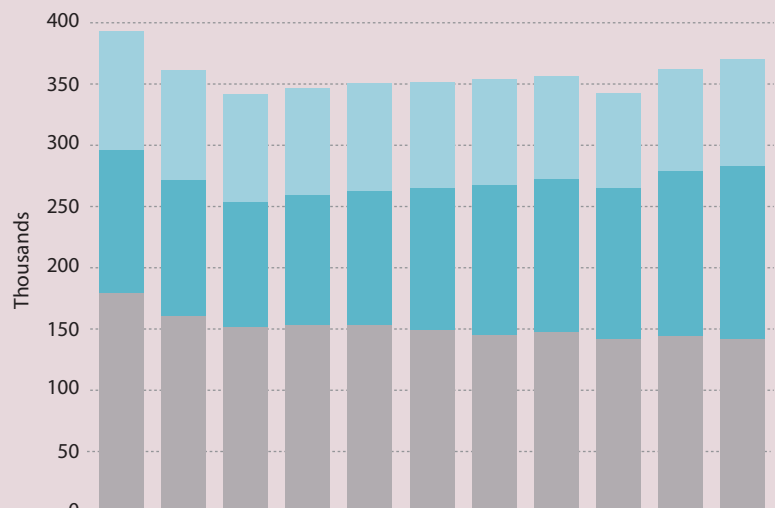
For the seventh time in the past eight years, the average number of cash assistance cases in NYC increased, rising by 2.4% in 2016 to reach 370,474 cases.³⁸ This follows an increase of 5.7% in the prior year (see graph on this page). Also reported by the NYC Human Resources Administration is the number of unduplicated recipients of cash assistance during 2016. Over the course of the year, a total of 605,559 persons received a cash

assistance payment, an increase of 1.4%. This figure includes nearly 110,000 cases of emergency assistance, an almost 10-fold increase from 2015. This may indicate that while cash assistance levels are increasing, there is a shift from on-going monthly assistance to one-time emergency grants (known as “one shots”) to pay for expense like rent arrears.³⁹ And despite generally increasing in the past few years, over the last two decades the number of cash assistance recipients has dropped significantly, falling 67.8% since March 1995, when the City’s welfare reform initiative began and 1,161,000 recipients were on the rolls.

The number of applications for cash assistance also rose in 2016, increasing 1.3% over 2015 levels, including an increase of 0.9% in denied applications, and 1.5% in approved applications.⁴⁰ At the same time, the number of reported job placements among cash assistance recipients increased during 2016, rising by 4.2%, or 1,906 jobs.⁴¹

Cash Assistance Programs, 2006-2016, in Thousands

Cash Assistance Caseloads Rise 2%



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
FAP	179.2	160.2	151.7	153.3	152.8	148.9	145.2	147.0	141.3	144.2	141.8
SNA	116.7	111.5	101.4	105.5	109.9	116.1	121.9	125.5	124.0	134.2	140.9
FAP-SNA	97.3	89.4	88.6	88.1	87.7	86.7	86.9	83.6	77.0	83.5	87.7

Source: NYC Human Resources Administration

Note: FAP-SNA refers to welfare recipients who were converted from the Family Assistance Program (FAP) to the Safety Net Assistance Program (SNA)

The number of Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) recipients decreased for the third consecutive year, by 0.7% in 2016, to an average of 1.70 million. Rates decreased in spite of changes to the program in July of 2016 which raised the eligibility level from 130% of the federal poverty level to 150%.⁴² Despite this drop, SNAP levels have more than doubled in recent years, rising from an average of just over 800,000 in the early 2000s, to just over 1.7 million today.⁴³ The number of Medicaid enrollees also fell, decreasing 11.6% during 2016, to 2.1 million recipients.⁴⁴

Housing Policy

NYC receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). NYC was granted \$704.9 million from federally funded programs in FY 2016.⁴⁵ These programs include \$151.5 million in a Community Development Block Grant (CDBG), which funds housing and community development programs; \$54.2 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; \$13.6 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; \$43.8 million for Housing Opportunities for Persons with AIDS (HOPWA); and a competitive Continuum of Care (CoC) grant of \$122.0 million for homeless programs. NYCHA will also receive \$319.9 million for its capital modernization program.

As compared to FY 2015, federal funding in 2016 increased by 3.8% in nominal terms and 3.2% in inflation-adjusted terms. The largest source of funding, for NYCHA capital projects, rose by 3.2% in real terms. The greatest proportional increase was in CoC funding, which increased a real 15.6%, and the greatest proportional decrease was in HOPWA funding, which declined by 7.5% in real terms.

Homelessness & Evictions

Homelessness

Homelessness in the City, based on data from the NYC Department of Homeless Services (DHS), increased for

the eighth consecutive year during 2016, rising by 2.8%.⁴⁶ Each night, an average of 58,770 persons stayed in DHS shelters during 2016, up 1,612 persons from a year earlier, and up considerably from the average of 20,000-25,000 found in the 1990s (see graph on next page and Appendix 7). The subcategory of the number of families sheltered each day also rose, by an average of 6.5%.⁴⁷ The figure for families includes the number of families with children sheltered each night, which rose 6.1% during 2016 (to reach an average of 12,606), and the number of adult families sheltered each night, which increased 9.0% over the year (to an average of 2,347). The number of single adults sheltered also rose during 2016, increasing 9.4%, to an average of 13,148 persons.

While overall homeless rates increased 2.8% during 2016, looking at the data on a quarterly level shows that rates increased at a faster pace as the year went on. Rates rose by 0.3%, 2.2%, 4.3%, and 4.6% in the first, second, third and fourth quarters respectively, as compared to the same quarters of the previous year. On a monthly basis, the greatest increase was seen in November of 2016, when 2,725 more persons stayed in City shelters than the previous November, an increase of 4.7%.

Permanent housing placements for families with children increased for the fourth consecutive year during 2016, rising from 8,352 to 8,690, a 4.0% increase. However, placements fell for both adult families and single adults. For adult families, placements fell from 668 in 2015 to 572 in 2016, a 14.4% decline. Permanent housing placements for single adults fell from 8,525 in 2015 to 8,370 in 2016, a 1.8% decline.

Other homeless indicators include the average amount of time spent in temporary housing, which increased for both adult families and single adults, but fell for families with children for the first time since 2010. For families with children, the average amount of time spent in temporary housing fell 18 days (to 417 days), but went up by 10 days for adult families (to 561 days) and by 28 days for single adults (to 370 days).

While some groups were spending more time in temporary housing during 2016, all groups placed in permanent housing were returning to the system in lower numbers, with 8.0% of families with children

returning to DHS within one year (down from 14.5% the prior year), 10.4% of adult families returning (down from 11.5% in the prior year), and 17.3% of single adults returning (down from 21.1% in the prior year).

Data from the U.S. Department of Housing and Urban Development, which asks municipalities to submit homeless counts on a single day in January of each year, shows that NYC has the largest number of homeless people of any city in the nation. NYC reported a total of 73,523 sheltered and unsheltered persons in January of 2016, followed by Los Angeles, with 43,854 persons, and Seattle, with 10,730. In NYC, rates fell 2.4% from January 2015 to January 2016, and at the national level, homeless rates declined by 2.6%.⁴⁸

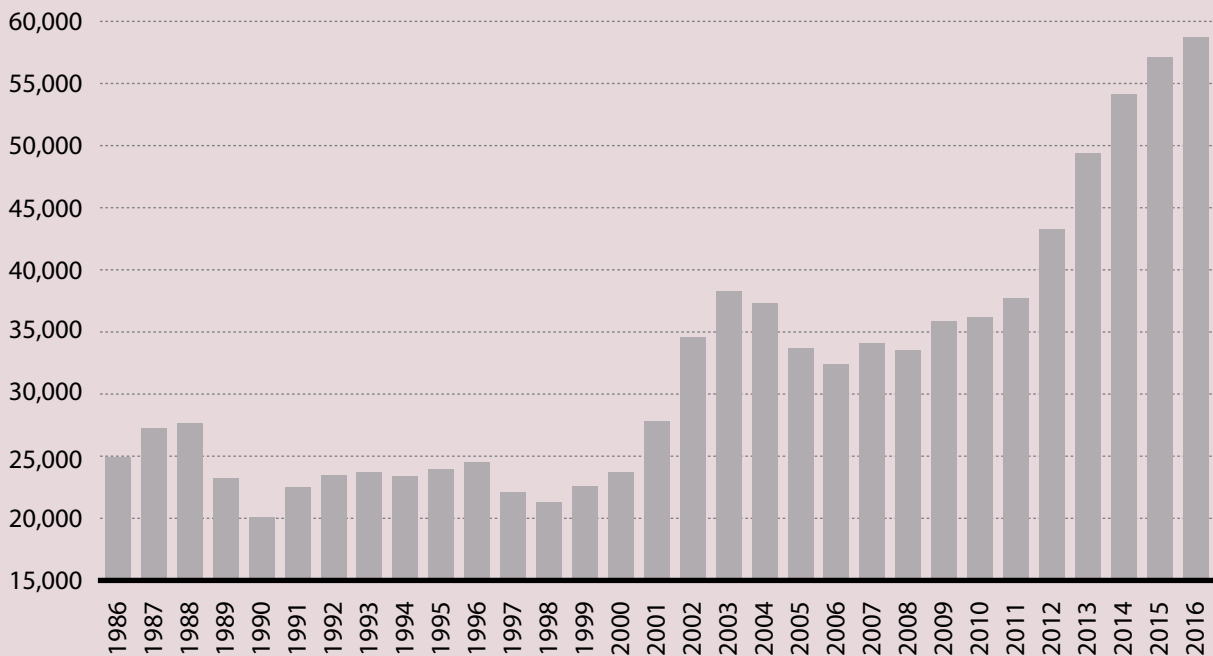
In February of 2017, the de Blasio Administration released “Turning the Tide of Homelessness in New York City,” detailing a comprehensive plan to combat the rise in homelessness, including efforts already underway.⁴⁹ Per this report, 6,618 households received a Living in Communities (LINC) subsidy between July

2014 and December 2016. LINC provides subsidies to working families, families with multiple shelter stays, and domestic violence survivors (among others), each group with their own requirements for how much participants pay towards rent and how long the subsidy lasts. Recipients generally pay 30% of their income towards rent. The City also provided 3,272 households at risk of eviction with a City Family Eviction Prevention Supplement (CityFEPS) during this same time period, to help keep these households in place and out of the shelter system. CityFEPS can pay up to the entire amount of rent for recipients and has no time limits. Other programs, such as NYCHA placements and Section 8, helped an additional 8,763 households leave, or avoid, shelter.

The Mayor’s report also details that an increasing number of households are receiving emergency rent assistance. In 2014, 48,600 households received an average grant of \$3,059 to pay rent arrears. This number increased to 54,700 households (at an average of \$3,442) in 2015, and 58,100 households (at an average

Average Homeless Shelter Census, NYC, 1986-2016

NYC Homeless Levels Rise for Eighth Consecutive Year



Source: NYC Department of Homeless Services

of \$3,688) in 2016. The report also details plans to end the use of cluster apartments and commercial hotels (which house approximately 30% of the homeless population) and replace them with 90 new shelters over the next five years, in addition to converting some cluster apartments into permanent housing.

Housing Court

For the fifth consecutive year, non-payment filings in Housing Court decreased, falling 0.4%, to 202,300.⁵⁰ At the same time, the number of non-payment cases resulting in an actual court appearance (“calendared”) also declined, by 5.4%. Because the number of calendared cases fell at a greater rate than the number of filings, the proportion of non-payment cases which resulted in an appearance decreased by 2.7 percentage points. At 52.1%, this proportion is the lowest level seen since 2009 (see graph on this page and Appendix 6). For comparison, during the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

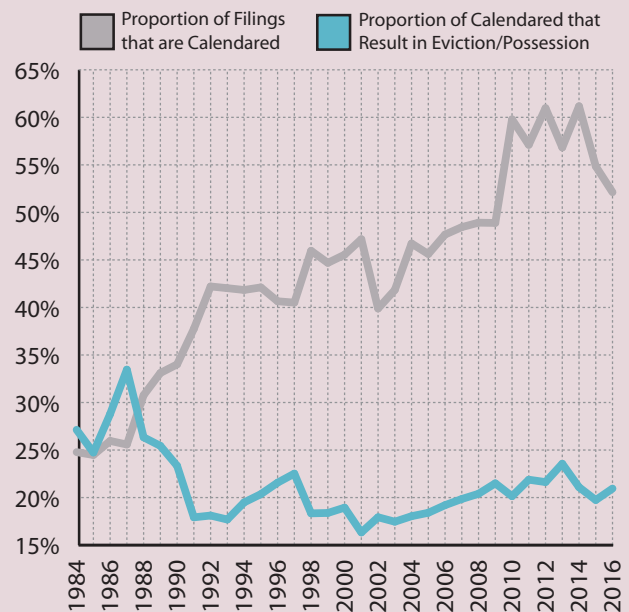
More than 19% of non-payment filings and 21% of calendared cases are against tenants of public housing (NYCHA). If these cases were taken out of the analysis, filings against other tenants would have fallen 1.6% between 2015 and 2016, and calendared cases would have fallen by 11.2%. And the overall percentage of calendared cases to non-payment filings in 2016 would have been 50.7%, 1.4 percentage points lower than the overall proportion.

Evictions for all tenants rose slightly during 2016, by 0.5%, following a steep decline of 18.1% in the prior year, and 6.9% in 2014.⁵¹ The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2016 increased by 1.2 percentage points, rising from 19.7% to 21.0%. This translates to 22,089 court decisions ruling for the tenant’s eviction from a total of 105,431 non-payment proceedings calendared (see graph on this page).

In February of 2017, the de Blasio Administration announced that all households under 200% of the federal poverty level will be eligible for free legal representation in Housing Court. An additional \$93 million will be added to programs in place since 2014, for a total funding level of \$155 million a year by

Housing Court Statistics, 1984-2016

Proportion of Non-Payment Cases Calendared Falls and Proportion of Evictions Rises



Source: Civil Court of NYC and NYC Department of Investigations

FY 2022. It is estimated that since January of 2014, 34,000 households have received legal help and the number of tenants in Housing Court with legal representation has risen from 1% to 27%.⁵²

Conclusion

In 2016, some economic indicators for NYC were positive, including rising employment levels, declining unemployment, increased Gross City Product, and a slowing of Housing Court non-payment filings and SNAP recipients. However, homelessness continues to increase, as do cash assistance caseloads, and wages were stagnant.

Looking forward, both the NYC Comptroller’s office and the NYC Office of Management and Budget have made predictions about the future health of the NYC economy. Among the predictions, they estimate that in 2017 the City will gain anywhere between

55,000 and 61,000 jobs, unemployment will fall to 5.0%, GCP growth will potentially grow anywhere from 1.8% to 2.4%, and wages will rise from 2.9% to 3.2%. They also see the economy as strong, but slowing, during the next few years, with slightly increasing unemployment rates (to as high as 6.1% in 2020), more moderate job gains and GCP growth, and steady wage rate growth.⁵³ □

Endnotes

- This data is obtained from the Civil Court of the City of New York, which cannot provide exact "quarterly" data. The Court has 13 terms in a year, each a little less than a month long. This data is for terms 10-13, which is from approximately the middle of September through the end of the year. It is compared to the same period of the prior year.
- Data from the NYC Comptroller's Office as of March, 2017. GCP figures are adjusted annually by the NYC Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2009 chained dollars.
- U.S. Bureau of Economic Analysis. <http://www.bea.gov/national/index.htm#gdp>; Data accessed March, 2017.
- U.S. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed February, 2017.
- NYS Department of Labor; <http://www.labor.state.ny.us>; Data accessed March 2017. Data is revised annually and may not match data reported in prior years.
- U.S. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2017.
- New York State Department of Labor; <http://www.labor.state.ny.us>; Data accessed March 2017. Data is revised annually and may not match data reported in prior years.
- The NYC labor force participation rate and employment/population ratio are derived from unpublished data from the U.S. Bureau of Labor Statistics, obtained from the NYC Comptroller's Office. Note that prior years' data are annually revised, and may differ from figures reported in prior years' *Income and Affordability Studies*.
- U.S. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2017.
- New York State Department of Labor; <http://www.labor.state.ny.us>; Data accessed March 2017.
- U.S. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2017.
- Data obtained from The Administrative Office of the U.S. Courts in March of 2017. <http://www.uscourts.gov/Statistics/BankruptcyStatistics.aspx>
- Poverty statistics were researched on the U.S. Census Bureau's Factfinder Site: <http://factfinder2.census.gov> in February of 2017. The U.S. Census Bureau reports that in 2015 the weighted average poverty threshold for a one-person households is \$12,082; \$15,391 for a two-person household; \$18,871 for a three-person household; \$24,257 for a four-person household; \$28,741 for a five-person household; \$32,542 for a six-person household; \$36,998 for a seven-person household; \$41,029 for an eight-person household; and \$49,177 for a nine-person household.
- U.S. Census Bureau, <https://www.census.gov/hhes/povmeas/methodology/supplemental/overview.html>
- "The CEO Poverty Measure, 2005-2014." April, 2016. NYC Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.
- The *New York City Housing and Vacancy Survey (HVS)* is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. All HVS data reported herein is from tables presented on the New York City Housing and Vacancy Survey website: <https://www.census.gov/housing/nychvs/>.
- State law requires the City to formally extend rent stabilization every three years, after publication of vacancy rates from the triennial *Housing and Vacancy Survey*. NYC Introductory Number 685 extends rent stabilization until April 1, 2018.
- Total household income in the HVS includes wages, salaries, and tips; self-employment income; interest dividends; pensions; and other transfers and in-kind payments.
- The HUD benchmark for housing affordability is a 30% rent-to-income ratio. Source: Basic Laws on Housing and Community Development, Subcommittee on Housing and Community Development of the Committee on Banking Finance and Urban Affairs, revised through December 31, 1994, Section 3.(a)(2).
- 2015 American Community Survey, U.S. Census Bureau. <http://factfinder2.census.gov>
- U.S. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed February, 2017.
- Press Release, Mayor's Office. "Mayor Bloomberg and NYCHA Chairman Hernandez Announce that Section 8 Voucher List Will Open For First Time in Twelve Years," January 29, 2007.
- Preliminary FY 2017 Mayor's Management Report, NYC Housing Authority section.
- Eligibility guidelines per the NYC Housing Preservation and Development website: <http://www1.nyc.gov/site/hpd/section-8/applicants-eligibility.page>.
- DTR Section 8 General Program Indicators, HPD website: <http://www1.nyc.gov/assets/hpd/downloads/pdf/hpd-section-8-program-statistics.pdf> (dated 12/5/2016).
- A typical bill was calculated using rate schedules published on the Con Edison website at <http://www.coned.com/rates>. The rates used were for Service Classification #1, Residential and Religious, at a usage rate of 300kWh, per averages stated by a representative from ConEd.
- U.S. Energy Information Administration: Electric Sales, Revenue, and Average Price (2015 Tables T6 and T5.a). http://www.eia.gov/electricity/sales_revenue_price/.
- Con Edison Press Release. "Con Edison Files Electric & Gas Rate Proposals for 2017." January 29, 2016.
- ACCRA Cost of Living Index Press Releases. First, Second, and Third Quarters of 2016. The Council for Community and Economic Research. <http://www.coli.org/media>

30. ACCRA cost of living report. The Council for Community and Economic Research. <https://store.coli.org/compare.asp>
31. 2015 American Community Survey, U.S. Census Bureau. <http://factfinder2.census.gov>. American Community Service data does not specifically identify rent stabilized units.
32. National Association of Home Builders. Various tables on website: <http://www.nahb.org/en/research/housing-economics/housing-indexes/housing-opportunity-index.aspx>; Affordability defined as no more than 28% of gross income spent on housing costs. Data accessed March 2017.
33. The methodology that the National Low Income Housing Coalition uses is at: http://nlihc.org/sites/default/files/oor/OOR_2016.pdf
34. Fair Market Rents are published annually by the U.S. Department of Housing and Urban Development. <http://www.huduser.org/datasets/fmr.html>
35. "Policies Matter: Hardships Decline for Low-Income New Yorkers in 2016." The Unheard Third 2016. Community Service Society, January 2017. Unpublished data from the survey was provided directly from the Community Service Society to enable direct comparison of 2015 and 2016 data.
36. New York State Department of Taxation and Finance Form NYC-208 (2016).
37. Calculations based on New York State Department of Taxation and Finance Form NYC-208 (2016).
38. NYC Human Resources Administration. HRA Charts (Cash Assistance Recipients): <http://www1.nyc.gov/site/hra/about/facts.page#charts>
39. NYC Human Resources Administration. HRA Monthly Fact Sheets (December 2016): <http://www1.nyc.gov/site/hra/about/facts.page#caseloads>
40. Data directly from the NYS Office of Temporary and Disability Assistance, March, 2017.
41. NYC Human Resources Administration. HRA Charts (Assisted Entries to Employment): <http://www1.nyc.gov/site/hra/about/facts.page#charts>
42. "Food stamp recipients increasing in New York City, reversing long trend," by Brenan Cheny. *Politico New York*, October 4, 2016.
43. NYC Human Resources Administration. HRA Charts (SNAP Recipients): <http://www1.nyc.gov/site/hra/about/facts.page#charts>
44. NYC Human Resources Administration. HRA Charts (HRA Administered Medicaid Enrollees): <http://www1.nyc.gov/site/hra/about/facts.page#charts>
45. U.S. Department of Housing and Urban Development.
46. Data from the Policy & Planning Office of the NYC Department of Homeless Services (DHS), DHS daily reports, and monthly Citywide Performance Reporting reports. Note that the NYC Department of Housing Preservation and Development, the NYC Department of Youth and Community Development, and the NYC Human Resources Administration also operate emergency shelters, which house approximately 5,000 persons per night.
47. The NYC Department of Homeless Services (DHS) now splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 85% of "families" are families with children.
48. "The 2016 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Homelessness." U.S. Department of Housing and Urban Development, November 2016.
49. "Turning the Tide of Homelessness in New York City," Mayor's Office, February, 2017.
50. Civil Court of the City of New York data.
51. Eviction data from the NYC Department of Investigation, Bureau of Auditors data.
52. Press Release, Mayor's Office. "State of the City: Mayor de Blasio and Speaker Mark-Viverito Rally Around Universal Access to Free Legal Services for Tenants Facing Eviction in Housing Court," February 12, 2017.
53. "Comments on New York City's Preliminary Budget for FY 20187 and Financial Plan for Fiscal Years 2017-2021." NYC Comptroller's Office, March 2, 2017.

Appendices

1. Average Annual Employment Statistics by Area, 2005-2016

Unemployment Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bronx	7.6%	6.7%	6.8%	7.6%	12.0%	12.0%	11.9%	12.4%	11.8%	9.8%	7.8%	7.1%
Brooklyn	6.2%	5.4%	5.4%	6.0%	9.9%	9.9%	9.6%	9.8%	9.4%	7.6%	5.9%	5.3%
Manhattan	5.1%	4.3%	4.3%	4.9%	8.4%	8.6%	7.8%	8.0%	7.5%	6.1%	4.9%	4.5%
Queens	5.2%	4.5%	4.5%	5.0%	8.4%	8.6%	8.1%	8.3%	7.7%	6.4%	5.0%	4.5%
Staten Island	5.3%	4.5%	4.6%	5.1%	8.2%	9.4%	9.2%	9.5%	9.0%	7.5%	5.8%	5.2%
NYC	5.8%	5.0%	5.0%	5.6%	9.3%	9.5%	9.1%	9.3%	8.8%	7.3%	5.7%	5.2%
U.S.	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%
<u>Labor Force Participation Rate</u>												
NYC Δ	59.2%	59.0%	59.1%	59.7%	59.9%	60.0%	59.7%	60.0%	60.2%	60.3%	60.2%	60.3%
U.S.	66.0%	66.2%	66.0%	66.0%	65.4%	64.7%	64.1%	63.7%	63.2%	62.9%	62.7%	62.8%
<u>Employment-Population Ratio</u>												
NYC Δ	55.8%	56.1%	56.1%	56.4%	54.3%	54.3%	54.3%	54.4%	54.9%	55.9%	56.8%	57.2%
U.S.	62.7%	63.1%	63.0%	62.2%	59.3%	58.5%	58.4%	58.6%	58.6%	59.0%	59.3%	59.7%
<u>Gross City Product (NYC)</u>												
Billions, in 2009 \$	575.8	603.2	627.2	615.9	602.2	632.9	644.1	657.9	678.4	697.5	720.5	741.3
% Change	4.66%	4.77%	3.98%	-1.81%	-2.22%	5.10%	1.76%	2.14%	3.12%	2.81%	3.30%	2.89%
<u>Gross Domestic Product (U.S.)</u>												
Billions, in 2009 \$	14,234.2	14,613.8	14,873.7	14,830.4	14,418.7	14,783.8	15,020.6	15,354.6	15,612.2	15,982.3	16,397.2	16,659.8
% Change	3.34%	2.67%	1.78%	-0.29%	-2.78%	2.53%	1.60%	2.22%	1.68%	2.37%	2.60%	1.60%

Notes: The NYC Comptroller's Office revises the Gross City Product periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. Note that GCP and GDP figures are preliminary. The NYS Department of Labor also periodically revises unemployment rates, and rates reflected here might not match those figures reported in prior years.

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis, NYS Department of Labor; NYC Comptroller's Office.

Δ Unpublished data from the Bureau of Labor Statistics. These figures are revised periodically.

2. Average Payroll Employment by Industry for NYC, 2007-2016 (in thousands)

Industry Employment	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2015-2016 Change
Manufacturing	101.0	95.6	81.6	76.3	75.7	76.3	76.4	76.6	77.8	76.3	-1.9%
Construction, Natural Resources & Mining	127.3	132.7	120.8	112.5	112.3	116.1	122.2	129.2	139.3	146.3	5.0%
Trade, Transport & Utilities	570.6	574.6	552.7	559.7	575.6	590.5	605.0	620.6	630.2	629.4	-0.1%
Leisure & Hospitality	297.8	310.2	308.5	322.2	342.2	365.7	385.4	408.5	427.8	437.6	2.3%
Financial Activities	467.2	464.6	433.9	428.3	439.1	438.8	437.5	449.2	459.3	465.8	1.4%
Information	166.8	169.5	165.2	165.9	170.8	175.7	179.2	185.0	189.0	192.6	1.9%
Professional & Business Svcs.	592.3	603.4	569.2	575.3	597.5	619.3	642.9	669.0	700.0	723.4	3.3%
Educational & Health Svcs.	721.6	736.3	752.6	771.6	789.2	805.6	831.1	866.4	896.9	930.2	3.7%
Other Services	157.7	160.8	160.3	160.6	165.2	170.4	174.9	180.2	185.0	187.3	1.2%
Total Private Sector	3,202.2	3,247.7	3,144.7	3,172.5	3,267.5	3,358.5	3,454.5	3,584.7	3,705.2	3,788.8	2.3%
Government ‡	559.0	564.1	567.0	558.0	550.6	546.1	544.4	545.4	549.9	552.4	0.5%
City of New York	453.9	458.5	462.1	451.4	451.7	450.0	450.1	452.9	457.2	459.0	0.4%
Total	3,761.2	3,811.8	3,711.7	3,730.5	3,818.1	3,904.6	3,998.9	4,130.1	4,255.1	4,341.2	2.0%

Notes: Totals may not add up due to rounding. Figures may have been revised from prior years by the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

‡ Government includes federal, state, and local (City of New York) jobs located in NYC. Local government figures have been revised from prior years to include those employed by the City of New York as well as city-based public corporations such as the Health and Hospitals Corporation and the Metropolitan Transportation Authority.

Source: NYS Department of Labor

3. Average Real Wage Rates by Industry for NYC, 2008-2016 (2016 dollars)

Industry	2008	2009	2010	2011	2012	2013	2014	2015	2016	2015-16 % Change
Construction	\$75,465	\$76,389	\$76,751	\$76,243	\$74,353	\$74,207	\$73,975	\$75,507	\$79,051	4.7%
Manufacturing	\$59,054	\$57,639	\$57,028	\$57,895	\$54,914	\$52,872	\$54,119	\$55,937	\$58,017	3.7%
Transportation	\$51,724	\$51,967	\$52,499	\$52,583	\$51,760	\$51,691	\$54,224	\$53,298	\$55,960	5.0%
Trade*	\$54,170	\$51,875	\$51,617	\$52,530	\$52,135	\$53,278	\$52,425	\$53,091	\$54,868	3.3%
Finance and Insurance	\$314,421	\$253,348	\$286,354	\$288,745	\$261,891	\$278,717	\$294,406	\$294,580	\$281,261	-4.5%
Real Estate	\$69,254	\$65,203	\$65,360	\$66,872	\$67,233	\$69,111	\$71,149	\$75,064	\$77,687	3.5%
Admin/Waste/Edu/Health**	\$52,195	\$52,516	\$52,976	\$52,529	\$51,753	\$51,812	\$51,907	\$53,144	\$54,366	2.3%
Arts, Entertainment & Rec	\$69,014	\$68,348	\$70,069	\$69,599	\$65,893	\$64,431	\$65,530	\$69,501	\$71,891	3.4%
Accomm & Food Svcs.	\$32,325	\$30,950	\$31,115	\$31,227	\$30,938	\$30,817	\$31,378	\$31,833	\$33,390	4.9%
Other Svcs.	\$47,320	\$47,101	\$48,500	\$48,013	\$45,110	\$44,753	\$45,202	\$46,459	\$48,378	4.1%
Professional & Tech Svcs.	\$119,982	\$117,272	\$117,301	\$121,108	\$118,384	\$118,822	\$121,250	\$124,664	\$127,166	2.0%
Management of Companies	\$200,517	\$172,661	\$199,698	\$204,666	\$194,255	\$193,018	\$193,776	\$192,770	\$183,910	-4.6%
Information	\$117,989	\$113,094	\$115,945	\$118,096	\$119,029	\$123,670	\$129,205	\$133,425	\$136,974	2.7%
Utilities	\$104,600	\$99,505	\$104,166	\$105,811	\$116,575	-- ^Δ	-- ^Δ	\$113,120	\$117,156	3.6%
Unclassified/Agri/Mining***	\$43,040	\$37,739	\$42,350	\$43,151	\$41,330	\$40,962	\$43,352	\$41,840	\$40,734	-2.6%
Private Sector	\$95,066	\$85,695	\$88,898	\$89,810	\$85,507	\$86,644	\$88,387	\$89,562	\$89,480	-0.1%
Government	\$60,810	\$61,674	\$62,084	\$62,470	\$60,957	\$60,431	\$61,465	\$63,457	\$64,487	1.6%
Total Industries	\$89,947	\$82,025	\$84,778	\$85,800	\$82,010	\$82,985	\$84,746	\$86,114	\$86,234	0.1%

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises the statistics annually. Real wages reflect 2016 dollars and differ from those found in this table in prior years.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

^Δ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

4. Average Nominal Wage Rates by Industry for NYC, 2008-2016

Industry	2008	2009	2010	2011	2012	2013	2014	2015	2016	2015-16 % Change
Construction	\$67,396	\$68,738	\$70,232	\$71,478	\$71,262	\$72,436	\$73,247	\$74,900	\$79,051	5.5%
Manufacturing	\$52,739	\$51,866	\$52,184	\$54,277	\$52,631	\$51,611	\$53,586	\$55,488	\$58,017	4.6%
Transportation	\$46,193	\$46,762	\$48,040	\$49,296	\$49,608	\$50,457	\$53,691	\$52,870	\$55,960	5.8%
Trade*	\$48,378	\$46,680	\$47,232	\$49,247	\$49,967	\$52,007	\$51,909	\$52,665	\$54,868	4.2%
Finance and Insurance	\$280,801	\$227,972	\$262,032	\$270,698	\$251,002	\$272,067	\$291,510	\$292,213	\$281,261	-3.7%
Real Estate	\$61,848	\$58,673	\$59,809	\$62,692	\$64,438	\$67,462	\$70,449	\$74,461	\$77,687	4.3%
Admin/Waste/Edu/Health**	\$46,614	\$47,256	\$48,476	\$49,246	\$49,601	\$50,575	\$51,397	\$52,717	\$54,366	3.1%
Arts, Entertainment & Rec	\$61,635	\$61,502	\$64,117	\$65,249	\$63,153	\$62,894	\$64,886	\$68,942	\$71,891	4.3%
Accomm & Food Svcs.	\$28,869	\$27,850	\$28,472	\$29,275	\$29,652	\$30,082	\$31,069	\$31,577	\$33,390	5.7%
Other Svcs.	\$42,260	\$42,383	\$44,380	\$45,012	\$43,235	\$43,685	\$44,757	\$46,086	\$48,378	5.0%
Professional & Tech Svcs.	\$107,153	\$105,526	\$107,338	\$113,538	\$113,462	\$115,987	\$120,058	\$123,662	\$127,166	2.8%
Management of Companies	\$179,076	\$155,367	\$182,736	\$191,873	\$186,178	\$188,413	\$191,870	\$191,221	\$183,910	-3.8%
Information	\$105,373	\$101,766	\$106,097	\$110,714	\$114,080	\$120,719	\$127,934	\$132,353	\$136,974	3.5%
Utilities	\$93,415	\$89,538	\$95,318	\$99,197	\$111,728	-- ^Δ	-- ^Δ	\$112,211	\$117,156	4.4%
Unclassified/Agri/Mining***	\$38,438	\$33,959	\$38,753	\$40,454	\$39,612	\$39,985	\$42,926	\$41,504	\$40,734	-1.9%
Private Sector	\$84,900	\$77,112	\$81,347	\$84,196	\$81,952	\$84,577	\$87,517	\$88,842	\$89,480	0.7%
Government	\$54,308	\$55,497	\$56,811	\$58,566	\$58,423	\$58,989	\$60,860	\$62,947	\$64,487	2.4%
Total Industries	\$80,329	\$73,809	\$77,577	\$80,437	\$78,600	\$81,005	\$83,913	\$85,422	\$86,234	1.0%

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The NYS Department of Labor revises the statistics annually.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

^Δ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

5. Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2006-2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
March	218.2	224.6	233.1	235.1	240.1	245.6	251.9	256.6	260.0	259.6	261.5
June	222.6	228.3	238.6	237.2	240.8	248.5	252.4	256.9	261.4	261.5	263.9
September	222.9	228.3	240.1	238.6	241.5	250.6	254.6	258.5	261.1	261.9	264.6
December	221.3	229.4	233.0	238.4	241.9	248.3	253.6	257.3	258.1	259.9	265.4
Quarterly Average	221.3	227.6	236.2	237.3	241.1	248.2	253.1	257.3	260.1	260.7	263.9
Yearly Average	220.7	226.9	235.8	236.8	240.9	247.7	252.6	256.8	260.2	260.6	263.4

12-month percentage change in the CPI

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
March	2.73%	2.91%	3.82%	0.83%	2.14%	2.30%	2.55%	1.87%	1.32%	-0.12%	0.72%
June	5.65%	2.54%	4.52%	-0.59%	1.54%	3.19%	1.57%	1.78%	1.73%	0.06%	0.90%
September	3.29%	2.43%	5.16%	-0.63%	1.22%	3.76%	1.59%	1.55%	0.99%	0.31%	1.04%
December	3.31%	3.66%	1.58%	2.32%	1.45%	2.66%	2.11%	1.47%	0.31%	0.72%	2.11%
Quarterly Average	3.74%	2.88%	3.77%	0.47%	1.58%	2.98%	1.96%	1.67%	1.09%	0.24%	1.19%
Yearly Average	3.76%	2.83%	3.90%	0.44%	1.71%	2.85%	1.97%	1.68%	1.32%	0.13%	1.08%

Source: U.S. Bureau of Labor Statistics; Base Period: 1982-1984=100

6. Housing Court Actions, 1983-2016

Year	Filings	Calendared	Evictions & Possessions	Year	Filings	Calendared	Evictions & Possessions
1983	373,000	93,000	26,665	2000	276,159	125,787	23,830
1984	343,000	85,000	23,058	2001	277,440	130,897	21,369*
1985	335,000	82,000	20,283	2002	331,309	132,148	23,697
1986	312,000	81,000	23,318	2003	318,077	133,074	23,236
1987	301,000	77,000	25,761	2004	261,085	121,999	22,010
1988	299,000	92,000	24,230	2005	261,457	119,265	21,945
1989	299,000	99,000	25,188	2006	256,747	122,379	23,491
1990	297,000	101,000	23,578	2007	251,390	121,793	24,171
1991	302,000	114,000	20,432	2008	246,147	120,420	24,600
1992	289,000	122,000	22,098	2009	251,871	123,149	26,449
1993	295,000	124,000	21,937	2010	213,066**	127,396	25,655
1994	294,000	123,000	23,970	2011	221,182	126,315	27,636
1995	266,000	112,000	22,806	2012	217,914	132,860	28,743
1996	278,000	113,000	24,370	2013	215,497	122,463	28,849
1997	274,000	111,000	24,995	2014	208,158	127,334	26,857
1998	278,156	127,851	23,454	2015	203,119	111,409	21,988
1999	276,142	123,399	22,676	2016	202,300	105,431	22,089

Note: "Filings" reflect non-payment proceedings initiated by rental property owners, while "Calendared" reflect those non-payment proceedings resulting in a court appearance. "Filings" and "Calendared" figures prior to 1998 were rounded to the nearest thousand.

*Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable.

**Due to an administrative change at NYCHA relating to their handling of late rent payments, the number of non-payment filings decreased dramatically. If not for this change, the drop in non-payment filings between 2009 and 2010 would have been significantly less, or nonexistent.

Sources: NYC Civil Court, First Deputy Chief Clerk for Housing; NYC Department of Investigations, Bureau of City Marshals.

7. Homeless Statistics, 1982-2016

Year	Single Adults	Children	Families (inc. children)	Total Individuals
1982	3,786	2,507	1,005	7,584
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007	6,942	14,060	9,075	34,109
2008	6,530	14,327	8,856	33,554
2009	6,764	15,326	9,719	35,915
2010	7,825	14,788	9,635	36,175
2011	8,543	15,501	9,573	37,765
2012	9,047	18,068	10,705	43,295
2013	9,862	21,163	12,062	49,408
2014	10,591	23,511	13,317	54,122
2015	12,014	23,658	14,037	57,158
2016	13,148	23,199	14,953	58,770

Note: Data presented are the annual averages of the Department of Homeless Services shelter population. Street homelessness is not quantified in this data.

Source: NYC Department of Homeless Services

8. Poverty Rates, 2005-2015

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
U.S.	13.3%	13.3%	13.0%	13.2%	14.3%	15.3%	15.9%	15.9%	15.8%	15.5%	14.7%
New York City	19.1%	19.2%	18.5%	18.2%	18.7%	20.1%	20.9%	21.2%	20.9%	20.9%	20.0%
Bronx	29.2%	29.1%	27.1%	27.6%	28.5%	30.2%	30.4%	31.0%	30.9%	31.6%	30.4%
Brooklyn	22.4%	22.6%	21.9%	21.1%	21.8%	23.0%	23.6%	24.3%	23.3%	23.4%	22.3%
Manhattan	17.9%	18.3%	17.6%	16.9%	16.6%	16.4%	18.3%	17.8%	18.9%	17.6%	17.6%
Queens	11.9%	12.2%	12.0%	12.1%	12.6%	15.0%	15.8%	16.2%	15.3%	15.2%	13.8%
Staten Island	11.0%	9.2%	9.8%	10.0%	11.2%	11.8%	11.7%	11.6%	12.8%	14.5%	14.4%

Source: 2005-2015 American Community Survey