
2015 Income and Affordability Study

April 2, 2015

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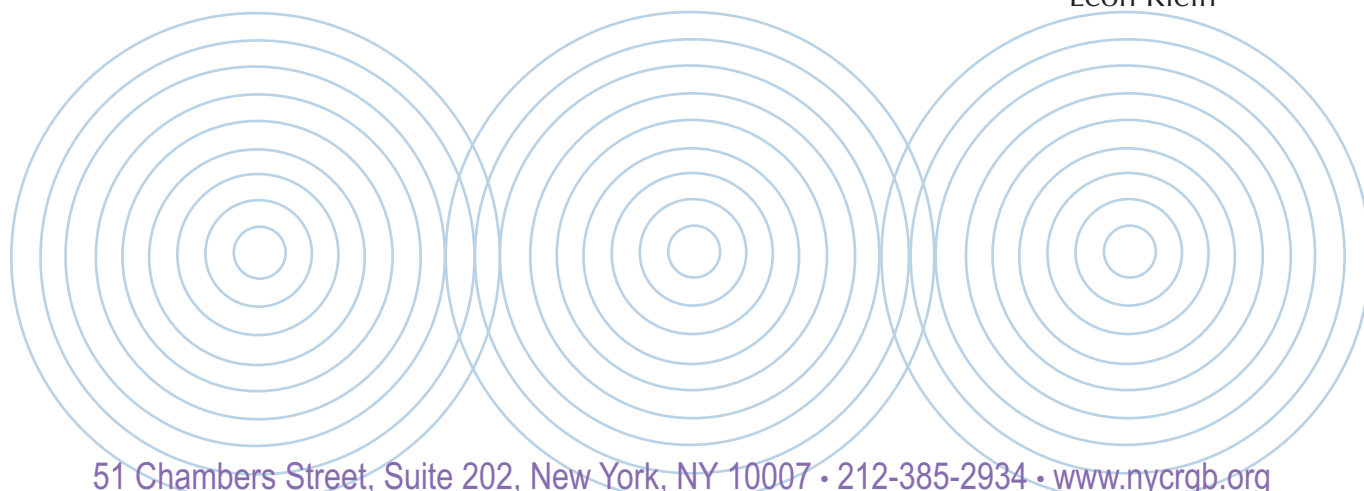
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2015 Income and Affordability Study

What's New

- ✓ Results from the *2014 Housing and Vacancy Survey* show that median contract rent for rent stabilized tenants is \$1,200, gross rent is \$1,300, household income is \$40,600, and the gross rent-to-income ratio is 36.4%.
- ✓ Results from the *2013 American Community Survey* show that median renter income is \$40,908, median gross rent is \$1,228, and the median gross rent-to-income ratio is 32.2%.
- ✓ New York City's economy grew by 3.1% in 2014, compared to a 4.0% increase during 2013.
- ✓ The City gained 120,700 jobs in 2014, resulting in a 3.0% increase from 2013 in total employment levels.
- ✓ The unemployment rate fell in 2014, to an average of 7.2%, down from 8.8% in 2013.
- ✓ In 2014, an average of 54,122 people were staying in Dept. of Homeless Services shelters each night, up 9.5% from 2013.
- ✓ The number of non-payment filings decreased 3.4% in 2014, while those actually heard in Housing Court increased 4.0%, and the number of evictions fell 6.9%.

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 New York City's rental market. The study highlights year-to-year changes in many of the major economic factors affecting New York City's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability. Such factors include New York City'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 New York City's economy during 2014, it showed many strengths as compared with the preceding year. Positive indicators include growing employment levels, which rose for the fifth consecutive year, increasing 3.0% in 2014. The unemployment rate also fell, declining by 1.6 percentage points, to 7.2%. Gross City Product (GCP) also increased for the fifth consecutive year, rising in real terms by 3.1% in 2014. In addition, inflation-adjusted wages rose by 2.1% during the most recent 12-month period (the fourth quarter of 2013 through the third quarter of 2014), and inflation slowed slightly. The number of non-payment filings in Housing Court fell by 3.4%, while evictions fell by 6.9%. And public assistance caseloads fell for the first time since 2008, by 3.9%, while Supplemental Nutrition Assistance Program (SNAP) caseloads fell for the first time since 2002, by 5.6%

Negative indicators include a 4.0% increase in the number of non-payment cases “calendared” in housing court, as well as the sixth consecutive year of increase in homeless levels, which rose to an average of more than 54,000 persons a night, an increase of 9.5% over 2013 levels.

The most recent numbers, from the fourth quarter of 2014 (as compared to the fourth quarter of 2013), show that homeless levels were up 10.8%, cash assistance levels were up 0.7%, and the number of calendared cases in Housing Court were up 2.7%.¹ However, most indicators were positive, with employment levels up 2.6%, the unemployment rate down 1.9 percentage points, non-payment housing court filings down 11.3%, and SNAP recipients down 5.6%. Fourth quarter GCP also rose, by 2.6% in real terms, and

inflation was lower than that of the last quarter of 2013, rising by 0.8%, as compared to 1.3%.

Economic Conditions

Economic Output and Consumer Prices

New York City's economy expanded during 2014, rising for the fifth consecutive year. New York City's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 3.1% during 2014, following an increase of 4.0% in 2013.² There has been positive economic growth in all but three quarters since the first of 2009, reaching a 2014 high of 4.2% growth during the third quarter. For comparison, GCP increased by an annualized average

of 1.9% per year between 2000 and 2009 and 4.0% in the 1990s. The analogous national number, United States Gross Domestic Product (GDP), increased 2.4% during 2014, following a 2.2% increase during 2013.³

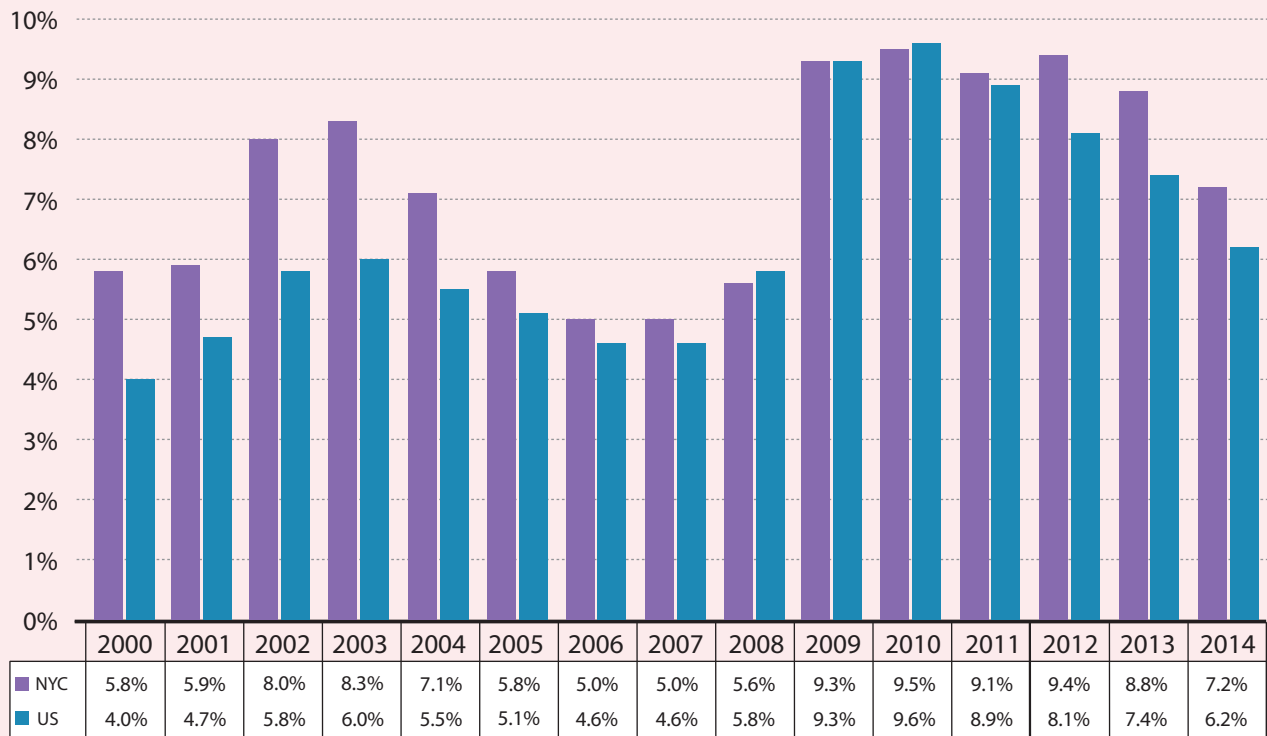
The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 1.3% in the NYC metropolitan area during 2014, a lower rate of inflation than seen in the previous year, when prices rose on average 1.7%.⁴ Inflation was slightly higher for urban consumers in the U.S. as a whole, with rates rising 1.6%, following an increase of 1.5% during 2013.

Unemployment Statistics

Following a 0.6 percentage point decrease in 2013, NYC's unemployment rate fell again in 2014, declining

NYC and U.S. Unemployment Rates, 2000-2014

NYC & U.S. Unemployment Rates Fall in 2014



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

1.6 percentage points, to 7.2%.⁵ This is the lowest unemployment rate since 2008, when it was 5.6%. The U.S. unemployment rate declined by a somewhat smaller proportion, falling from 7.4% in 2013 to 6.2% in 2014, a 1.2 percentage point drop.⁶ (See graph on previous page and Appendix 1).

In January and February of 2015, the most recently available data, the unemployment rates for New York City were 7.0% and 7.2%, respectively. These rates are 1.3 percentage points lower than both the previous January and the previous February. The analogous national figure was 6.1% in January of 2015 and 5.8% in February, 0.9 percentage points lower than January of 2014 and 1.2 percentage points lower than the previous February.

For all of 2014, Manhattan had the lowest unemployment rate of the boroughs, 6.1%, with Queens' rate at 6.4%, Staten Island's at 7.2%, Brooklyn at 7.7%, and the Bronx, consistently the borough with the highest unemployment rate, averaged 9.8% in 2014. Unemployment rates fell in every borough during 2014, from between 0.6 percentage points in Staten Island to 2.0 percentage points in the Bronx, the borough with the highest unemployment rate.

Employment Statistics

For the fifth consecutive year, the number of people employed in New York City increased, following gains in all but one year since 2003 (see graph on next page). Overall, among both city residents as well as those commuting into the city, New York City gained 120,700 jobs in 2014, a 3.0% increase from 2013.⁷

Employment levels rose in every industry except Manufacturing, rising by the greatest proportion in the Leisure and Hospitality sector, which grew by 5.6% (21,400 jobs) during 2014. The Construction sector also grew, rising by 4.5% (5,500 jobs) during 2014, and the Education and Health Services sector grew by 4.1% (33,400 jobs). All other sectors that experienced growth rose from between 0.1% and 3.9%. See Appendix 2 for more detailed employment information.

In 2014, the only sector to see a decrease in employment was the Manufacturing sector, which fell 0.5%, and has fallen in all but three years since 1990

(the first year for which data is available). Over the 24-year period, employment in this sector is down 71.3% and 189,200 jobs.

During the first two months of 2015, total employment levels were up as compared to the same months of 2014, with levels 2.9% higher in January 2015 and 2.6% higher in February, as compared with the same months of the prior year. Employment levels in both January and February were up in every sector except Manufacturing.

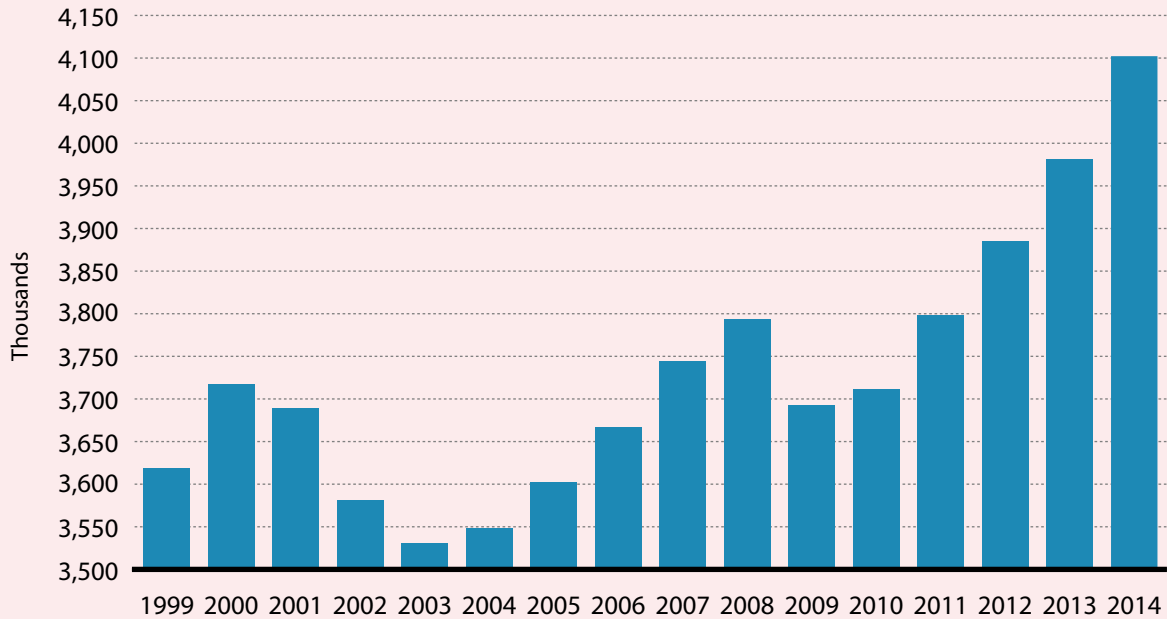
Two other employment indices are tracked in the *I&A Study*. The New York City labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased slightly in 2014, to 60.5%, up from 60.3% in 2013.⁸ This remained lower than the U.S. rate, which decreased to 62.9% from 63.2% in 2013.⁹ A related statistic, the New York City 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 second consecutive year, up 1.1 percentage points in 2014, from 55.0% in 2013 to 56.1% in 2014. For comparison, the U.S. employment/population ratio rose 0.4 percentage points between 2013 and 2014, reaching 59.0%.

Wage Data

This report also examines wage data of employees working in New York City (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 Quarterly Census of Employment and Wages (QCEW), the most recent annual numbers cover the 2013 calendar year. The data for this time period, which is still preliminary, shows a decrease in both nominal wages and "real" wages (wages adjusted for inflation). Real wages for all sectors declined for the third consecutive year, by 1.8% in 2013, falling from \$81,919 (in 2013 dollars) to \$80,454.¹⁰ Nominal wages (wages in current dollars) decreased by 0.1% over the same time period, following a 0.7% increase in the prior year.

Average Annual Payroll Employment, NYC, 1999-2014

NYC Employment Levels Rise for Fifth Consecutive Year



Source: NYS Dept. of Labor

Due to the six-month lag time in reporting of 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 2013 through the third quarter of 2014). 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 2.1% in real terms and by 3.5% in nominal terms (note that data is preliminary). This compares to increases in the preceding 12-month period of 1.2% in real terms and 3.1% in nominal terms. (See graph on next page)

Real wages in the Finance and Insurance sector, which accounts for more than a quarter of all wages in New York City (and therefore carries more weight than any other single sector), rose by a real 5.6% during the most recent 12-month time period, the largest proportional rise of any sector. This compares to a rise of 6.4% and a drop of 9.3% in the prior two 12-month periods. The sector with the second greatest weight, Administrative, Waste, Educational, and Health

Services (accounting for almost 16% of all wages), rose by a real 0.1% during this time period. Professional and Technical Services (accounting for 13% of all wages) rose by a real 2.0%. The Government sector, with 10% of all wages, also rose, by 1.7% in real terms.

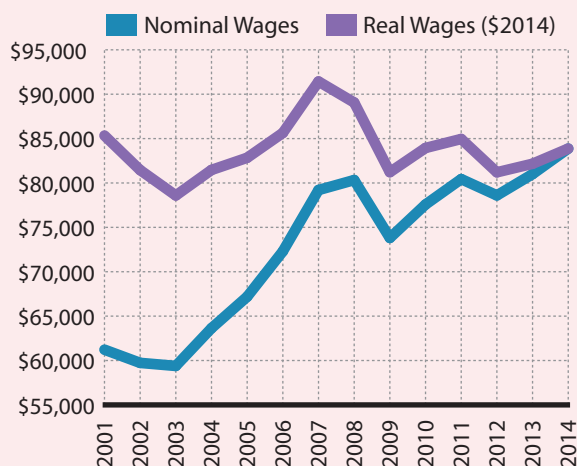
Looking at 2014 wage data on a quarterly basis, compared to the same quarters of 2013, real wages rose by 8.4% in the first quarter, 0.9% in the second quarter, and 2.1% in the third quarter. “Yearly” wage growth was dampened by the impact of the fourth quarter of 2013, when wages fell 3.9% in real terms.

The “annual” rise in wages was impacted most by the relatively strong growth of the Finance and Insurance sector, which helped pull overall wages higher than they would have grown otherwise. If the Finance and Insurance sector were left out of the analysis, wages would have grown by 1.2% in real terms, compared to the already noted growth of 2.1% 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

Real and Nominal Wages, 2001-2014

Both Real and Nominal Wages Increase in 2014



Source: NYS Dept. of Labor

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

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 this survey, weekly wages rose by a nominal 1.4% in New York City during calendar year 2014, slightly slower than the rate of growth during 2013 (1.5%), and also slower than that of the nation as a whole (2.4%). In real dollars, weekly wages rose by 0.1% in NYC and 1.1% for the nation as a whole between 2013 and 2014. On a quarterly basis, the CES data shows that NYC weekly wages rose by an inflation-adjusted 2.3% during the fourth quarter of 2014, and fell in every other quarter of the year.

Bankruptcy Statistics

Staff also examined bankruptcy filings for New York City residents from 2000-2014. 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. Rates dropped for both New York City as well as for the nation as a whole, for the fourth consecutive year, by 16.0% (to 9,434) and 12.4%, respectively.¹²

Poverty Statistics

The Census Bureau reports that the New York City poverty rate for all individuals was 20.9% in 2013, a decrease from 21.2% in 2012, and the first decline in this rate since 2008. This compares to 15.8% for the nation as a whole, a decline from 15.9% in 2012.¹³ Poverty rates vary widely depending on borough. Rates range from a low of 12.8% in Staten Island, to 15.3% in Queens, 18.9% in Manhattan, 23.3% in Brooklyn, and 30.9% in the Bronx, consistently the highest rate of the boroughs. As compared to the prior year, rates rose in both Manhattan and Staten Island and declined in the other boroughs.

Also reported is the poverty rate for persons under the age of 18 in New York City, which was 29.8% in 2013. The rate was 18.5% for individuals 18 to 64 and 18.8% for persons 65 years and over. Furthermore, 17.5% of all families were living under the poverty line in 2013. For families containing related children under the age of 18, the figure is higher than that of all families, 24.6%. For married-couple families, the overall poverty rate was 10.9% in 2013, while for female- and male-headed families (i.e., no spouse present) it was 30.6% and 16.4%, respectively. Each of these statistics fell as compared with the prior year, with the exception of individuals aged 18 to 64, which rose 0.1 percentage points.

For comparison, overall rates were as high as 26.4% in the mid-nineties.¹⁴ 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.¹⁵ Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for New York City residents from 2005-2012 and found poverty rates higher than those officially released by

the Census Bureau.¹⁶ For instance, the official household poverty rate in 2012 was 20.0% and the CEO estimate was 21.4%. The gap between official and CEO estimates has been as high as 3.0 percentage points over the eight years studied by this City agency.

2014 Housing & Vacancy Survey

Vacancy Rates

Preliminary results from the *2014 Housing and Vacancy Survey (HVS)* were released in February of this year, and they reveal the continuation of a very tight New York City housing market.¹⁷ 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%.¹⁸ Queens had the lowest vacancy rate in the city, at 2.69%, translating into the availability of just 12,070 rentals in a borough with 449,274 rental apartments. Manhattan, by contrast, had the highest vacancy rate in 2014, at 4.07%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.77%, Brooklyn was at 3.06%, and the small sample size in Staten Island made the rate too inaccurate to report.

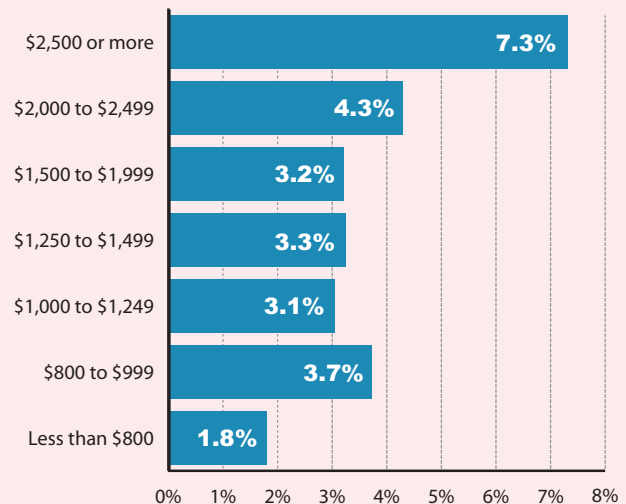
The *HVS* found vacancy rates varying significantly among different asking rents. As might be expected, apartments renting for the least had the lowest vacancy rates, while those apartments renting at the high end had substantially higher vacancy rates. Apartments with an asking rent of less than \$800 had a vacancy rate of just 1.8%, while those renting for at least \$2,500 had a vacancy rate of 7.32%. (See graph on this page for a further breakdown.)

Income

According to the *2014 HVS*, which reflects household income for 2013, the median income for rental households was \$41,500, an inflation-adjusted (“real”) increase of 1.1% from 2010.¹⁹ Owner households earned substantially higher income, which in 2013 was a median of \$80,000, almost double the income of renters.

Vacancy Rate by Monthly Asking Rent Level, 2014

Vacancy Rates Vary with Monthly Asking Rent Levels



Source: 2014 NYC Housing and Vacancy Survey

The *2014 HVS* found different income levels among those living in units that were rent controlled, rent stabilized, unregulated, or part of some other regulation program (such as public housing or Mitchell-Lama). The lowest median income was found among those tenants in “other” regulated units, which at \$18,296 was a real decrease of 3.1% from 2010. Those in rent control units had a median household income of \$29,000 in 2013, a real decrease of 3.6%. 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, real increases of 2.3% and 0.3%, respectively. Stabilized tenants on the whole had a median income of \$40,600 (a real decrease of 0.3%), while those tenants in unregulated²⁰ apartments earned a median of \$58,000 in 2013 (a real increase of 7.7%).

Rent

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. These are inflation-adjusted increases from 2011 of 6.3% for rent stabilized units as a whole, and 4.4% and 9.2% for pre- and post-war units, respectively. Among the other categories of rental units, rent controlled tenants paid a median of \$900 (a 6.6% real increase), tenants living in private, nonregulated rentals paid a median of \$1,500 (a real increase of 5.3%), and tenants living in “other” regulated units (such as public housing and Mitchell-Lama) paid the least in median contract rent, \$583 (a real decrease of 6.4%).

Median gross rent, which includes fuel and utility payments, was \$1,325 for all renters, a real increase of 4.3%. 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. Adjusting for inflation, that is an increase from 2011 of 5.3% for all rent stabilized units over the three-year period, and increases of 3.9% and 9.4%, respectively, for pre- and post-war rent stabilized units. Rent controlled tenants paid less than the average rent stabilized tenant, with

a median gross rent of \$1,020 in 2014 (a real increase of 8.1%), while those in unregulated units paid the most, a median of \$1,625 (a real increase of 2.7%), and those in “other” regulated units paid the least, a median of \$595 in gross rent (a real decrease of 6.0%).

The *HVS* also breaks down the distribution of renter occupied housing by gross rent level. Of the more than two million rental units in New York City that report cash rent, 7.3% rent for less than \$500, and 16.9% rent for between \$500-\$999. More than three-quarters of rental units (75.7%) rent for over \$1,000, including 19.5% that rent for more than \$2,000.²¹ (See graph on this page for a further breakdown.)

Affordability of Rental Housing

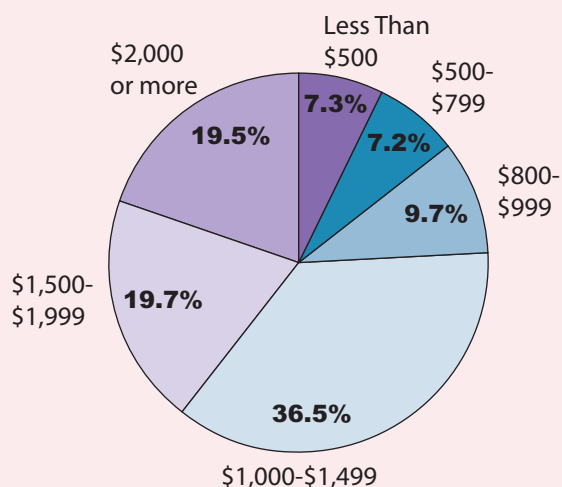
Examining affordability of rental housing, the *2014 HVS* reported that the median gross rent-to-income ratio for all renters was 33.8%, meaning that half of all households residing in rental housing pay more than 33.8% of their income in gross rent, and half pay less. While equal to the highest ratio in the history of the *HVS*, it is unchanged from 2011, when the ratio was also found to be 33.8%. Furthermore, a third (33.5%) of rental households pay more than 50% of their household income in gross rent (up from 33.1% in 2011). Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.²² The contract rent-to-income ratio was 31.2% for all renters in 2014, up 0.3 percentage points from 2011, and the highest ratio ever reported by the *HVS*.

Rent stabilized tenants are the tenants facing the highest financial burden, with a median gross rent-to-income ratio of 36.4%, meaning a majority of rent stabilized tenants are not able to afford their apartments, based on the HUD benchmark for housing affordability. Looking at these figures more closely, rent stabilized tenants in pre-war apartments are facing a median rent burden of 37.0%, while tenants in post-war units had a median ratio of 34.7% in 2014. All of these figures increased from 2011, including increases of 1.6 percentage points for all rent stabilized tenants, 1.5 percentage points for tenants in pre-war units, and 0.9 percentage points in post-war units.

It is important to note that an analysis done by RGB staff in 2012 found that rent-to-income ratios in the

Gross Rent Levels of Apartments, 2014

Wide Range of Apartment Rents in NYC



Source: 2014 NYC Housing and Vacancy Survey

2011 HVS were artificially high due to an anomaly in the way rents for many 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%. That analysis found that in 2011 the median gross rent-to-income ratio for rent stabilized tenants as a whole may have been exaggerated by as much as four percentage points because of this anomaly. Full 2014 HVS data has not been released as of the publication of this report, so a similar analysis cannot be undertaken at this time.

Rent controlled tenants had the second highest median gross rent-to-income ratio, 35.5% (a 3.8 percentage point rise), unregulated tenants paid a median of 33.0% in 2014 (a decrease of 0.7 percentage points), and tenants in “other” regulated units paid a median of 30.3% (a decrease of 0.6 percentage points).

Other Measures of Affordability

American Community Survey

Per data from the Census Bureau’s annual nationwide 2013 American Community Survey, despite ongoing efforts by a number of government agencies and non-profit groups, housing affordability remains an issue in a city ranked 26th highest among 77 big cities (those with populations with of at least 250,000) of gross rent-to-income ratios.²³ At 32.2%, the median gross rent-to-income ratio in New York City remained at the same level as 2012. By borough, rates ranged from a low of 28.7% in Manhattan, to 32.7% in Brooklyn, 33.0% in Staten Island, 33.6% in Queens, and 34.9% in the Bronx. The only borough to vary by more than one percentage point as compared to the prior year was in the Bronx, where the gross rent-to-income ratio fell 1.1 percentage points.

The percentage of households Citywide paying 50% or more of their income towards gross rent in 2013 fell for the second consecutive year, down to 29.6% from 30.0% in 2012. At the borough level, rates ranged from a low of 24.9% paying at least 50% of their income towards gross rent in Manhattan, to a high of 34.4% in the Bronx.

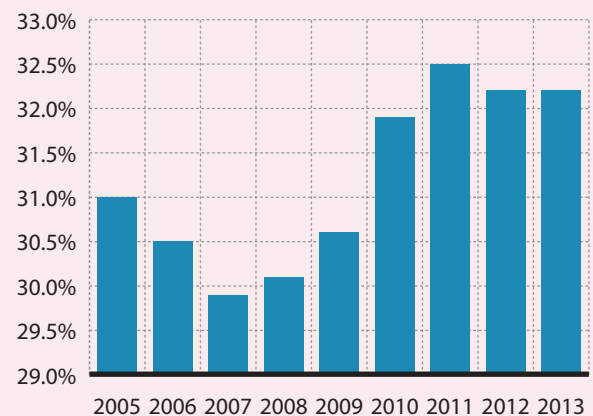
This survey also reports that the median contract rent in New York City was \$1,125 in 2013, and the median gross rent was \$1,228. Between 2012 and 2013, median monthly contract rents for all apartments in New York City increased an inflation-adjusted (“real”) 1.1% and median gross rents increased by 1.0% (and by 2.8% and 2.7%, respectively, in nominal terms). Inflation-adjusted gross rents rose by 0.5% in Queens, 1.1% in Manhattan, 1.9% in both the Bronx and Brooklyn, and 2.4% in Staten Island.

In addition, during 2013 median household income for renters rose both nominally and in real terms, by 1.7% and 0.1% respectively, to \$40,908. Notably, after falling during 2012, income for owner-occupied households rose in nominal terms by 5.1% and 3.4% in real terms. Since the inception of this survey in 2005, renter income has fluctuated in real 2013 dollars from a low of \$39,285 in 2011 to a high of \$42,941 in 2008. For renters, 2013 marks the second consecutive year of increase in both nominal and real terms.

The survey also provides mean household income for cities in quintiles. In New York City the top quintile (i.e., the top 20%) in mean household income makes 26.28 times more than the lowest quintile (i.e., the lowest 20%), the seventh highest ratio among big cities, and an increase from 24.95 in 2012. While

Gross Rent-to-Income Ratio, 2005-2013

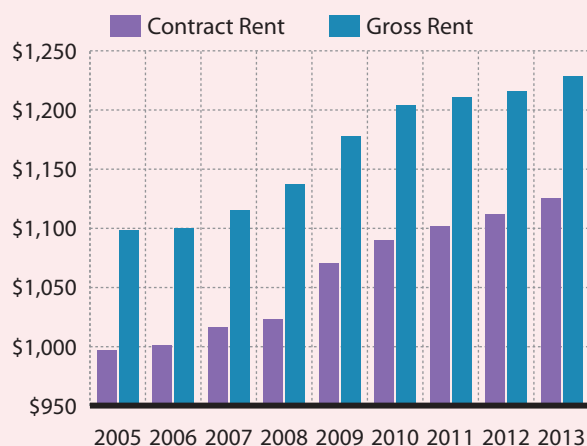
Gross Rent-to-Income Ratio Remains Steady



Source: American Community Survey, 2005-2013

Rent in Constant 2013 Dollars, 2005-2013

Inflation-Adjusted Contract and Gross Rents Climb Annually



Source: American Community Survey, 2005-2013

New York's income disparity ratio does rank near the top nationwide, it lags notably behind Atlanta, with a ratio of 36.81, the highest disparity among big cities. Other major cities, such as Los Angeles (22.74), Chicago (24.45), Houston (20.30), and Philadelphia (22.77), all have smaller differentials between income levels than New York City. Among the cities ranking higher than New York City are Boston (29.67) and Washington, DC (30.30). The smallest disparity among big cities is in Anchorage, Alaska, with a ratio of 9.31. While the ratio between the upper and lower quintiles was 26.95 for all of New York City, it was 42.59 in Manhattan, where the top quintile makes an average of more than \$410,000 more annually than the lowest quintile.

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 New York City (the local CPI area extends into the suburbs of New York City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.²⁴ For the 46-year period since the inception of rent stabilization (from 1968 to 2014) the cost of rental

housing in the New York area rose 724% and overall prices rose more slowly, at 621%. This is the converse of nationwide averages, where the cost of rental housing rose at a slower pace than overall costs (538% and 580%, respectively).

Between 2013 and 2014, rental costs rose 3.0% in the NYC area, versus an overall increase in prices of 1.3%. This is slightly lower than the 2013 rent increase of 3.1%. While the rate of inflation of rents did increase during 2014, it was still lower than many other recent years, including rates of 4.5% in 2007, 5.1% in 2008, and 3.9% in 2009.

In the U.S. as a whole, rental costs rose at a slightly faster pace than the New York City area, rising by 3.2% in 2014. But rental costs in the NYC metropolitan area did rise faster than five of the seven cities selected for comparison, including the metropolitan areas of Philadelphia, Boston, Chicago, Los Angeles, and Washington, DC, which rose at rates of between 1.8% to 2.9% in 2013. But rental rates in the NYC metropolitan area did rise slower than those in San Francisco, which saw rents rise 5.5%, and Atlanta, which rose by 4.5%.

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 New York City Housing Authority (NYCHA) opened the waiting list for the first time since 1994.²⁵ 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 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 87,841 units.²⁶ NYCHA also tracks the number of applicants newly placed through the Section 8 program. Placements fell sharply between FY 2013 and FY 2014, from 933 to 384. And placements fell again in the first four months of FY 2015 as compared to the first four months of FY 2014, from 155 to 147. There are approximately 123,000 people currently on the

NYCHA Section 8 waiting list, the same number as last year.

The NYC Dept. 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.²⁷ As of February of 2015, HPD was funding 37,580 Section 8 vouchers, approximately the same number as the previous year. Notably, 45% 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 \$386, with an average income level of \$15,918.²⁸

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 increased by 6.0% during 2014, following a 5.1% increase during 2013. During the most recent 12-month period (April of 2014 through March of 2015), due to double-digit price decreases during December of 2014 and January and March of 2015, costs fell 2.1% as compared to the prior "year." For comparison, during the previous 12-month period, costs increased 7.6%.²⁹ In addition, New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2012 more than double that of the nation as a whole.³⁰ Con Edison has proposed a residential rate hike as of January 1, 2016 that would raise rates an average of 4.7% a month.³¹

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 (the Bronx, Queens, and Staten Island were not included in this survey). 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 each of the first three quarters of 2014, Manhattan and Brooklyn ranked as numbers one and three/four respectively on the list of most expensive urban

areas.³² The study calculated that Manhattan was approximately 2.2 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 \$53,583 a year (the 2013 median household income in Boston) would need to make \$86,560 to achieve the same standard of living in Manhattan, while paying 19% more for groceries, 17% more for transportation, and 151% more for housing (including 99% more for renters).³³ Moving to Brooklyn would be somewhat more economical, requiring a salary of \$66,071 to achieve the same standard of living. As with Manhattan, the most inflated component in Brooklyn is housing, which is approximately 67% more expensive than in Boston (with rental apartments 14% more expensive).

While the study found that significantly more income is required to live in New York City with the same standard of living as in Boston (see prior paragraph), actual incomes fell short of what the study determined was required in Manhattan and Brooklyn. Actual 2013 median household incomes were \$72,190 in Manhattan and \$47,520 in Brooklyn, a difference of 16.6% and 28.1%, respectively.³⁴

Per this survey, overall housing costs fell in Boston, Manhattan, and Brooklyn during 2014, by 1.3%, 2.6%, and 10.2%, respectively. However, the survey found that apartment rents did rise in Boston, by 4.8%, while they dropped in both Manhattan and Brooklyn, by 0.2% and 9.4%, respectively.

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2014 the New York metropolitan area was the eighth least affordable area to buy a home. This follows eighteen straight quarters between 2008 and 2012 when the New York area ranked as least affordable. The survey found that 24.7% 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, and is comparable to the same quarter of the previous year, when 23.4% of homes were considered affordable.³⁵

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2015 study has not been released as of the publication of this report, but per their methodology,³⁶ in order to afford a two-bedroom apartment at the City's Fair Market Rent, (\$1,481 a month, as determined by the U.S. Department of Housing and Urban Development³⁷) a full-time worker must earn \$28.48 per hour, or \$59,240 a year. Alternately, those who earn minimum wage would have to work 130 hours a week (or two persons would each have to work 65 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent. Because the Fair Market Rent rose by \$41, but the minimum wage increased by \$0.75 an hour in 2015, the amount of annual wages necessary to afford this apartment went up by 2.8%, but the number of hours working at minimum wage in order to afford this apartment went down by 6.0%. The minimum wage in New York State will rise by \$.025, to \$9 an hour, by the beginning of 2016.³⁸

Real Property Tax Credit

A new tax credit for New York City renters was enacted in 2014, the "Enhanced Real Property Tax Credit for Homeowners and Renters."³⁹ The credit offers a maximum rebate of \$500 to New York City residents with household incomes of less than \$200,000 a year, and depends on both your income level and the amount of rent that you pay. 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.⁴⁰

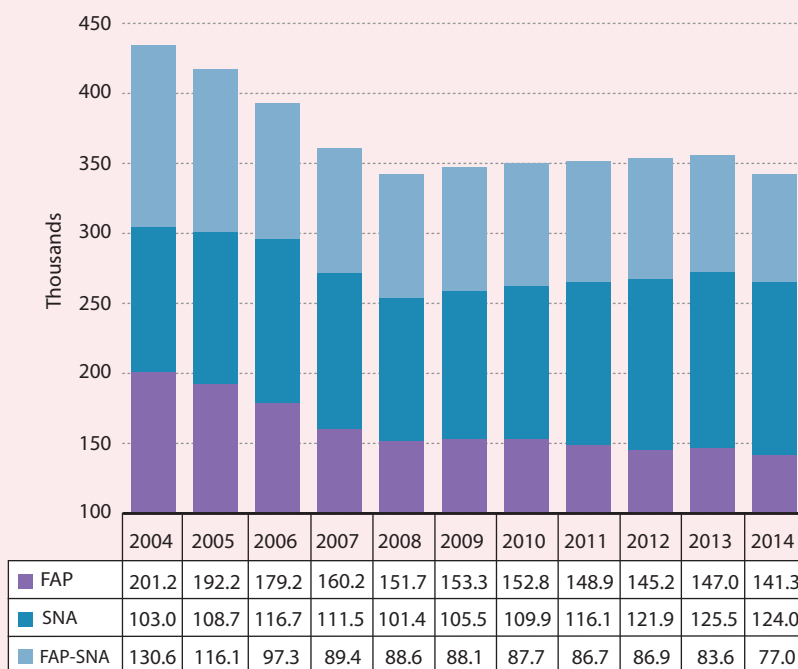
Cash Assistance Programs

For the first time since 2008, the total number of cash assistance cases in New York City decreased, falling by 3.9% between 2013 and 2014.⁴¹ This follows an increase of 0.6% in the prior year (see graph on this page). Despite generally increasing in the past few years, over the last 19 years the number of cash assistance recipients has dropped significantly, falling 69.6% since March 1995, when the City's welfare reform initiative began and 1,161,000 recipients were on the rolls.

While the number of cash assistance cases fell in 2014, the number of applications for cash assistance rose, increasing 4.0% over 2013 levels, including an increase of 3.9% in denied applications, and 4.1% in

Cash Assistance Programs, 2004-2014, in Thousands

Cash Assistance Caseloads Fall Almost 4%



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)

approved applications.⁴² At the same time, the number of reported job placements among cash assistance recipients decreased during 2014, falling by 2.2%, or 1,057 jobs.⁴³

The number of Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) recipients fell for the first time in twelve years, decreasing by 5.6%, to an average of 1.76 million in 2014. 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 nearly 1.8 million today.⁴⁴ The number of Medicaid enrollees also fell, decreasing 9.6% during 2014, to 2.8 million recipients.⁴⁵

Housing Policy

New York City receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). Data on funding levels for these programs from Fiscal Year 2014 is delayed, and will be available in mid-May 2015. As reported last year, in the 2013 fiscal year, New York City received \$720.0 million from federally funded programs.⁴⁶ These programs included \$221.1 million in a Community Development Block Grant (CDBG) which funds housing and community development programs; \$57.8 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; \$10.9 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; and \$51.1 million for Housing Opportunities for Persons with AIDS (HOPWA). NYCHA also received \$258.9 million for its capital modernization program.

As compared to Fiscal Year 2012, federal funding in 2013 increased by 13.9% in nominal terms and 12.0% in inflation-adjusted terms. While there was an overall increase in funding, many programs had their funding cut in FY 2013, including the HOME program, which fell by 5.8% in real terms, the ESG program, which fell by 24.1% in real dollars, HOPWA, which fell by 2.9% in real terms, and funds used for the NYCHA capital program, which fell by 5.9% in real terms. The smallest funding source, HUD Fair Housing and Housing Counseling, fell by 28.5% in real terms,

while CDBG funding, one of the largest, was essentially flat.

Overall funding rose because HUD Competitive Funds, the bulk of which (as part of a Homeless Continuum of Care grant) are used for homeless housing services, increased substantially during FY 2013. Funding for this program rose by \$104 million between FY 2012 and FY 2013, an 873.3% real increase. Overall federal funding, not including these competitive funds, fell by 4.3% in real terms during FY 2013.

Homelessness & Evictions

Homelessness

Homelessness in the City, based on data from the Dept. of Homeless Services (DHS), increased for the sixth consecutive year during 2014, rising by 9.5%.⁴⁷ Each night, an average of 54,122 persons stayed in DHS shelters during 2014, up 4,713 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). While levels rose on the whole, so did the subcategory of the number of families sheltered each day, by an average of 10.4%.⁴⁸ The figure for families includes the number of families with children sheltered each night, which rose 10.5% during 2014 (to reach an average of 11,337), and the number of adult families sheltered each night, which increased 9.6% over the year (to an average of 1,980). The number of single adults sheltered also rose during 2014, increasing 7.4%, to an average of 10,591 persons.

While overall homeless rates increased 9.5% during 2014, looking at the data on a quarterly level shows that rates generally increased at a faster pace as the year went on. Rates rose by 7.4%, 9.0%, 10.9%, and 10.8% 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 2014, when 7,053 more persons stayed in City shelters than the previous November, an increase of 13.8%.

While more people were staying in homeless shelters during 2014, more were also being relocated

to permanent housing during the year. Permanent housing placements for families with children and adult families rose over 2013 figures, while they dropped for single adults. For families with children, placements rose by 6.1%, to 7,091 placements. For adult families, rates rose by 15.2%, to 659 placements. But following double digit increases during 2013, single adults placements fell by 3.9% during 2014, to 9,450 placements. Most of these placements are to private housing, including family members or friends of those being sheltered, and include only those individuals or households who are out of DHS facilities for at least 30 days. A small number of placements were also to subsidized housing; with the aid of Section 8 benefits; or were aided by other rental assistance programs.

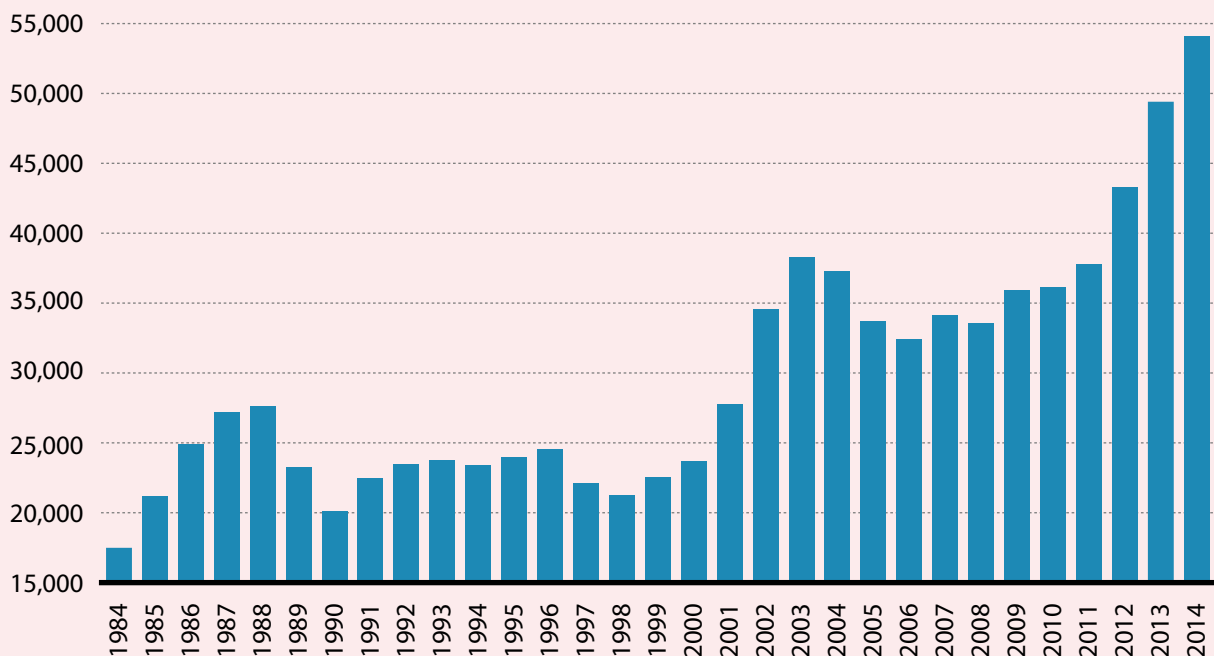
Other homeless indicators include the average amount of time spent in temporary housing, which increased among all categories for the fourth consecutive year, rising by 30 days for families with children (to 432 days), by 33 days for adult families (to

527 days), and by 17 days for single adults (to 316 days). While homeless individuals were spending more time in temporary housing during 2014, those placed in permanent housing were also returning to the system in greater numbers, with 14.5% of families with children returning to DHS within one year (up from 11.3% the prior year), and 14.7% of adult families returning to DHS within one year (up from 12.9% in the prior year). In addition, the number individuals or families who have never before utilized a City shelter increased during 2014, rising 22.7%, to an average of 1,568 per month.

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 New York City has the largest number of homeless people of any city in the nation. NYC reported a total of 67,810 sheltered and unsheltered persons in January of 2014, followed by Los Angeles, with 34,393 persons, and Las Vegas, with 9,417. In New York City, rates rose 5.9% between

Average Homeless Shelter Census, NYC, 1984-2014

NYC Homeless Levels Rise for Sixth Consecutive Year



Source: NYC Dept. of Homeless Services

January 2013 and January 2014, and at the national level, homeless rates declined by 2.3%.⁴⁹

In November of 2014, the New York City Independent Budget Office (IBO) released a study of DHS shelter data for fiscal years 2002-2012.⁵⁰ The reports focuses on families with children (hereafter referred to simply as “families”), entries of which increased from 6,370 in 2002 to 8,502 in 2012 (peaking at 12,062 in 2010).

Upon entry, applicants are asked a series of questions to determine their eligibility for shelter. The study found that among the reasons given for needing shelter, the proportion reporting eviction as a cause for homelessness rose over time. In 2002, the first year of the study, 1,066 families cited eviction as the reason for needing shelter (17% of all entries that year). Eviction as the cause of eligibility peaked at 3,866 entries in 2010 (32% of all entries). But while the total number of entries because of eviction decreased in both 2011 and 2012, so did the overall number of entries of families, resulting in a rising proportion of eviction as the reason for eligibility, to as high as 36-37% in those years. While evictions Citywide did increase over the study period (by up to 17% over 2002 levels), the number of families found eligible for shelter due to eviction rose by a much greater proportion, 130%. The vast majority, 79%, of those citing eviction as the reason for eligibility were the actual tenants of record being evicted, with the balance living with others who were evicted.

Applicants are also asked for their most recent address. The IBO took this information and geocoded it to lists of rent stabilized buildings, NYCHA buildings (public housing), and unregulated buildings. Of the addresses that could be successfully geocoded, 43% were found to be in buildings containing rent regulated units (generally rent stabilized buildings, which may contain units that have been deregulated, and Mitchell-Lama buildings), 39% were in unregulated buildings, 16% were NYCHA buildings, and 2% were in specialized facilities (such as residential treatment or rehabilitation programs). Among those tenants coming from buildings containing rent regulated units, 32% cited eviction as the reason for eligibility, while 24% cited overcrowding, and 21% cited domestic violence. The remaining 23% cited other reasons, such as

discord and unlivable conditions. These proportions were very similar to those from unregulated housing, where 34% of entries were due to eviction, 20% due to overcrowding, and 21% due to domestic violence.

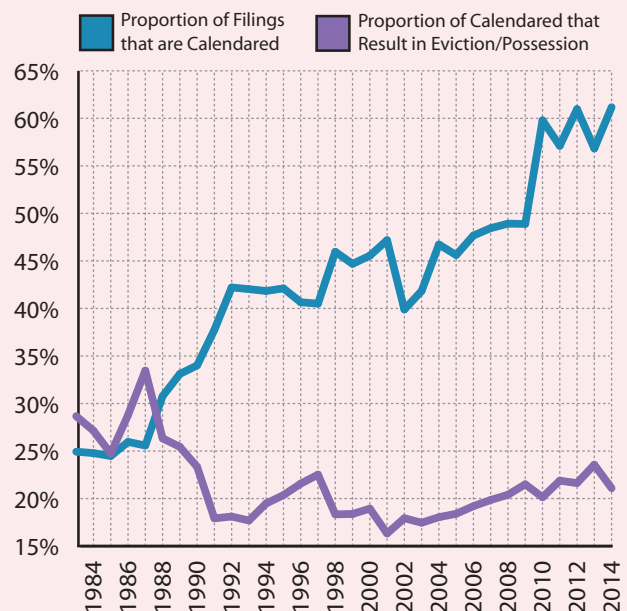
Housing Court

Another useful way to assess the impact of economic conditions on New York City’s renters is to examine housing court data. Specifically, Housing Court actions are reviewed to determine the proportion of tenants who are unable to meet their rental payments. To measure the number of households experiencing the most severe affordability problems, evictions are also tracked.

For the third consecutive year, non-payment filings in Housing Court decreased, falling 3.4%, to 208,158.⁵¹ While the number of non-payment filings decreased, the number of cases resulting in an actual court appearance (“calendared”) rose by 4.0%, so the

Housing Court Statistics, 1983-2014

Proportion of Non-Payment Cases Calendared Increases, but Proportion of Evictions Falls



Source: Civil Court of NYC and NYC Dept. of Investigations

proportion of cases which resulted in an appearance increased by 4.3 percentage points. At 61.2%, this proportion is the highest the RGB has ever recorded (see graph on previous page and Appendix 6). During the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

More than 18% of non-payment filings are against tenants of public housing (NYCHA). If these cases were taken out of the analysis, filings would have gone down 5.5%, and calendared cases would have risen by 3.0%. However, the overall percentage of calendared cases to non-payment filings would have remained essentially the same, at 61.3% just 0.2 percentage points higher than the overall proportion.

The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2014 decreased by 2.5 percentage points, falling from 23.6% to 21.1%. This translates to 26,857 court decisions ruled for the tenant's eviction from a total of 127,334 non-payment proceedings calendared.⁵² The decrease was due to the fact that even though the number of cases calendared increased, evictions fell by an even greater proportion, 6.9%. The proportion of evictions to calendared cases is now at its lowest level since 2010 (see graph on previous page).

Conclusion

In 2014, economic indicators for New York City were almost entirely positive, including rising employment levels, declining unemployment, increased Gross City Product, a slowing of non-payment housing court filings, falling cash assistance caseloads, and rising wages. However, homelessness continues to increase, and non-payment cases “calendared” rose.

Looking forward, various City agencies have made predictions about the future health of the New York City economy. Among their predictions, they estimate that in 2015 the City will gain anywhere between 65,000 and 84,000 jobs, unemployment will fall to 6.5%, GCP growth will potentially grow anywhere from 1.5% to 3.0%, and wages will rise from 1.9% to 2.1%. They also see the economy brightening even more during the next few years, with decreasing unemployment rates (to as low as 5.2% by 2019), job gains, and a rise in both wage growth and GCP.⁵³ □

Endnotes

1. 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.
2. Data from the NYC Comptroller's Office as of March, 2015. GCP figures are adjusted annually by the New York City Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2009 chained dollars.
3. US Bureau of Economic Analysis. <http://www.bea.gov/national/index.htm#gdp>; Data accessed March, 2015.
4. US Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed February, 2015.
5. NYS Dept. of Labor; <http://www.labor.state.ny.us>; Data accessed March 2015. Data is revised annually and may not match data reported in prior years.
6. US Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2015.
7. New York State Dept. of Labor; <http://www.labor.state.ny.us>; Data accessed March 2015. Data is revised annually and may not match data reported in prior years.
8. 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*.
9. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2015.
10. New York State Dept. of Labor; <http://www.labor.state.ny.us>; Data accessed March 2015.
11. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2015.
12. Data obtained from The Administrative Office of the U.S. Courts. <http://www.uscourts.gov/Statistics/BankruptcyStatistics.aspx>
13. Poverty statistics were researched on the US Census Bureau's Factfinder Site: <http://factfinder2.census.gov> in February of 2015.
14. Data is from prior reports of the Community Service Society of New York, which uses Census Data to compute their own poverty statistics. Studies average two consecutive years of census data in calculating poverty rates.
15. “Census Bureau to Develop a Supplemental Poverty Measure.” March 2, 2010. U.S. Dept. of Commerce Press Release.
16. “The CEO Poverty Measure, 2005-2012.” April, 2014. New York City Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.
17. 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 “Selected Initial Findings of the 2014 New York City Housing and Vacancy Survey,” prepared by Elyzabeth Gaumer and Sheree West of HPD. Full data should be available in April or May of 2015

18. 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*. Introductory Number 685 will extend rent stabilization until April 1, 2018.
19. Total household income in the HVS includes wages, salaries, and tips; self-employment income; interest dividends; pensions; and other transfers and in-kind payments.
20. Private non-regulated units consist of units which were never rent controlled or rent stabilized, units which were decontrolled, and unregulated rentals in cooperatives or condominium buildings.
21. There were 53,391 units which did not report a cash rent because they were being occupied rent-free.
22. 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).
23. 2013 American Community Survey, U.S. Census Bureau. <http://factfinder2.census.gov>
24. US Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed February, 2015.
25. 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.
26. Preliminary FY 2015 Mayor's Management Report, NYC Housing Authority section.
27. Eligibility guidelines per the NYC Housing Preservation and Development website: <http://www1.nyc.gov/site/hpd/section-8/applicants.page>.
28. DTR Section 8 General Program Indicators, HPD website: <http://www1.nyc.gov/assets/hpd/downloads/pdf/hpd-section-8-program-statistics.pdf> (dated 2/2/2015).
29. 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.
30. AARP Press Release. "ConEd Electric Customers Get Rate Shock -- Pay More Than Double U.S. City Average." May 21, 2013.
31. Con Edison Press Release. "Con Edison 2016 Rate Plan Cites Reliability, Storm Prep, Better Technology." January 30, 2015.
32. ACCRA Cost of Living Index Press Release. First, Second, and Third Quarters of 2014. The Council for Community and Economic Research. <http://www.coli.org/PressClippings.asp>
33. ACCRA cost of living report. The Council for Community and Economic Research. <https://www.coli.org/compare.asp>
34. 2013 American Community Survey, U.S. Census Bureau. <http://factfinder2.census.gov>
35. National Association of Home Builders. Various tables on website: http://www.nahb.com/reference_list.aspx?sectionID=135; Affordability defined as no more than 28% of gross income spent on housing costs (including mortgage, property taxes, and insurance): <http://www.nahb.org/generic.aspx?sectionID=135&genericContentID=533>. Data accessed March 2015
36. The methodology that the National Low Income Housing Coalition uses is at: http://nlihc.org/sites/default/files/oor/OOR2014_AppendixA.pdf
37. Fair Market Rents are published annually by the U.S. Dept. of Housing and Urban Development. <http://www.huduser.org/datasets/fmr.html>
38. "NY Increasing Minimum Wage to \$8 an Hour in 2014," NY Post. December 27, 2013.
39. New York State Dept. of Taxation and Finance Form NYC-208 (2014).
40. Calculations based on New York State Department of Taxation and Finance Form NYC-208 (2014).
41. New York City Human Resources Administration. HRA Charts (Cash Assistance Recipients): <http://www.nyc.gov/html/hra/html/facts/charts.shtml>
42. Data directly from the NYS Office of Temporary and Disability Assistance, February, 2015.
43. New York City Human Resources Administration. HRA Charts (Assisted Entries to Employment): <http://www.nyc.gov/html/hra/html/facts/charts.shtml>
44. New York City Human Resources Administration. HRA Charts (SNAP Recipients): <http://www.nyc.gov/html/hra/html/facts/charts.shtml>
45. New York City Human Resources Administration. HRA Charts (HRA Administered Medicaid Enrollees): <http://www.nyc.gov/html/hra/html/facts/charts.shtml>
46. Proposed Consolidated Plan Annual Performance Report, 2013. NYC Dept. of City Planning. March 12, 2014.
47. Data from July, 2011 through December, 2013 directly from the Policy & Planning Office of the NYC Dept. of Homeless Services (DHS). Beginning in January of 2014, data is a mix from the Policy & Planning Office of DHS, reports generated pursuant to Local Law 37 of 2011, 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.
48. Beginning five years ago, the Dept. 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.
49. "The 2014 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Homelessness." U.S. Department of Housing and Urban Development, October 2014.
50. Fiscal Brief: "The Rising Number of Homeless Families in NYC, 2002-2012," New York City Independent Budget Office. November 2014.
51. Civil Court of the City of New York data.
52. Eviction data from the NYC Department of Investigation, Bureau of Auditors data.
53. "Comment on New York City's Preliminary Budget for FY 2016 and Financial Plan for Fiscal Years 2015-2019." NYC Comptroller's Office, March 4, 2015.

Appendices

1. Average Annual Employment Statistics by Area, 2003-2014

Unemployment Rate	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Bronx	10.0%	9.2%	7.5%	6.7%	6.7%	7.4%	11.9%	12.8%	12.4%	12.8%	11.8%	9.8%
Brooklyn	9.0%	7.6%	6.2%	5.4%	5.3%	5.9%	9.8%	10.3%	9.8%	10.0%	9.4%	7.7%
Manhattan	7.5%	6.2%	5.0%	4.3%	4.2%	4.8%	8.4%	8.1%	7.5%	7.8%	7.2%	6.1%
Queens	7.4%	6.3%	5.2%	4.5%	4.4%	4.9%	8.3%	8.7%	8.2%	8.4%	7.8%	6.4%
Staten Island	7.4%	6.4%	5.2%	4.5%	4.5%	5.0%	8.1%	8.8%	8.3%	8.7%	7.8%	7.2%
NYC	8.3%	7.1%	5.8%	5.0%	5.0%	5.6%	9.3%	9.5%	9.1%	9.4%	8.8%	7.2%
U.S.	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%
<u>Labor Force Participation Rate</u>												
NYC Δ	58.3%	58.8%	59.2%	59.0%	59.1%	59.7%	59.9%	60.0%	59.7%	60.1%	60.3%	60.5%
U.S.	66.2%	66.0%	66.0%	66.2%	66.0%	66.0%	65.4%	64.7%	64.1%	63.7%	63.2%	62.9%
<u>Employment-Population Ratio</u>												
NYC Δ	53.4%	54.6%	55.8%	56.1%	56.1%	56.4%	54.3%	54.3%	54.2%	54.4%	55.0%	56.1%
U.S.	62.3%	62.3%	62.7%	63.1%	63.0%	62.2%	59.3%	58.5%	58.4%	58.6%	58.6%	59.0%
<u>Gross City Product (NYC)</u> (billions, in 2009 \$)	534.0	546.2	566.5	588.6	611.8	609.4	595.9	614.2	629.5	637.5	662.9	683.4
% Change	-1.11%	2.29%	3.72%	3.90%	3.94%	-0.39%	-2.22%	3.07%	2.49%	1.27%	3.99%	3.08%
<u>Gross Domestic Product (U.S.)</u> (billions, in 2009 \$)	13,271.1	13,773.5	14,234.2	14,613.8	14,873.7	14,830.4	14,418.7	14,783.8	15,020.6	15,369.2	15,710.3	16,085.3
% Change	2.81%	3.79%	3.34%	2.67%	1.78%	-0.29%	-2.78%	2.53%	1.60%	2.32%	2.22%	2.39%

Notes: The New York City 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 Dept. 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, U.S. Dept. of Commerce; NYS Dept. 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, 2005-2014 (in thousands)

Industry Employment	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2013-2014 Change
Manufacturing	113.9	106.1	101.0	95.6	81.6	76.3	75.7	76.3	76.4	76.0	-0.5%
Construction, Natural Resources & Mining	113.3	118.5	127.3	132.7	120.8	112.5	112.3	116.1	122.2	127.7	4.5%
Trade, Transport & Utilities	548.2	559.0	570.5	574.5	552.4	559.1	574.7	589.3	603.8	618.4	2.4%
Leisure & Hospitality	276.7	284.9	297.8	310.2	308.5	322.2	342.2	365.7	385.4	406.8	5.6%
Financial Activities	445.1	458.3	467.6	465.0	434.2	428.6	439.5	439.1	437.9	448.8	2.5%
Information	162.8	164.9	166.9	169.5	165.3	166.0	170.9	175.8	179.6	184.5	2.7%
Professional & Business Svcs.	556.0	571.9	592.3	603.5	569.4	575.8	598.3	620.4	643.6	668.9	3.9%
Educational & Health Svcs.	677.4	693.3	703.9	718.1	734.0	752.4	769.2	786.2	813.2	846.6	4.1%
Other Services	153.2	154.3	157.7	160.8	160.3	160.6	165.2	170.4	174.9	179.5	2.6%
Total Private Sector	3,046.6	3,111.2	3,184.9	3,229.8	3,126.4	3,153.4	3,247.9	3,339.4	3,437.1	3,557.2	3.5%
Government ‡	555.6	555.2	559.0	564.1	567.0	558.0	550.6	546.1	544.4	545.0	0.1%
City of New York	449.8	450.4	453.9	458.5	462.1	451.4	451.7	450.0	450.1	452.4	0.5%
Total	3,602.3	3,666.4	3,743.9	3,793.9	3,693.3	3,711.5	3,798.5	3,885.5	3,981.5	4,102.2	3.0%

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 New York City. 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 HHC (Health and Hospitals Corporation) and the MTA.

Source: NYS Department of Labor

3. Average Real Wage Rates by Industry for NYC, 2006-2014 (2014 dollars)

Industry	2006	2007	2008	2009	2010	2011	2012	2013	2014	2013-14 % Change
Construction	\$70,651	\$73,115	\$74,723	\$75,637	\$75,996	\$75,493	\$73,622	\$73,490	\$73,211	-0.4%
Manufacturing	\$56,984	\$59,425	\$58,473	\$57,072	\$56,467	\$57,326	\$54,374	\$52,358	\$53,588	2.3%
Transportation	\$51,958	\$53,688	\$51,215	\$51,456	\$51,983	\$52,066	\$51,251	\$51,158	\$53,639	4.9%
Trade*	\$54,194	\$55,637	\$53,637	\$51,365	\$51,109	\$52,013	\$51,622	\$52,748	\$51,832	-1.7%
Finance and Insurance	\$284,859	\$327,507	\$311,328	\$250,856	\$283,538	\$285,905	\$259,315	\$275,973	\$291,557	5.6%
Real Estate	\$65,399	\$70,593	\$68,572	\$64,562	\$64,717	\$66,214	\$66,572	\$68,434	\$70,442	2.9%
Admin/Waste/Edu/Health**	\$50,910	\$51,725	\$51,681	\$52,000	\$52,455	\$52,013	\$51,244	\$51,300	\$51,361	0.1%
Arts, Entertainment & Rec	\$68,717	\$72,682	\$68,336	\$67,676	\$69,379	\$68,914	\$65,245	\$63,798	\$64,831	1.6%
Accomm & Food Svcs.	\$31,769	\$32,256	\$32,008	\$30,646	\$30,809	\$30,920	\$30,634	\$30,512	\$31,062	1.8%
Other Svcs.	\$45,042	\$46,095	\$46,854	\$46,637	\$48,023	\$47,540	\$44,667	\$44,317	\$44,751	1.0%
Professional & Tech Svcs.	\$113,611	\$117,056	\$118,802	\$116,119	\$116,147	\$119,917	\$117,220	\$117,647	\$120,035	2.0%
Management of Companies	\$193,468	\$212,188	\$198,545	\$170,962	\$197,734	\$202,653	\$192,344	\$191,102	\$190,478	-0.3%
Information	\$114,742	\$117,779	\$116,829	\$111,981	\$114,804	\$116,934	\$117,858	\$122,447	\$127,937	4.5%
Utilities	\$103,901	\$107,951	\$103,571	\$98,526	\$103,142	\$104,770	\$115,428	--Δ	--Δ	--Δ
Unclassified/Agri/Mining***	\$39,696	\$42,779	\$42,617	\$37,367	\$41,934	\$42,727	\$40,924	\$40,472	\$42,712	5.5%
Private Sector	\$89,922	\$96,749	\$94,131	\$84,852	\$88,023	\$88,927	\$84,666	\$85,787	\$87,474	2.0%
Government	\$62,043	\$61,503	\$60,212	\$61,068	\$61,473	\$61,856	\$60,358	\$59,836	\$60,860	1.7%
Total Industries	\$85,641	\$91,433	\$89,062	\$81,218	\$83,944	\$84,956	\$81,203	\$82,164	\$83,874	2.1%

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 2013 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 Dept. 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, 2006-2014

Industry	2006	2007	2008	2009	2010	2011	2012	2013	2014	2013-14 % Change
Construction	\$59,646	\$63,337	\$67,396	\$68,738	\$70,232	\$71,478	\$71,262	\$72,449	\$73,211	1.1%
Manufacturing	\$48,108	\$51,478	\$52,739	\$51,866	\$52,184	\$54,277	\$52,631	\$51,617	\$53,588	3.8%
Transportation	\$43,865	\$46,508	\$46,193	\$46,762	\$48,040	\$49,296	\$49,608	\$50,434	\$53,639	6.4%
Trade*	\$45,753	\$48,196	\$48,378	\$46,680	\$47,232	\$49,247	\$49,967	\$52,001	\$51,832	-0.3%
Finance and Insurance	\$240,490	\$283,707	\$280,801	\$227,972	\$262,032	\$270,698	\$251,002	\$272,064	\$291,557	7.2%
Real Estate	\$55,212	\$61,152	\$61,848	\$58,673	\$59,809	\$62,692	\$64,438	\$67,465	\$70,442	4.4%
Admin/Waste/Edu/Health**	\$42,980	\$44,807	\$46,614	\$47,256	\$48,476	\$49,246	\$49,601	\$50,574	\$51,361	1.6%
Arts, Entertainment & Rec	\$58,014	\$62,961	\$61,635	\$61,502	\$64,117	\$65,249	\$63,153	\$62,894	\$64,831	3.1%
Accomm & Food Svcs.	\$26,821	\$27,942	\$28,869	\$27,850	\$28,472	\$29,275	\$29,652	\$30,080	\$31,062	3.3%
Other Svcs.	\$38,026	\$39,930	\$42,260	\$42,383	\$44,380	\$45,012	\$43,235	\$43,689	\$44,751	2.4%
Professional & Tech Svcs.	\$95,915	\$101,401	\$107,153	\$105,526	\$107,338	\$113,538	\$113,462	\$115,981	\$120,035	3.5%
Management of Companies	\$163,334	\$183,811	\$179,076	\$155,367	\$182,736	\$191,873	\$186,178	\$188,395	\$190,478	1.1%
Information	\$96,870	\$102,027	\$105,373	\$101,766	\$106,097	\$110,714	\$114,080	\$120,713	\$127,937	6.0%
Utilities	\$87,718	\$93,514	\$93,415	\$89,538	\$95,318	\$99,197	\$111,728	--Δ	--Δ	--Δ
Unclassified/Agri/Mining***	\$33,513	\$37,058	\$38,438	\$33,959	\$38,753	\$40,454	\$39,612	\$39,899	\$42,712	7.1%
Private Sector	\$75,916	\$83,810	\$84,900	\$77,112	\$81,347	\$84,196	\$81,952	\$84,572	\$87,474	3.4%
Government	\$52,380	\$53,278	\$54,308	\$55,497	\$56,811	\$58,566	\$58,423	\$58,989	\$60,860	3.2%
Total Industries	\$72,302	\$79,205	\$80,329	\$73,809	\$77,577	\$80,437	\$78,600	\$81,000	\$83,874	3.1%

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 Dept. 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, 2004-2014

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
March	203.4	212.4	218.2	224.6	233.1	235.1	240.1	245.6	251.9	256.6	260.0
June	206.0	210.7	222.6	228.3	238.6	237.2	240.8	248.5	252.4	256.9	261.4
September	205.9	215.8	222.9	228.3	240.1	238.6	241.5	250.6	254.6	258.5	261.1
December	206.8	214.2	221.3	229.4	233.0	238.4	241.9	248.3	253.6	257.3	258.1
Quarterly Average	205.5	213.3	221.3	227.6	236.2	237.3	241.1	248.2	253.1	257.3	260.1
Yearly Average	204.8	212.7	220.7	226.9	235.8	236.8	240.9	247.7	252.6	256.8	260.2

12-month percentage change in the CPI

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
March	3.20%	4.42%	2.73%	2.91%	3.82%	0.83%	2.14%	2.30%	2.55%	1.87%	1.32%
June	4.62%	2.28%	5.65%	2.54%	4.52%	-0.59%	1.54%	3.19%	1.57%	1.78%	1.73%
September	3.16%	4.81%	3.29%	2.43%	5.16%	-0.63%	1.22%	3.76%	1.59%	1.55%	0.99%
December	3.76%	3.58%	3.31%	3.66%	1.58%	2.32%	1.45%	2.66%	2.11%	1.47%	0.31%
Quarterly Average	3.68%	3.77%	3.74%	2.88%	3.77%	0.47%	1.58%	2.98%	1.96%	1.67%	1.09%
Yearly Average	3.54%	3.86%	3.76%	2.83%	3.90%	0.44%	1.71%	2.85%	1.97%	1.68%	1.32%

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

6. Housing Court Actions, 1983-2014

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

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, 1982-2014

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

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

Source: New York City Department of Homeless Services