New York City Government Poverty Measure 2005–2015

An Annual Report from the Office of the Mayor

Mayor's Office of Operations
The City of New York
May 2017

NYC
Opportunity

Contents

Preface

This annual report presents a comprehensive picture of poverty in New York City. It is the eighth such report and the first issued under the auspices of the new Mayor's Office for Economic Opportunity ("NYC Opportunity") – an expanded successor to the Center for Economic Opportunity (CEO), the original developers of the New York City poverty measure. NYC Opportunity combines two formerly separate units – the Center for Economic Opportunity and HHS-Connect – into a unified office that augments the City's ability to use evidence and innovation to reduce poverty and increase equity. NYC Opportunity remains a part of the Mayor's Office of Operations and supports its Citywide performance management role.

Accordingly, the name of the City's poverty measure has changed as well. Previously known as the CEO poverty measure, it is now the New York City government poverty measure (the "NYCgov" poverty measure, in short). The NYCgov measure is an official metric of New York City government utilized by City agencies and municipal policymakers, allowing local leaders to gain a more accurate understanding of poverty in the city than the U.S. official poverty rate allows. The higher threshold of the NYCgov poverty measure considers the higher cost of housing in New York City, as well as important sources of income and benefits, such as the Earned Income Tax Credit, that are not included in the federal measure.

This first year of reporting the New York City poverty level under the NYCgov name brings good news, as the report details. From 2013 to 2015, which includes the latest year for which we have data, the NYCgov poverty rate fell 0.8 percentage points, a statistically significant decline. During the same two-year period, the NYCgov near poverty rate also fell a statistically significant 1.7 percentage points. The report notes that in the past year, the City has made substantial progress toward the Mayor's announced goal of lifting 800,000 New Yorkers out of poverty or near poverty by 2025.

By virtue of its components, the NYCgov poverty measure reflects changes in government policies and budgets, including those at the federal level – which may be of growing importance going forward. With increasing talk in Washington this year of scaling back or eliminating programs that benefit low-income New Yorkers, the NYCgov poverty measure will be an important indicator of how policy changes affect vulnerable New Yorkers.

The NYCgov poverty measure has, since its inception, been an important tool for assessing the city's level of poverty and formulating policies and programs to address it. This year's report contains welcome evidence of improvement in the economic situation of low-income New Yorkers and underscores the progress that can be achieved with focused commitment.

Matthew Klein
Executive Director, Mayor's Office for Economic Opportunity
Mayor's Office of Operations

This year's report focuses on the years 2010 to 2015, tracing the effect of the recovery on the NYCgov poverty rate. The data show a significant decline in near poverty and significant declines in poverty among various subgroups in the population from 2014 to 2015. The New York City minimum wage has increased twice since 2013, which is reflected in increased earnings in the lowest percentiles of the income distribution. Increases in employment and work hours during 2015 are also reflected in the poverty data and mark the strongest economic improvements since the beginning of the recovery.

The NYCgov poverty measure continues to inform the work of New York City's policymakers. This year's report includes an estimate of the poverty gap for the city – the average distance between families and their poverty threshold. The poverty gap is presented both as an index and as a monetary value. Later in 2017, NYC Opportunity will issue further data on the Affordable Care Act and the poverty rate.

We will not issue printed editions of the report's technical appendices this year. However, the appendices will be published on the redesigned NYC Opportunity website (nyc.gov/opportunity) where available data resources are also being expanded. In the threshold appendix, for example, more information is included on poverty thresholds by family size. Several data series that were previously published in full, beginning with 2005 data, have become too unwieldy to include in a printed volume. They will also be available online.

In the eight years New York City has been producing a poverty measure – which draws on eleven years of data going back to 2005 – we have continually made statistical improvements to our model. This year we improved imputation methods for childcare and medical spending. Along with availability of more recent data for both categories, the improved imputations required us to revise prior year poverty estimates – as has been done regularly over the lifetime of the report.

Christine D'Onofrio, Ph.D.
Director of Poverty Research, Mayor's Office for Economic Opportunity
Mayor's Office of Operations

Chapter 1: Highlights

Chapter 1: Highlights

Introduction

This annual report examines the state of poverty in New York City. It presents the New York City government poverty measure, referred to throughout the report as the NYCgov poverty measure. The NYCgov poverty measure is officially issued by the City of New York, mandated by the City Charter, and incorporated into the work and thinking of the Mayor's Office and many City agencies. It offers policymakers and the public a more informative alternative to the U.S. official poverty measure and is adapted to the realities of life in New York, including our unusually high housing costs. It also incorporates a range of after-tax and in-kind income benefits missed by the federal methodology.

This is the first time we are releasing our poverty measure under the NYCgov name. In prior years, we issued this report as the Center for Economic Opportunity (CEO) poverty measure. In 2017, the Center for Economic Opportunity, originally launched in 2006, was expanded and established as the Mayor's Office for Economic Opportunity (NYC Opportunity). As such, we have changed the name of the poverty measure as well – to one that better reflects its status as an official issuance of local government.

The NYCgov poverty rate fell from 20.6 percent in 2014 to 19.9 percent in 2015. Near poverty, the share of the population living under 150 percent of the NYCgov threshold, fell from 45.1 percent to 44.2 percent over that same period. The decline in the poverty rate is not statistically different from the 2014 rate. The decline in the near poverty rate from 2014 is statistically significant for the first time since 2010.[1] While the overall poverty rate was statistically unchanged when measured year over year or across the 2010 to 2015 time period, when looking at the NYCgov rate over the two-year time period 2013 to 2015, a significant decline from 20.7 percent to 19.9 percent is found.

The NYCgov poverty threshold for a 2-adult, 2-child family in 2015 was $31,756, an increase of $175 from the 2014 threshold. The NYCgov estimate of the U.S. official poverty rate was statistically unchanged from 2014 to 2015: 19.1 percent to 18.4 percent.

The data presented here highlight the years 2010 to 2015, incorporating the most recent data available and focusing on the post-recession time period. As the recovery

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1 The change in the near poverty rate from 2010 to 2015 is also significant.

continues, we find more positive findings in the data this year than in any other year since the recession. The report also presents current anti-poverty initiatives informed by our findings.

Poverty, near poverty, U.S. official poverty, and thresholds for 2013, 2014, and 2015 are shown in Table 1.1 below.

There is a marked and positive change in the 2015 data. Along with the statistically significant decline in near poverty, there are statistically significant declines in poverty rates among several subgroups of the City population, either in the year-over-year change from 2014 to 2015 or over the six post-recession years 2010–2015. Men, children under 18, working age adults, Non-Hispanic Whites and Asians, native-born citizens, non-citizens, the college-educated, those working less than full time, and the boroughs of Brooklyn and Queens have all seen statistically significant declines in their poverty rate. Only two subgroups had statistically significant increases in poverty, both over the 2010 to 2015 time period: naturalized citizens and the borough of the Bronx. No group or borough saw a statistically significant increase in their poverty rate in the most recent one-year period in our data, from 2014 to 2015.

Prior years' reports have attributed the lack of a significant change in the poverty rate to a lack of income growth as the economy gradually recovered from recession. The loss of earned income that occurred in the recession is slowly reversing – some of the biggest gains occurred in the most recent year of data

Table 1.1
NYCgov and U.S. Official Poverty Rates and Thresholds, 2013–2015

	2013	2014	2015
POVERTY RATES (%)			
NYCgov Poverty	20.7	20.6	19.9*
NYCgov Near Poverty	45.9	45.1	**44.2***
U.S. Official Poverty†	19.9	19.1	18.4*
THRESHOLDS ($)			
NYCgov Poverty	31,156	31,581	31,756
U.S. Official	23,624	24,008	24,036

Numbers in **bold** indicate statistically significant change from prior year. * indicate statistically significant change from 2013.
†U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis. See Chapter 4 for details.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
U.S. official threshold from U.S. Bureau of the Census.

and among the lowest earning families who in 2015 were beginning to enjoy the benefits of a series of minimum wage increases. This year we also find the percentage of employed working age adults near pre-recession levels. The same is true of the share of working adults who are employed full time.

The first part of this chapter provides a context for our findings and begins with a brief overview of why we originally developed an alternative poverty measure and how it differs from the U.S. official poverty measure. Because trends in poverty are tied to economic conditions, data for trends in the New York City labor market are provided, followed by key findings. Initially, estimates of the impact of the anti-poverty safety net on the poverty rate are presented. For the first time this year we include an estimate of the poverty gap, presented in this chapter as the amount of money needed to lift all New Yorkers up to their poverty threshold. Selected data on changes in the poverty rate among specific demographic groups follows. The chapter concludes with highlights from New York City poverty reduction policies.

1.1 Measuring Poverty

All measures of income poverty include two components: a definition of income representing resources available to the family[2] and a definition of a poverty threshold – a minimal, socially acceptable measure of well-being adjusted for family size. If a family's income measure is less than their assigned threshold, they are in poverty. The share of people living below their poverty threshold constitutes the poverty rate. The NYCgov poverty measure and the U.S. official poverty measure differ in their definitions of both income and threshold.

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2 See Appendix A, "The Poverty Universe and Unit of Analysis," for a detailed definition of family. In short, we define a family as a poverty unit: those people in a household who, by virtue of their relationship to each other, share resources and expenses. A family can be as small as one person or as large as an extended, multigenerational unit including blood relatives, unmarried partners and their children, and unrelated children. A household may include more than one poverty unit.

Poverty Thresholds

U.S. Official: The U.S. official threshold was developed in the early 1960s and was based on the cost of a minimum diet at that time. It is updated each year by the change in consumer prices. It is uniform across the United States.

NYCgov: The NYCgov poverty threshold is a New York City-specific threshold derived from the U.S.-wide threshold developed for the Federal Supplemental Poverty Measure. The NYCgov threshold is based on what families spend on basic necessities: food, clothing, shelter, and utilities. It is adjusted to reflect the variation in housing costs across the United States.

Measuring Income

U.S. Official Income: The U.S. official poverty measure's definition of family resources is pre-tax cash. This includes income from sources such as wages and salaries, as well as government transfer payments, provided that they take the form of cash. Thus, Social Security benefits are included in this measure, but the value of in-kind benefits, like Food Stamps or tax credits such as the Earned Income Tax Credit, are not counted.

NYCgov Income: Based on the NAS recommendations, NYCgov income includes all the elements of pre-tax cash plus the effect of income and payroll taxes, as well as the value of in-kind nutritional and housing assistance. Non-discretionary spending for commuting to work, childcare, and out-of-pocket medical care are deductions from income.

The U.S. Official Poverty Measure

The income measure used in the U.S. official poverty rate is limited to pre-tax cash. This does not include the value of tax credits such as the earned income credit, an important addition to family resources. Nor does it measure non-cash income supports such as SNAP (Supplemental Nutritional Assistance Program, formerly known as Food Stamps) benefits or housing subsidies. On the expense side, it does not consider nondiscretionary spending on items such as health care or the transportation and childcare costs required of many working adults.

The U.S. official threshold is based on the cost of a minimal nutritional standard that is unchanged for over 50 years, save for price adjustments. It does not reflect changes in the standard of living that have occurred in the last half century or geographic differences in the cost of living, housing costs in particular. For these reasons, the U.S. official poverty measure has inadequate definitions of both income and threshold.

The NYCgov Poverty Measure

The NYCgov poverty measure was developed in response to the shortfalls of the U.S. official measure. On the income side, it is more representative of the true resources available to a family – earnings plus the value of benefits accessible in the social safety net such as tax credits, housing subsidies, and nutritional assistance. The NYCgov measure allows us to measure the effect of those benefits in lowering poverty. Expenses that lower resources available to families are also acknowledged. Medical spending and the costs associated with work – childcare and transportation – are deducted from income.

The NYCgov threshold does not rely only on the cost of basic nutritional needs. It is based on a reasonable share of U.S. spending on necessities (food, clothing, shelter, and utilities), plus an additional amount to cover higher housing costs in New York City. The threshold is adjusted annually to reflect changes in both national spending and local housing costs. The result is a unique, locally specific

poverty measure that is closer to an adequate measure of both income and need.[3] Figure 1.1 summarizes and contrasts the differences in the two poverty measures.

The NYCgov poverty measure includes a higher income level and a higher threshold than the U.S. official poverty measure. Higher income on its own would imply a lower poverty rate but is outweighed by the higher threshold. The result is a higher poverty rate than the U.S. official poverty measure. Figure 1.2 illustrates how the two poverty measures compare over time.[4] Figure 1.3 shows the differences in income thresholds and poverty rates for 2015. The higher NYCgov thresholds result in higher poverty rates, even with the higher measure of income.

3   Chapter 4 explains the U.S. official and NYCgov poverty measures in more detail and compares their respective components. Both measures are also contrasted to the U.S. Supplemental Poverty Measure.

4   The NYCgov estimate of the U.S. official poverty measure is not the same as the poverty rate for New York City released by the Census Bureau. For comparison purposes, we estimate U.S. official poverty rate using the NYCgov data file. This file differs from the U.S. official in total population and the number, configuration, and size of families. See Chapter 4 for a discussion of NYCgov's definitions of the family and the unit of analysis.

Figure 1.1
Comparison of Poverty Measures

	U.S. Official	NYCgov
Threshold	Established in early 1960s at three times the cost of "Economy Food Plan."	Equal to the 33rd percentile of family expenditures on food, clothing, shelter, and utilities, plus 20 percent more for miscellaneous needs.
	Updated by change in Consumer Price Index.	Updated by the change in expenditures for the items in the threshold.
	No geographic adjustment.	Inter-area adjustment based on differences in housing costs.
Resources	Total family *pre-tax* cash income. Includes earned income and transfer payments, if they take the form of cash.	Total family after-tax income.
		Includes value of near-cash, in-kind benefits such as SNAP.
		Housing status adjustment.
		Subtract work-related expenses such as childcare and transportation costs.
		Subtract medical out-of-pocket expenditures.

Figure 1.2
U.S. Official and NYCgov Poverty Rates, 2005–2015
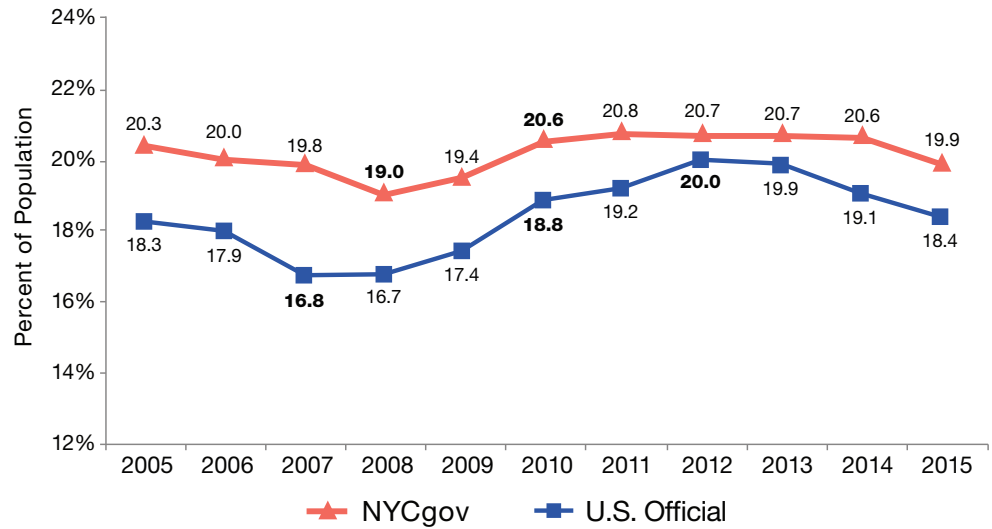
Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Note: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis.

Figure 1.3
U.S. Official and NYCgov Thresholds, Incomes, and Poverty Rates, 2015
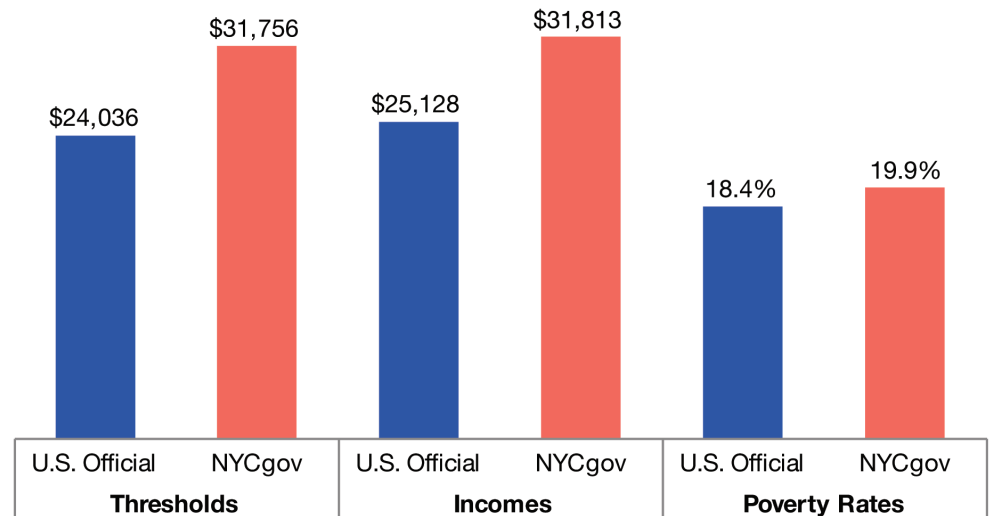
Source: U.S. Bureau of the Census and American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Notes: Incomes are measured at the 20th percentile and stated in family size and composition-adjusted dollars. U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis..

Figure 1.4
Employment/Population Ratios, 2008, 2010–2015
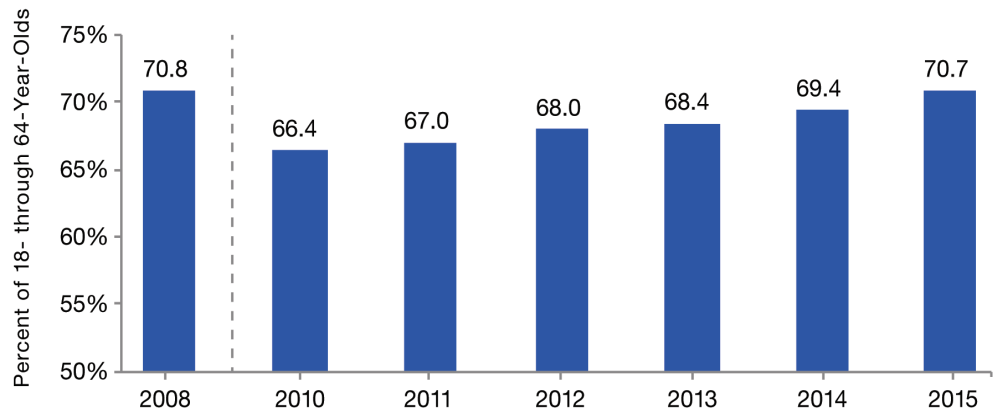
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

1.2 The New York City Labor Market

Poverty rates are influenced by the economic environment. New York City was not exempt from the effects of the Great Recession that spread across most of the U.S. in 2007. But recession-related employment declines did not occur in the city until the last quarter of 2008. For that reason, we measure our current employment situation against the peak year of 2008. The employment/population ratio of 70.7 percent for 2015 is nearly the same as the pre-recession peak of 70.8 percent in 2008. Figure 1.4 illustrates the increase in the employment/population ratio over the recovery.

Figure 1.5
Weeks Worked in Prior 12 Months, 2008, 2010–2015
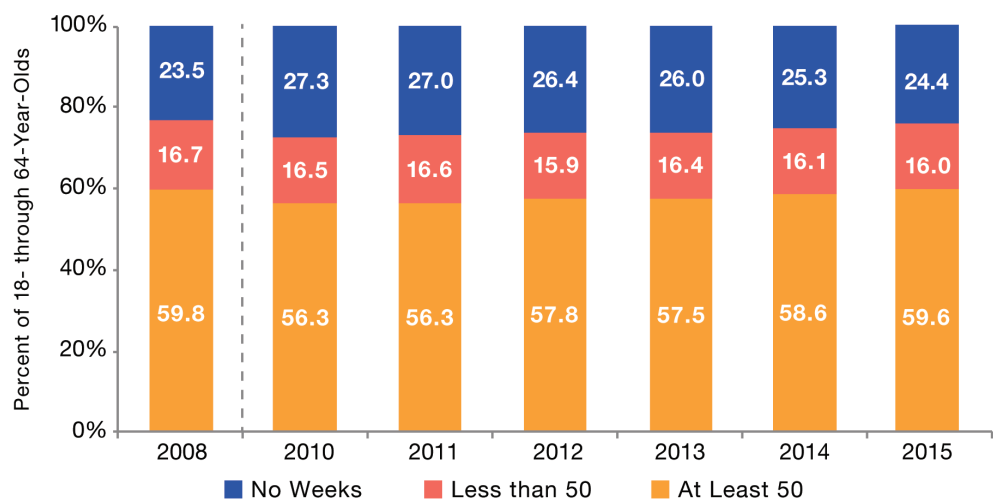
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

The number of weeks worked over the course of the year is another particularly telling labor market indicator because poverty is, in part, determined by annual income. By 2015, this indicator was also near pre-recession levels. Figure 1.5 shows that 59.6 percent of the population worked at least 50 weeks in 2015, compared to 59.8 percent in 2008.

The positive trends in employment and weeks worked are also reflected in earnings. Earnings are not yet at pre-recession levels but there have been strong gains. Several minimum wage increases in recent years led to some of the largest earnings gains occurring among the lowest paid workers. At the lowest earnings point in the recession, 2011, average earnings were 19 percent lower than their 2008 high for families in the bottom half of the income distribution. For the poorest families, those in the bottom 20th percentile of income earners, the loss was larger: 24 percent (data not shown in Table 1.2).

Table 1.2 reports more recent data – annual family earned incomes in the bottom half of the income distribution for 2008, and each year between 2010 to 2015. We compare changes from 2008 to 2015 (column a) and from 2014 to 2015

Table 1.2
Annual Family-Level Earned Income, 2008, 2010–2015

								a	b
Percentile	2008	2010	2011	2012	2013	2014	2015	2008–2015	2014–2015
20	13,736	10,131	10,423	10,333	11,063	11,734	12,870	-6.3%	9.7%
25	20,605	17,034	16,614	16,701	17,458	18,252	19,024	-7.7%	4.2%
30	28,051	22,972	22,546	22,904	23,558	23,963	25,325	-9.7%	5.7%
35	35,137	29,492	28,501	29,226	29,870	30,494	31,497	-10.4%	3.3%
40	42,210	35,950	34,181	34,934	35,943	36,487	38,305	-9.3%	5.0%
45	49,371	42,586	41,531	41,693	43,237	43,694	45,661	-7.5%	4.5%
50	56,604	49,297	48,436	48,838	50,629	51,842	53,758	-5.0%	3.7%
								Average Percentage Change	
								-8.0%	5.2%
								Percentage Point Change	
% Families with No Earnings	21.2	22.4	22.3	22.2	21.9	22.0	21.4	0.2	(0.7)

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Earnings are stated in family size and composition-adjusted dollars. They are stated in 2015 dollars using the NYC Opportunity threshold as a price index. Persons in families with no earnings are included..

Figure 1.6
Marginal Effects, Selected Sources of Income on the NYCgov Poverty Rate, 2015
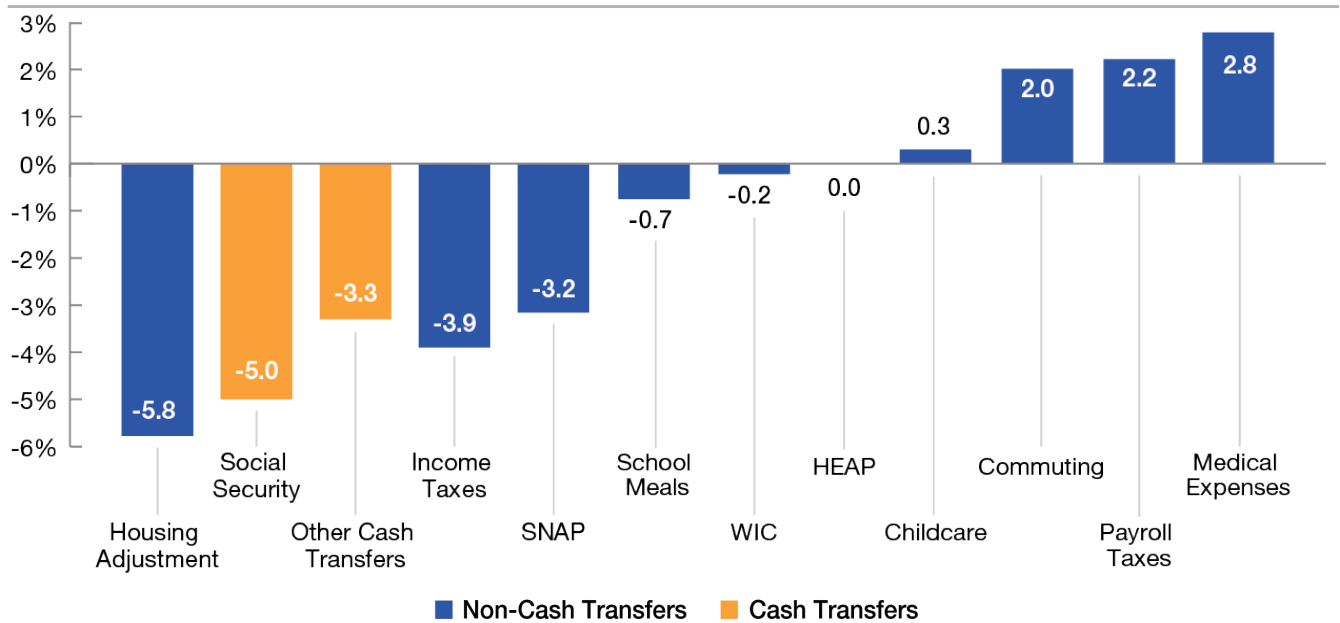
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

(column b). This allows us to measure change from the 2008 earnings peak and the most recent year-over-year change.

By 2015, incomes in the bottom half of the income distribution rose but still averaged 8 percent lower than in 2008 (column a). From 2014 to 2015, earned income grew an average 5.2 percentage points (column b). Income of the lowest earners in the table, at the 20th percentile, grew at the highest rate, 9.7 percent from 2014 to 2015. Also in 2015, the minimum wage rose from $8 to $8.75, contributing to income growth. Other income ranks also gained but their gains were less strong (column b).

1.3 The Effect of Income Supports on the Poverty Rate

The NYCgov poverty rate includes additional non-cash income supports (nutritional assistance, tax credits, housing supports, and others). This allows us to measure the effect of these programs in reducing the poverty rate. Conversely, including nondiscretionary expenditures (medical spending, costs of work) as subtractions from income allows us to see how much they increase the poverty rate.

Figure 1.6 shows the effect of income supports and additional expenditures in 2015. Those elements that lower the poverty rate are found to the left of zero in the chart, and those that raise the poverty rate are to the right. The figure includes the effect of cash transfer programs (income components that are also included in the U.S. official income measure) to provide some context when comparing the U.S. official and NYCgov measures. Social Security (which includes

pensions, survivor benefits, and disability insurance) lowers the poverty rate by 5.0 percentage points. Only the housing adjustment has a larger impact. The combined effect of all the other cash transfer programs (such as public assistance, Supplemental Security Income, Unemployment Insurance, Workers Compensation, etc.) is 3.3 percentage points, not that different from the impact of SNAP or income taxes. On the expenditure side, medical expenses do the most to push people into poverty. The net effect of out-of-pocket medical expenses is to raise the poverty rate by 2.8 percentage points.

1.4 The Poverty Gap

In the section above we demonstrated the extent that income supports lower the poverty rate. But this does not tell us how much more is still needed to alleviate poverty. This is expressed in the poverty gap – the amount of money needed to bring all families in poverty up to their poverty threshold. For the first time this year, we are reporting our calculation of the poverty gap, including trends over the previous five years.

Figure 1.7 shows the poverty gap for New York City for the years 2010–2015 using the NYCgov poverty measure. We measure the gap for three groups: all city residents; families with children; and families with children ages 4 and under.

The overall poverty gap as measured in dollars was $6.16 billion in 2010 and 2015, with the gap widening and shrinking in the intervening years. While there

Figure 1.7
NYCgov Poverty Gap, 2010–2015
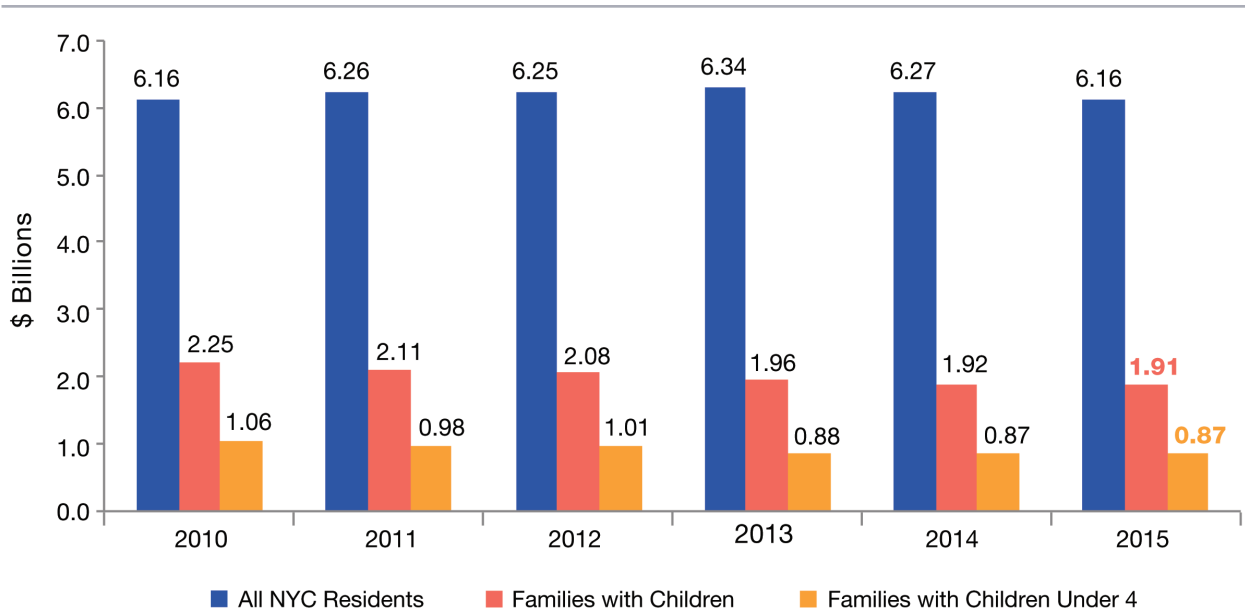
Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

is no difference in the total gap, for families with children the gap did fall significantly from 2010 to 2015, by $340 million. The gap also shrank significantly for families with pre-school age children (ages 4 and under) during the same time span, reduced in size by just under $200 million. The amount required to bring all families with children under 4 out of poverty has decreased from $1.06 billion in 2010 to $870 million in 2015.

Chapter 2 provides a deeper look at the poverty gap, including the average poverty gap for each group and an index expressing the poverty gap as a share of the poverty threshold.

1.5 Selected Poverty Rates

Figures 1.8 to 1.12 show changes in the NYCgov poverty rate for subgroups of the New York City population. We show depth of poverty and poverty by work experience, age, ethnicity, and borough. Poverty rates in bold represent significant changes from 2014–2015. Rates that appear in the same color as their underlying bar represent significant changes from 2010–2015.

• For example, in Figure 1.8, near poverty rates are shown. The 2015 near poverty rate fell significantly from 2014 (bold) and also from 2010 to 2015 (color same as bar).

Figure 1.8
Near Poverty Rates, 2010–2015
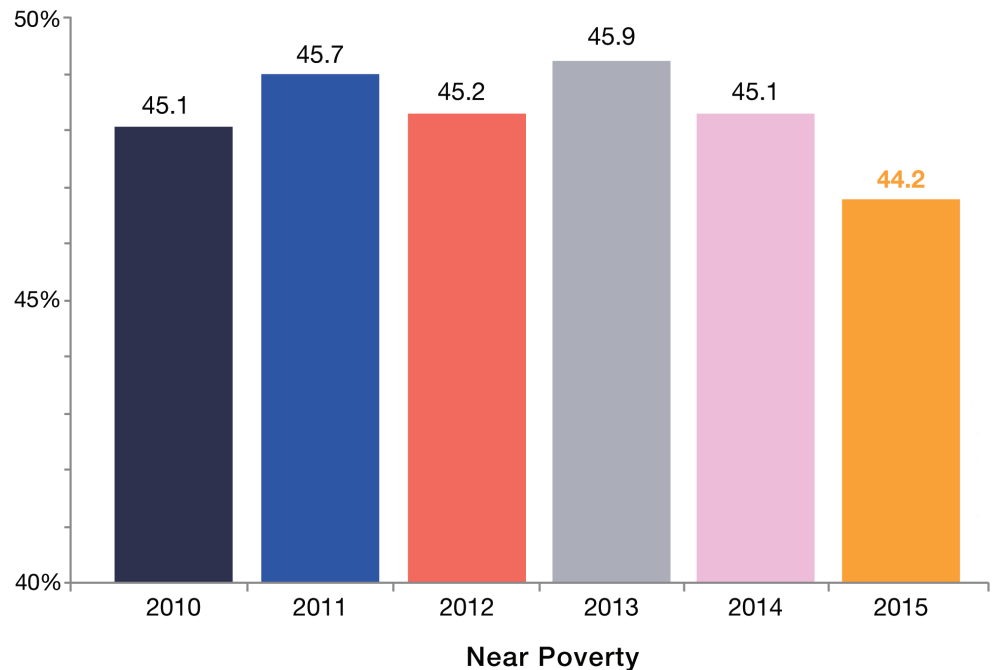
Near Poverty

Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

- Figure 1.9 compares poverty rates by age – children under 18, working age adults, and the elderly (age 65 and over). The poverty rate for children under 18 declined significantly from 2010. The poverty rate for adults age 18 through 64 declined significantly from 2014 to 2015.

- Figure 1.10 shows the significant decline in poverty rates for adults with less than full time work from 2014 to 2015. The poverty rate for full-time, year-round workers was 7.2 percent in 2015, reduced from its 2013 peak.

- Figure 1.11 contains poverty rates by race and ethnicity. There are significant declines in poverty from 2010 to 2015 for Non-Hispanic Whites and Non-Hispanic Asians. The Non-Hispanic Asian poverty rate also declined significantly from 2014 to 2015.

- Poverty rates by borough, shown in Figure 1.12, show several changes. In the most recent year shown, 2015, there is no significant change in the poverty rate. Poverty decreased significantly from 2010 to 2015 in Brooklyn, where the poverty rate was 21.2 percent in 2015. In Queens, poverty fell significantly over both the six-year and one-year periods, settling at 18.4 percent in 2015, and much reduced from a 2012 high of 21.8 percent. Poverty in the Bronx increased significantly from 2010 to 2015, from 25 percent to 27.5 percent.
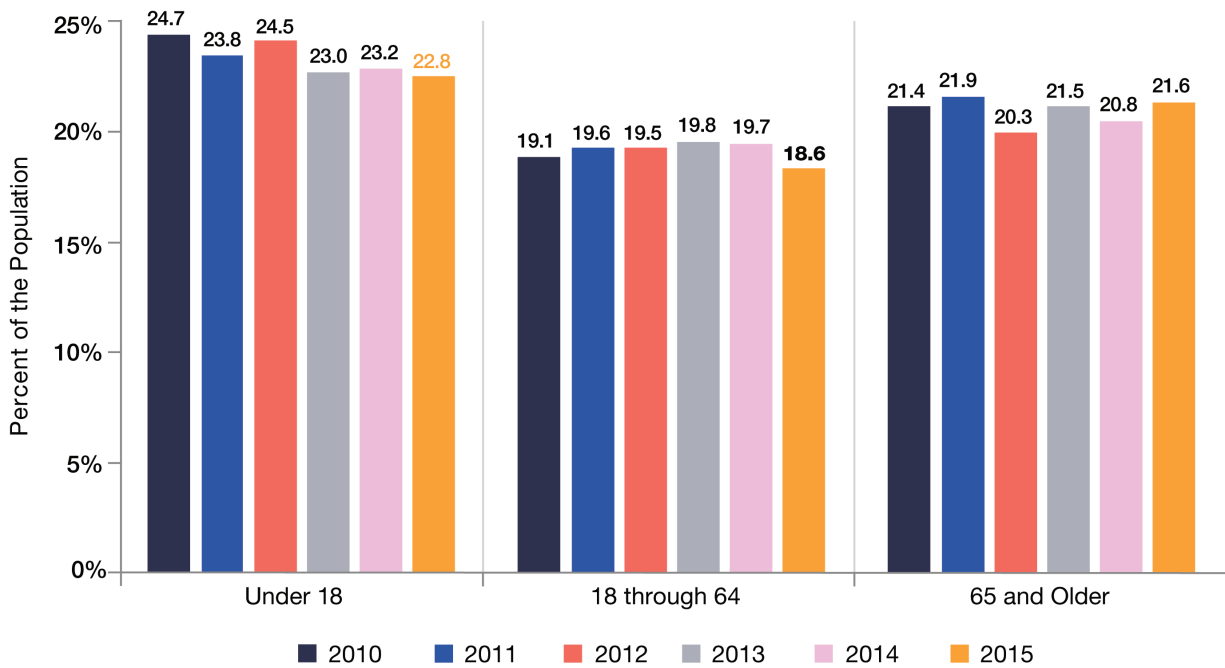
Figure 1.9
NYCgov Poverty Rates by Age, 2010–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015..
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Figure 1.10
NYCgov Poverty Rates by Individual Work Experience, 2010–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015.
Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Figure 1.11
NYCgov Poverty Rates by Race/Ethnicity, 2010–2015
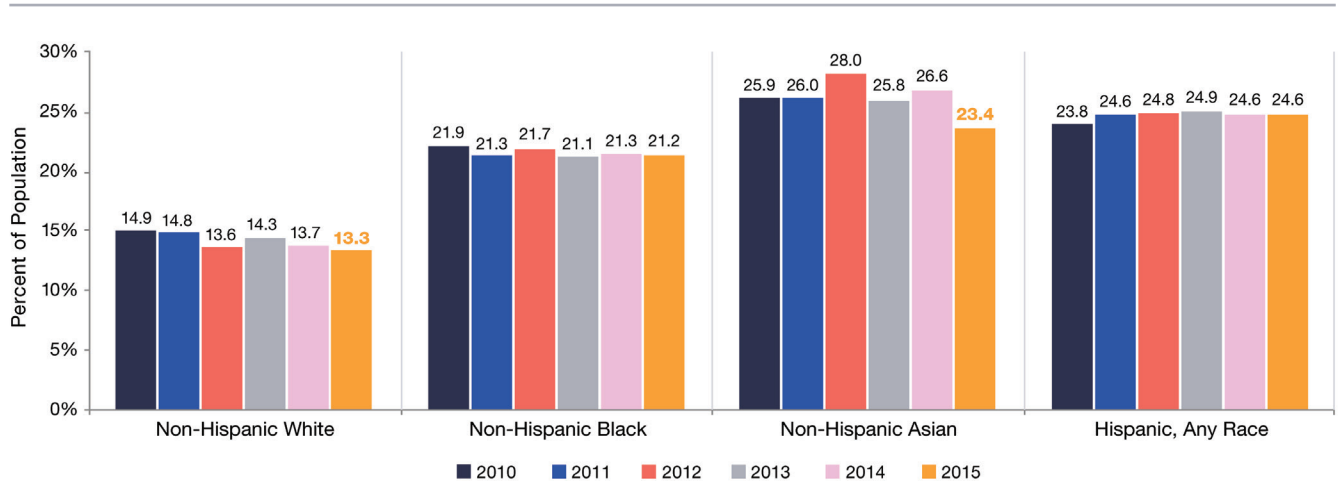
Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015.
Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
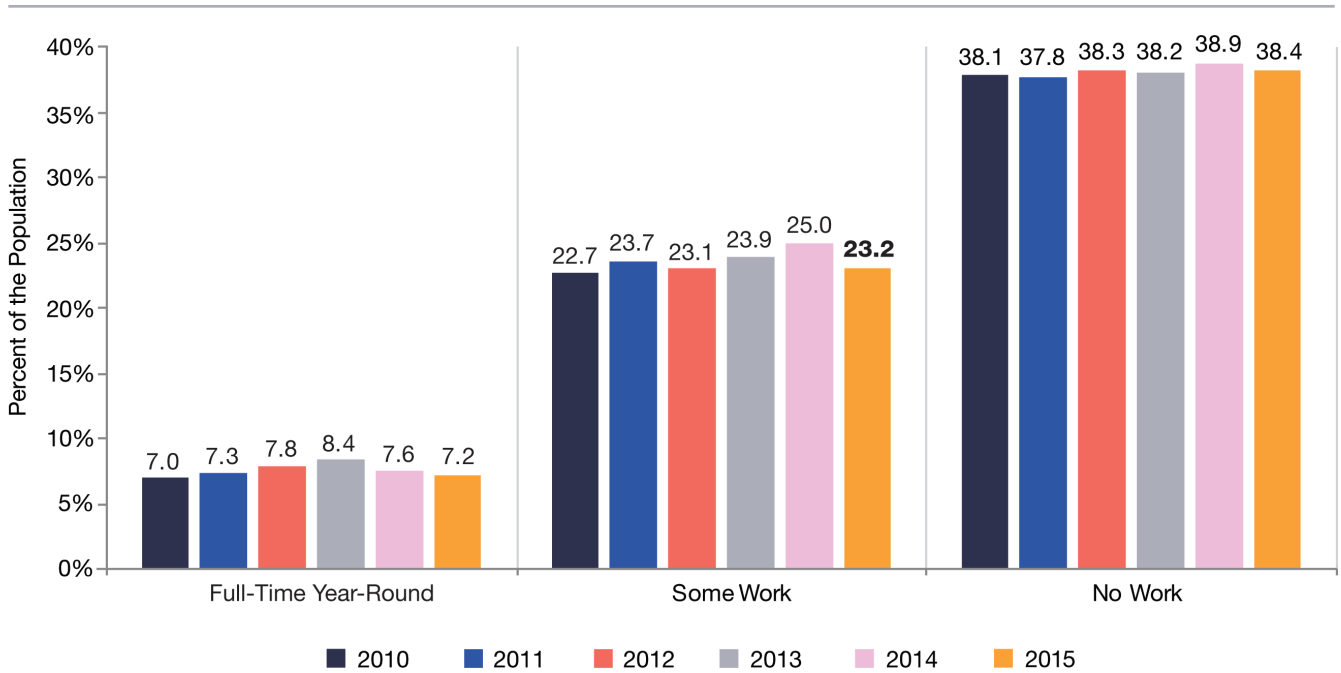
Figure 1.12
NYCgov Poverty Rates by Borough, 2010–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in color indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015.
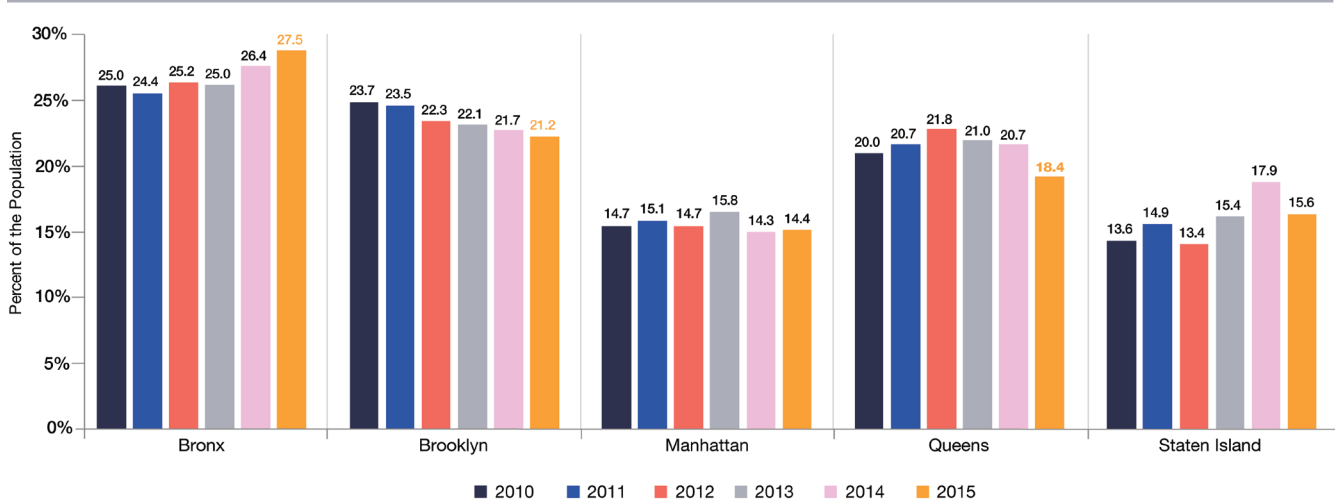Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Chapter 3 of this report contain more extensive data on changes in poverty by individual and family characteristics and by borough and neighborhood.

1.6 New York City Policy and the Goal of Poverty Reduction

The City has worked to meet our commitment to lowering the poverty rate through a wide array of initiatives aimed at lifting New Yorkers out of poverty and near poverty. The minimum wage has continued to rise, and City programs implemented under this mayoral administration – ranging from expansion of pre-K and paid sick leave to expanded rental assistance – have supported New Yorkers' economic security.

In the past year, as Chapter 5 of this report outlines in more detail, we have launched major new programs and expanded existing ones. Among the highlights: continuing on track toward the City's commitment to build or preserve 200,000 units of affordable housing over ten years and expanding protections for tenants; announcing a commitment to create 100,000 well-paying new jobs; reporting record high school graduation rates and adding thousands more students to the City's pioneering CUNY (City University of New York) Accelerated Study in Associate Programs (ASAP), which significantly improves students' graduation rates. The data demonstrate the efficacy of existing programs in helping low-income New Yorkers. Our data-driven policy goals reflect our conviction that even more is possible as these programs continue and expand.

Conclusion

This year's data show improvement in poverty rates post-recession era. Employment and work hours have increased. Earnings are on the rise although not recovered fully from losses in the recession. The poverty rate is nominally lower, and although statistically unchanged overall, there have been real and significant declines in poverty on a year-over-year basis among several subgroups of the population – men, working age adults, Non-Hispanic Asians, non-citizens, and those working less than full time. The near poverty rate has significantly improved as well – fewer New Yorkers are living close to, but just above, the poverty threshold. There are significant declines in the poverty gap. No group in our data fell into poverty from 2014 to 2015.

The remaining chapters of this report expand on this material. Chapter 2 provides an overview of the threshold and income components, data on deep poverty, near poverty, and the marginal impact of each income component on the poverty rate. We also provide more information on the poverty gap. Chapter 3 surveys poverty rates by demographic, family type, borough, and neighborhood. Chapter 4 provides historical context and details on the methodology used in the NYCgov poverty measure, comparing it to the U.S. official and Supplemental Poverty (SPM) measures. Chapter 5 provides a policy response to the poverty data contained in this report, summarizing the range of City programs designed for poverty reduction.

The full volume of this report is available on our website, www.nyc.gov/opportunity, along with appendices, expanded versions of some of the report's tables, NYCgov's research data files, a poverty data tool, and reports from prior years.

Chapter 2:
The Poverty Threshold, Family Resources, and the Poverty Rate

Chapter 2: The Poverty Threshold, Family Resources, and the Poverty Rate

Introduction

Chapter 1 noted that the NYCgov poverty rate exceeds our estimate of the U.S. official rate in 2015. This is true in every year for which comparable data is available. The focus of this chapter, however, is not on the different levels of poverty derived from each measure, but on how and why they change over time. Our focus is on the post-recession recovery, 2010–2015.

The first section of this chapter compares the trajectories of the NYCgov and official measures over these years. We describe the difference between pre-tax cash and the more inclusive NYCgov income measure over time. Changes in both the NYCgov and official thresholds are provided. Closer examination of the interaction between threshold and income components sheds light on the trajectory of the poverty rate over time.

We turn to the depth of poverty in Section 2.2 – the degree to which the poor are living close to or far below the poverty threshold. Particular attention is paid to the extent of near poverty – the share of the population residing above the poverty line but uncomfortably close to it. The near poverty rate declined significantly from 2014 to 2015.

Section 2.3 looks at the components of NYCgov income – and measures how much each component adds to or subtracts from the citywide poverty rate. The result is a measure of to what extent policy has lowered the poverty rate. Section 2.4 assesses remaining need by estimating the poverty gap – the aggregate distance remaining between New Yorkers in poverty and the poverty threshold.

2.1 Poverty Rates 2010–2015

Figure 2.1 illustrates the U.S. official and NYCgov poverty rates for the post-recession years 2010–2015. The NYCgov poverty rate starts at 20.6 percent in 2010 and remains nearly unchanged before declining to 19.9 percent in 2015.

Figure 2.1
U.S. Official and NYCgov Poverty Rates, 2010–2015
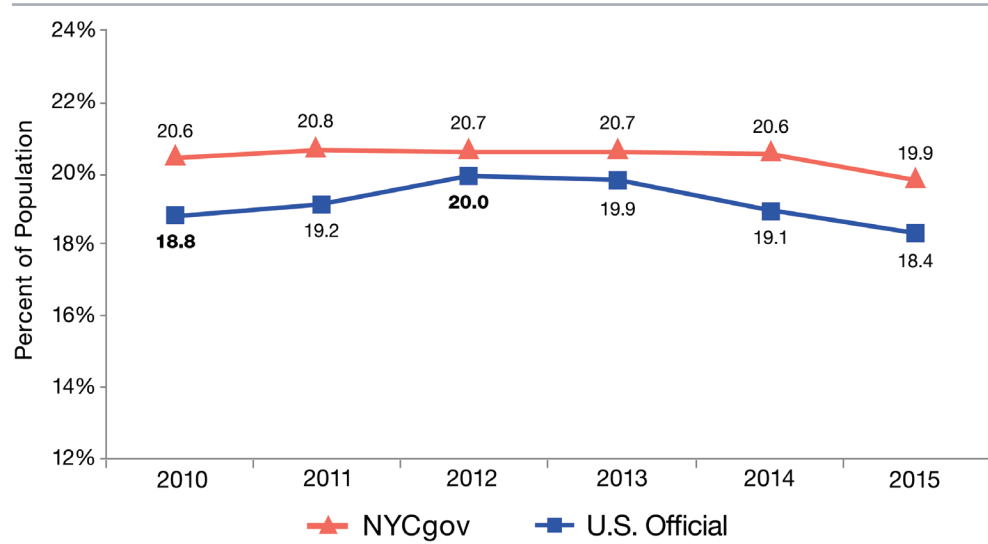
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis.

The official poverty rate, on the other hand, starts at 18.8 percent in 2010, rises to a plateau of around 20 percent in 2012 and 2013, then drops in 2014 and 2015. The difference between the two trajectories is based on how each poverty measure responds to changes in economic cycles.

Panel A of Table 2.1 shows how the U.S. official poverty rate's measure of income – pre-tax cash – began a slow, steady increase in 2013. In theory, this would lower the poverty rate. But the poverty threshold grew faster than income. The official threshold grew between 2010 and 2015, with the highest growth occurring in 2011 and 2012. In 2012, for example, income fell 0.5 percentage points while the threshold rose 2.1 percentage points. The result was a significant 0.8 percentage point increase in the poverty rate to 20 percent in that year. From 2013 to 2015, incomes grew faster than the threshold in each year and nominal poverty rates fell.

The NYCgov poverty rate has a different pattern and responds differently to economic influences. Panel B of Table 2.1 does not show the same income growth seen in pre-tax cash in Panel A. NYCgov income includes enhanced benefits and tax credits through 2012 – policies intended to offset the impact of the recession. The pre-tax cash component of NYCgov income continued to rise in 2013 (as it did in the official income measure) but other benefits tapered off, resulting in slower growth in NYCgov income. At the same time, the NYCgov threshold continued to grow, in part due to the influence of housing costs in New York City. It is only in 2014 that a rise in NYCgov income (1.6 percentage points) outpaced a rise in the threshold of 1.4 percentage points, resulting in a nominal decline in

Table 2.1, Panel A

Income, Thresholds, and Poverty Rates, U.S. Official and NYCgov, 2005–2015
A. U.S. Official Income, Thresholds, and Poverty Rates

Year	Income (Pre-tax Cash)		Threshold		Poverty Rate	
	Level	Percentage Change*	Level	Percentage Change*	Level	Percentage Point Change*
2005	$21,190		$19,806		18.3%	
2006	$22,337	5.4%	$20,444	3.2%	17.9%	-0.3
2007	$24,109	7.9%	$21,027	2.9%	16.8%	**-1.2**
2008	$24,934	3.4%	$21,834	3.8%	16.7%	0.0
2009	$24,080	-3.4%	$21,756	-0.4%	17.4%	0.7
2010	$22,896	-4.9%	$22,113	1.6%	18.8%	**1.4**
2011	$23,012	0.5%	$22,811	3.2%	19.2%	0.4
2012	$22,888	-0.5%	$23,283	2.1%	20.0%	**0.8**
2013	$23,436	2.4%	$23,624	1.5%	19.9%	-0.1
2014	$24,220	3.3%	$24,008	1.6%	19.1%	-0.8
2015	$25,128	3.7%	$24,036	0.1%	18.4%	-0.7
Year-		Percentage Change*		Percentage Change*		Percentage Point Change*
2005–2015		18.6%		21.4%		0.1
2010–2015		9.7%		8.7%		-0.4
2014–2015		3.7%		0.1%		-0.7

Numbers in **bold** indicate statistically significant data from prior year. *Change from prior year.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis. Incomes are measured at the 20th percentile and are stated in family size and composition-adjusted dollars. They are not adjusted for inflation. Differences in poverty rates are measured in percentage points and are taken from unrounded numbers.

the poverty rate. This pattern repeated in 2015, with an even larger increase in NYCgov income relative to growth in the threshold.

In Figure 2.2 the growth in official income, NYCgov income, and the NYCgov threshold are shown relative to their respective levels in 2008.[1] Official income includes earnings and any transfer payments that occur in the form of cash. This measure of income did not return to its 2008 level until 2015. NYCgov

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1 As in prior tables, each income measure is listed in family size and composition-adjusted dollars. U.S. official and NYCgov incomes are taken at the 20th percentile of their respective distributions. All three measures are stated in current, not inflation-adjusted, dollars.

Table 2.1, Panel B

Income, Thresholds, and Poverty Rates, Official and NYCgov, 2005–2015
B. NYCgov Income, Thresholds, and Poverty Rates

Year	Income (Pre-tax Cash)		Threshold		Poverty Rate	
	Level	Percentage Change*	Level	Percentage Change*	Level	Percentage Point Change*
2005	$24,315		$24,532		20.3%	
2006	$25,590	5.2%	$25,615	4.4%	20.0%	-0.3
2007	$27,104	5.9%	$26,979	5.3%	19.8%	-0.3
2008	$29,522	8.9%	$28,822	6.8%	19.0%	**-0.7**
2009	$29,610	0.3%	$29,265	1.5%	19.4%	0.3
2010	$29,594	-0.1%	$30,055	2.7%	20.6%	**1.2**
2011	$30,458	2.9%	$30,945	3.0%	20.8%	0.1
2012	$30,508	0.2%	$31,039	0.3%	20.7%	-0.1
2013	$30,638	0.4%	$31,156	0.4%	20.7%	0.0
2014	$31,135	1.6%	$31,581	1.4%	20.6%	-0.1
2015	$31,813	2.2%	$31,756	0.6%	19.9%	-0.7
Year		Percentage Change*		Percentage Change*		Percentage Point Change*
2005–2015		30.8%		29.4%		-0.4
2010–2015		7.5%		5.7%		-0.7
2014–2015		2.2%		0.6%		-0.7

*Change from prior year.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis. Incomes are measured at the 20th percentile and are stated in family size and composition-adjusted dollars. They are not adjusted for inflation. Differences in poverty rates are measured in percentage points and are taken from unrounded numbers; those in bold type are statistically significant.

income includes anti-recessionary efforts such as tax credits and enhanced SNAP (Supplemental Nutritional Assistance Program) benefits. It is much more stable and reliable over this time period, providing a safety net during the recession and growing at a slow, steady pace over the recovery. By 2015 the NYCgov threshold had reached over 110 percent of its 2008 level. NYCgov income, by comparison, grew steadily but only reached 107.8 percent of its pre-recession level.

2.2 Near Poverty and Deep Poverty

The poverty rate is simply a measure that tells us what fraction of the population lives below the poverty threshold. This rate makes no distinction between the

Figure 2.2

Comparison of Income Trends with the NYCgov Poverty Threshold, 2008–2015
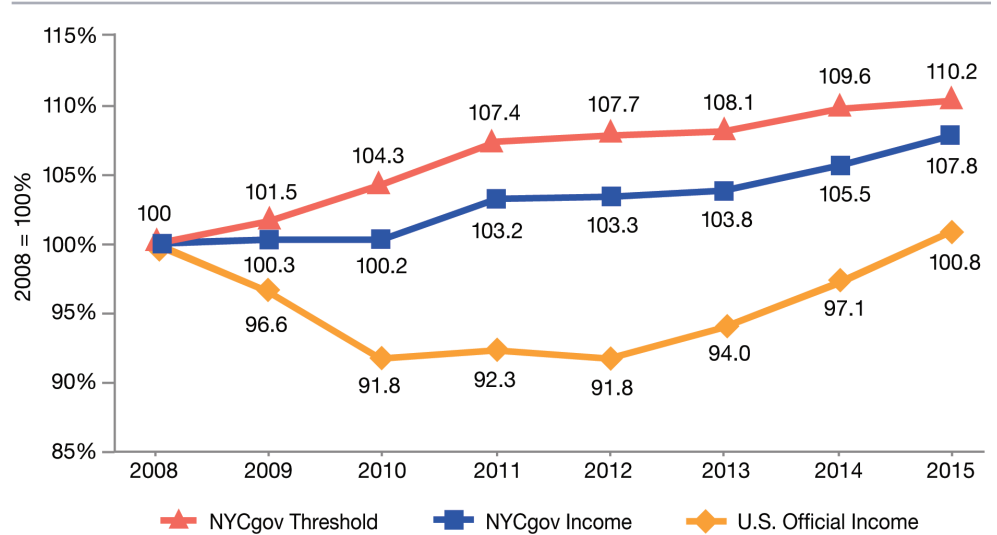
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Incomes are measured at the 20th percentile of their respective distributions.
All three measures are stated in current, not inflation-adjusted dollars.

poor who live far below the poverty line and those who live just under it. Nor does it indicate what share of the non-poor live just above the line or far beyond it. These are important distinctions. The distance between people just below and those just above the poverty line may only be a few dollars, while the distance between the poorest of the poor and those just below the poverty threshold can be $20,000 or more.

Table 2.2 divides the population by their distance from the poverty threshold. We refer to these categories as degrees of poverty and show this breakout for both the NYCgov and the official threshold for 2015. For both measures, the population is classified as living below 50 percent, 50 through 74 percent, 75 through 99 percent, 100 through 124 percent, and 125 through 149 percent of the poverty line. We show the poverty thresholds for each grouping, the share of the population within each interval, and the cumulative percent of the population below the upper bound of each interval.

The NYCgov poverty measure places a larger proportion of the non-poor near the poverty line than the official poverty measure (44.2 percent compared to 28.8 percent). This group is categorized as "near poor" – the share of the population whose income falls within 100 to 149 percent of the poverty threshold. More people fall into this category using the NYCgov measure for two reasons. First, the NYCgov threshold is larger and therefore creates wider income bands. For example, the 100–124 percent threshold band (from $31,756 to $39,695) is nearly

Table 2.2
Distribution of the Population by Degrees of Poverty, U.S. Official and NYCgov, 2015

A. U.S. Official Poverty Measure			
Percent of Poverty Threshold	**Reference Family Threshold Range**	**Percent**	**Cumulative Percent**
Less than 50	Less than $12,018	7.4%	7.4%
50-74	$12,018 - $18,027	4.9%	12.3%
75-99	$18,027 - $24,036	6.0%	18.4%
100-124	$24,036 - $30,045	5.8%	24.1%
125-149	$30,045 - $36,054	4.7%	28.8%
B. NYCgov Poverty Measure			
Percent of Poverty Threshold	**Reference Family Threshold Range**	**Percent**	**Cumulative Percent**
Less than 50	Less than $15,878	5.0%	5.0%
50-74	$15,8788 - $23,817	5.5%	10.5%
75-99	$23,817- $31,756	9.4%	19.9%
100-124	$31,756 - $39,695	12.6%	32.5%
125-149	$39,695 - $47,634	11.7%	44.2%

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis.

$2,000 wider than the comparable official poverty band. All else being equal, we would expect more people in each band. Second, the NYCgov threshold is high enough that those who lie just above it may be in the phase-out range of some tax credits and earn too much to qualify for other safety net programs. Their NYCgov income is no longer bolstered by these resources. At areas above the threshold, the more inclusive NYCgov income measure is no longer offsetting the effect of the higher NYCgov threshold.

Although a larger share of the population lives below the NYCgov poverty threshold or just above the threshold in near poverty, fewer people are classified as living in extreme poverty (below 50 percent of the poverty threshold) using the NYCgov measure than the official measure: 5 percent compared to 7.4 percent. This is particularly striking given the higher NYCgov threshold. The lower incidence of extreme poverty under the NYCgov measure is the result of NYCgov's more inclusive definition of income. The lowest income households receive enough benefits that they move up closer to the poverty threshold.

Table 2.3 tracks the same distribution of the population by degrees of poverty over time. The final columns give the percentage point change from 2010 to 2014 and

the most recent interval of 2014 to 2015. What is striking is how stable the distribution of poverty remains over time. For the U.S. official measure (Panel A), statistically significant change occurs only in the most recent data, from 2014 to 2015, and only for those at 50 to 99 percent of the threshold and below 150 percent.

Panel B shows the same groupings for the NYCgov measure. The distribution of degrees of poverty remains even more stable over time than the official measure. In 2010, 45.1 percent of the population was in near poverty, a measure that fell to 44.2 percent in 2015. This is a notable and statistically significant year-over-year decline. The population in near poverty is of particular concern. For most people, poverty is not a constant. Many families cycle in and out of poverty over time. This group, just above the poverty threshold, represents those most at risk of falling into poverty. Chapter 5 of this report describes policy initiatives targeted at helping people remain above the poverty threshold, as well as those bringing people over the threshold.

2.3 Effect of Non-Cash Resources on the NYCgov Poverty Rate

During economic downturns, the NYCgov measure of income is more stable than income in the official measure. In addition to pre-tax income included in both measures, other components included in NYCgov income softened the blow of the 2008 economic downturn. Which income sources and what programs have

Table 2.3
Distribution of the Population by Degrees of Poverty, U.S. Official and NYCgov, 2010–2015 (Numbers are Percent of the Population)

	2010	2011	2012	2013	2014	2015	Percentage Point Change* 2010–2015 2010–2015	Percentage Point Change* 2010–2015 2014–2015
A. U.S. Official Poverty Measure								
Below 50 percent	7.7	7.9	8.1	7.9	7.5	7.4	-0.3	**-0.1**
50 through 99 percent	11.1	11.3	11.8	11.9	11.6	10.9	-0.1	**-0.6**
100 through 149 percent	10.4	11.4	10.7	10.7	10.9	10.4	0.1	-0.5
Below 150 percent	29.2	30.6	30.6	30.5	30.0	28.8	**-0.3**	**-1.2**
B. NYCgov Poverty Measure								
Below 50 percent	5.2	5.2	5.3	5.3	5.3	5.0	-0.2	-0.3
50 through 99 percent	15.4	15.6	15.4	15.4	15.3	14.9	-0.5	-0.4
100 through 149 percent	24.4	25.0	24.5	25.2	24.5	24.3	-0.2	-0.2
Below 150 percent	45.1	45.7	45.2	45.9	45.1	44.2	**-0.9**	**-0.9**

*Changes are percentage point changes. Those in **bold** are statistically significant.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis.

had the most impact? The effect of these additional (non-pre-tax-cash) income sources are identified in Table 2.4. The table's Panel A reports poverty rates. The first row, labeled "Total NYCgov Income," gives the poverty rate using the full NYCgov income measure. The following rows in Panel A show poverty rates calculated by omitting one of the non-pre-tax-cash elements of NYCgov income in turn. The poverty rates based on leaving out additions to NYCgov income –

Table 2.4

Marginal Effects of Non-Cash Resources on NYCgov Poverty Rates, 2010–2015 (Numbers are Percent of the Population)

A. Poverty Rates	2010	2011	2012	2013	2014	2015
Total NYCgov Income	20.6	20.8	20.7	20.7	20.6	19.9
Net of:						
Housing Adjustment	25.9	27.0	27.2	27.2	27.1	25.7
Income Taxes	24.7	24.2	24.4	24.6	24.5	23.8
SNAP (Food Stamps)	24.1	24.4	24.4	24.7	24.2	23.1
School Meals	21.1	21.3	21.2	21.3	21.1	20.6
WIC	20.8	21.1	21.0	20.9	20.8	20.1
HEAP	20.6	20.8	20.7	20.7	20.6	19.9
FICA (Payroll Taxes)	18.6	19.2	19.0	18.5	18.3	17.7
Commuting	19.2	19.2	19.0	18.9	18.5	17.9
Childcare	20.4	20.6	20.5	20.5	20.3	19.6
MOOP	17.8	18.1	18.1	18.0	18.0	17.1
B. Marginal Effects	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Housing Adjustment	-5.3	-6.2	-6.5	-6.5	-6.5	-5.8
Income Taxes	-4.1	-3.5	-3.7	-3.9	-4.0	-3.9
SNAP (Food Stamps)	-3.5	-3.6	-3.7	-4.0	-3.6	-3.2
School Meals	-0.4	-0.6	-0.5	-0.6	-0.5	-0.7
WIC	-0.2	-0.3	-0.3	-0.2	-0.2	-0.2
HEAP	0.0	0.0	0.0	0.0	0.0	0.0
FICA (Payroll Taxes)	2.1	1.6	1.7	2.2	2.3	2.2
Commuting	1.5	1.6	1.7	1.8	2.1	2.0
Childcare	0.2	0.2	0.2	0.2	0.2	0.3
MOOP	2.8	2.6	2.6	2.7	2.6	2.8

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

beginning with the row for housing adjustment and ending with the row for HEAP (Home Energy Assistance Program) – are higher than the full NYCgov income poverty rate. Likewise, the poverty rates that result from leaving out subtractions from income – payroll taxes through MOOP (medical out-of-pocket expenditures) are lower than the full NYCgov resource poverty rate.

Panel B of Table 2.4 shows the marginal effects on the poverty rate of omitting each income element. Each row shows the difference between the full NYCgov poverty rate and the poverty rate without the income element. It gauges the percent of the city's population that is moved into or out of poverty by each income element. For example, the 2015 poverty rate net of the housing adjustment to income is 25.7 percent, compared to the full NYCgov income rate of 19.9 percent. Panel B indicates that housing adjustments in 2015 lifted 5.8 percent of the population over the NYCgov poverty threshold.

The table provides information for the years 2010 to 2015. During this period, the ranking of the marginal effects are quite stable. The housing adjustment has the largest poverty-reducing effect in each year, followed by income taxes and SNAP.[2] The other poverty-reducing income elements – school meals, WIC (Supplemental Nutritional Program for Women, Infants and Children) and HEAP – have relatively minor effects on the citywide poverty rate, either because they are narrowly targeted (WIC) or small in value (school meals, HEAP).

On the other side of the ledger, MOOP consistently has the largest poverty-increasing effect of nondiscretionary expenses that reduce family income. MOOP raised the poverty rate by 2.8 percentage points in 2015. This is followed by FICA (payroll taxes) and commuting costs. Changes in medical spending following the Affordable Care Act are discussed in Chapter 6. Childcare costs can be a considerable drain on family's resources, but they are incurred by too small a share of the population to have an effect on the citywide poverty rate.

Figure 2.3 illustrates the marginal effects of selected sources of income in 2015. Those elements that lower the poverty rate are found to the left of zero in the chart, and those that raise the poverty rate are to the right. The figure includes the effect of cash transfer programs, income components that are also included in the official income measure and provide some context when comparing. Given their relative importance, these programs are grouped into Social Security and all other cash transfers. Social Security (which includes pensions, survivor benefits, and disability insurance) lowers the poverty rate by 5 percentage points. Only the housing adjustment has a larger impact. The combined effect of all the other cash transfer programs (such as public assistance, Supplemental Security Income, Unemployment Insurance, Workers Compensation, etc.) is 3.3 percentage points, not that different from the impact of SNAP. On the plus side, medical expenses do the most to bring people into poverty. The net effect of out-of-pocket medical

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2 The income tax system reduces poverty because many low-income tax filers find their tax liability is eliminated by tax credits and receive refunds that create a net addition to after-tax income.

Figure 2.3
Marginal Effects, Selected Sources of Income on the NYCgov Poverty Rate, 2015
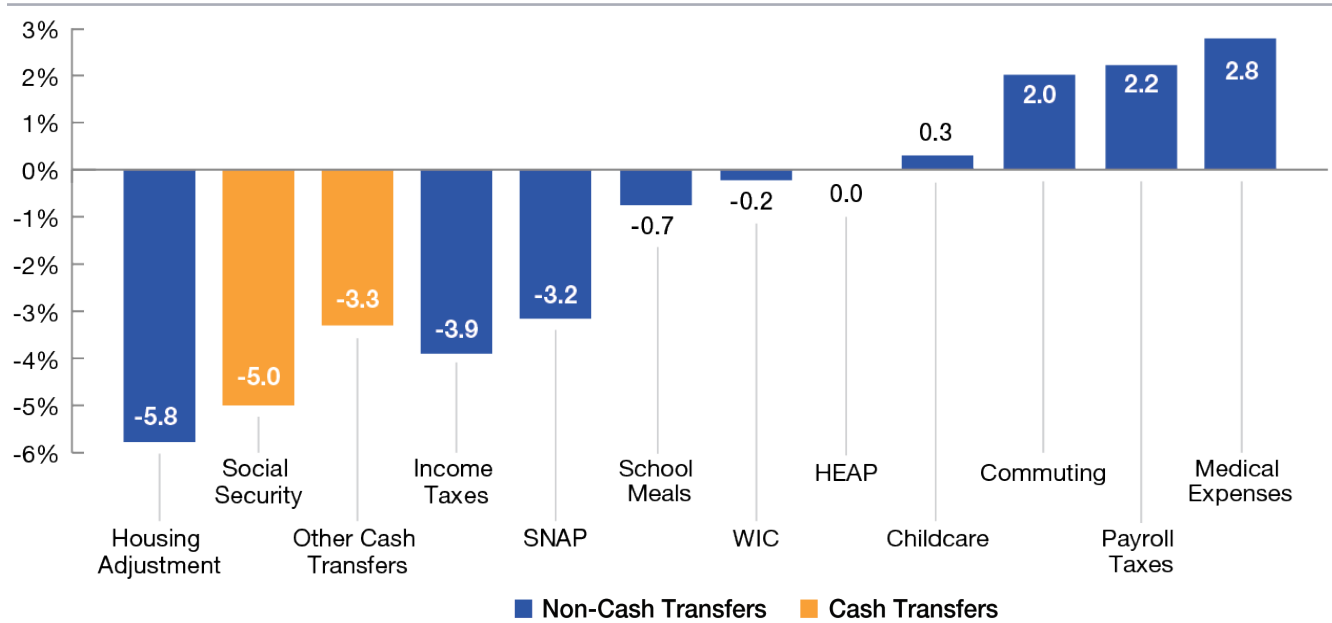
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

expenses is to raise the poverty rate by 2.8 percentage points. Figure 2.3 provides dramatic evidence for the importance of antipoverty programs.

2.4. The Poverty Gap

Chapter 1 introduced one way of expressing the NYCgov poverty gap – the aggregated dollar amount needed to bring families up to the poverty threshold. We expand on that concept here.

Table 2.5 shows the poverty gap for New York City for the years 2010–2015 using the NYCgov poverty measure. All values are in 2015 dollars. The gap is measured for three groups: all families, families with children, and families with children ages 4 and under. Several statistics are reported for each group: the total aggregate dollar amount of the poverty gap (how much it would take to bring all members of this group out of poverty); the average dollar amount of the gap; and a poverty gap index showing the gap between income and the threshold as a percentage of the threshold. The index is a way to express the intensity of poverty relative to a threshold that changes over time.[3]

The overall poverty gap was $6.16 billion in 2010, rose as high as $6.34 billion in 2013, and fell back to $6.16 billion in 2015 (Panel A). The difference between 2010

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3 The poverty gap index is calculated as $PGI = \frac{1}{N} \sum_{i=1}^{p} \frac{(Inc_i - Thr_i)}{Thr_i}$, where N = Population Total and P = Population in Poverty.

Table 2.5
NYCgov Poverty Gap, 2010–2015 (All dollar amounts are in 2015 dollars)

	2010	2011	2012	2013	2014	2015	Change 2010–2015	Change 2014–2015
A. All NYC Residents								
Poverty Gap ($ billions)	6.164	6.259	6.248	6.342	6.271	6.160	-0.004	-0.111
Average $ Below Poverty Line	$1,831	$1,851	$1,810	$1,816	$1,774	$1,739	**$(92)**	$(35)
Poverty Gap Index (%)*	7.19	7.17	7.20	7.20	7.05	6.93	-0.26	-0.12
Number of Families	3,367,321	3,381,961	3,452,545	3,492,226	3,535,978	3,545,000	177,679	9,022
B. Families with Children								
Poverty Gap ($ billions)	2.253	2.112	2.084	1.964	1.919	1.910	**-0.343**	-0.009
Average $ Below Poverty Line	$2,343	$2,223	$2,214	$2,065	$2,061	$2,066	**$(277)**	$5
Poverty Gap Index (%)*	6.86	6.46	6.58	6.11	6.12	6.05	**-0.8**	-0.1
Number of Families	961,576	950,270	941,291	951,316	931,106	925,525	-36,051	-5,581
C. Families with Children 4 and Under								
Poverty Gap ($ billions)	1.064	0.983	1.012	0.883	0.871	0.871	**-0.193**	0.000
Average $ Below Poverty Line	$2,417	$2,334	$2,422	$2,108	$2,138	$2,133	**$(285)**	$(5)
Poverty Gap Index (%)*	7.17	6.87	7.26	6.23	6.47	6.37	**-0.8**	-0.1
Number of Families	439,964	421,297	417,693	418,799	407,299	405,916	-34,048	-1,383

*Changes are percentage point changes. Those in **bold** are statistically significant.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Poverty Gap is total asssistance needed to bring group out of poverty ($ billions).
Poverty Gap Index is the income shortfall as a percent of the poverty threshold.

and 2015 is not statistically different overall, but for families with children (Panel B) the gap did fall significantly from 2010 to 2015 by just over $340 million. The gap also shrank for families with pre-school age children (Panel C), decreasing by $193 million during the 2010 to 2015 time span.

On average, families with young children were $2,133 below their poverty threshold in 2015. For all families with children in that year, the average shortfall was $2,066 and for the city as a whole it was $1,739.

In each panel of Table 2.5, the poverty gap index (poverty gap as a percent of the threshold) declines over time. For example, for all city residents (Panel A), the poverty gap in 2015 was, on average, 6.93 percent of family thresholds, a decline from the 7.19 percent gap in 2010.

Chapter 3: NYCgov Poverty Rates in Demographic Detail, 2010–2015

Chapter 3: NYCgov Poverty Rates in Demographic Detail, 2010–2015

As noted in Chapter 1, NYCgov employs the American Community Survey (ACS) as our principal data set because it provides a large and detailed annual sample of New York City residents, allowing us to track poverty rates for key population groups. This chapter reports poverty rates by individual demographic characteristic, family composition, and work experience for the years 2010 to 2015. We also provide poverty rates by borough and community district using a five-year average for 2011 through 2015.

Where statistically significant, the text identifies differences between groups, such as the disparity in poverty rates by race and ethnicity. The chapter's tables are organized so that readers can readily track changes over time. The first set of columns in the tables provides poverty rates for each group, followed by calculations of change over time for selected time periods: 2010 to 2015 and 2014 to 2015 (measured in percentage points). Statistically significant changes are identified in bold type. Each row's final column provides context by noting the subgroup's share of the citywide population.

The pattern of change for subgroups of the city's population largely parallels the broad trends described in Chapter 2. The years 2010 to 2015 are marked by nominally declining, and sometimes statistically significant, changes in the poverty rate. The years 2014 to 2015 represent a marked change from last year's report, which contained no significant year-over-year changes in the data. This year's report finds significant year-over-year declines in poverty for several groups, as discussed below.

Table 3.1 provides poverty rates by demographic characteristic. Table 3.2 reports poverty rates by family composition and work experience. Poverty rates by borough are given in Table 3.3. Table 3.4 displays community district poverty rates by borough and Figure 3.1 maps poverty rates across the city's community districts.

3 .1 Poverty Rates by Demographic Characteristic of the Individual

The citywide poverty rate was statistically unchanged from last year but nearly half of the demographic groups in Table 3.1 show a significant decline in poverty either in the years 2010 to 2015 or in the most recent year reported, 2014 to 2015.

Poverty Rates by Gender: Females are more likely to live in poverty than males. In 2015, for example, the poverty rate for male New Yorkers was 18.5 percent, lower than the citywide rate of 19.9 percent. For females, the rate in 2015 was 21.2 percent. The poverty rate for males fell significantly from 2010 to 2015 and 2014 to 2015, while the rate for females remained statistically unchanged in both time periods.

Poverty Rates by Age: Children, as a group, are poorer than adults. In 2015, the poverty rate for children under 18 was 22.8 percent, significantly lower than the 2010 rate of 24.7 percent. The 18.6 percent rate for working-age adults (18 through 64 years of age) in 2015 fell significantly from 19.7 percent in 2014. The 21.6 percent rate for elderly persons (65 and older) did not significantly change in either time period. Historically, alternative poverty measures find higher poverty among the elderly than the U.S. official measure (see Chapter 4) because their income measures include higher levels of medical spending than other age cohorts.

Poverty Rates for Children by Presence of Parent: Since 2010, the poverty rate for children in two-parent families decreased by 1.7 percentage points. The poverty rate for children in single-parent families declined by 2.2 percentage points over the same time period. Children in single-parent families are nearly twice as likely to be living in poverty as children living in two-parent families, 33.3 percent versus 17.1 percent in 2015. This difference has remained constant over the 2010 to 2015 time period, with no significant changes.

Poverty Rates by Race/Ethnicity: There are several significant declines in poverty within ethnic groups. Historically, Non-Hispanic Asians have consistently had the highest poverty rate in the data but as of 2015 this is no longer the case. Declines in Non-Hispanic Asian poverty are significant from 2010 to 2015, when the rate fell from 25.9 percent to 23.4 percent, a decline of 2.5

Race and Ethnicity

Race/Ethnicity categories are constructed as follows: First, individuals are categorized by ethnicity into Non-Hispanic and Hispanic groups; Non-Hispanic individuals are then categorized by race. We use three racial categories: White, Black, and Asian. Each includes persons who identify themselves as members of only one racial group. This sorting of the population omits 2.9 percent of the city population that is Non-Hispanic and multi-racial or Non-Hispanic and a member of some other race, such as Native American. We omit this residual category from Table 3.1.

Table 3.1

NYCgov Poverty Rates for Persons, by Demographic Characteristic, 2010–2015 (Numbers are Percent of the Population)

	2010	2011	2012	2013	2014	2015	Percentage Point Difference		Group Share of 2015 Population
							2010–2015	2014–2015	
Total New York City	20.6	20.8	20.7	20.7	20.6	19.9	-0.7	-0.7	100
Gender									
Males	19.6	19.6	19.8	19.9	19.6	18.5	**-1.1**	**-1.2**	47.6
Females	21.5	21.8	21.5	21.4	21.4	21.2	-0.3	-0.2	52.4
Age Group									
Under 18	24.7	23.8	24.5	23.0	23.2	22.8	**-2.0**	-0.4	21.4
18 through 64	19.1	19.6	19.5	19.8	19.7	18.6	-0.5	**-1.1**	65.6
65 and Older	21.4	21.9	20.3	21.5	20.8	21.6	0.2	0.8	13.0
Children (under 18), by Presence of Parent									
One Parent	35.5	34.2	36.4	33.6	34.6	33.3	-2.2	-1.3	34.8
Two Parents	18.8	17.8	18.1	17.0	16.7	17.1	-1.7	0.5	65.2
Race/Ethnicity									
Non-Hispanic White	14.9	14.8	13.6	14.3	13.7	13.3	**-1.6**	-0.5	32.0
Non-Hispanic Black	21.9	21.3	21.7	21.1	21.3	21.2	-0.8	-0.2	21.7
Non-Hispanic Asian	25.9	26.0	28.0	25.8	26.6	23.4	**-2.5**	**-3.2**	14.2
Hispanic, Any Race	23.8	24.6	24.8	24.9	24.6	24.6	0.8	0.0	29.2
Other Race/Ethnic Group	20.5	23.8	19.0	23.1	22.2	19.1	-1.4	-3.1	2.9
Nativity/Citizenship									
Citizen by Birth	19.7	19.2	18.7	18.7	18.7	18.1	**-1.6**	-0.6	62.1
Naturalized Citizen	17.9	19.1	19.7	19.4	19.3	19.6	**1.7**	0.4	20.9
Not a Citizen	26.4	27.9	28.6	29.5	29.1	26.7	0.3	**-2.3**	17.0
Working Age Adults (18 through 64), by Educational Attainment[1]									
Less than High School	30.6	31.0	32.8	33.1	33.3	31.7	1.1	-1.5	16.7
High School Degree	22.7	23.8	23.5	24.1	24.6	23.5	0.8	-1.1	25.1
Some College	15.9	16.5	16.5	17.2	17.8	16.6	0.7	-1.2	20.3
Bachelor's Degree or Higher	9.0	9.2	8.6	8.9	8.4	8.1	**-0.8**	-0.3	38.0
Working Age Adults (18 through 64), by Work Experience in Past 12 Months[1,2]									
Full-Time, Year-Round	7.0	7.3	7.8	8.4	7.6	7.2	0.1	-0.4	55.7
Some Work	22.7	23.7	23.1	23.9	25.0	23.2	0.5	**-1.8**	22.1
No Work	38.1	37.8	38.3	38.2	38.9	38.4	0.4	-0.5	22.2

1. Category excludes people enrolled in school. 2. A change in the 2008 ACS questionnaire regarding work experience affects the comparability of estimates for 2008 and after with those for prior years. See text for definition of work experience categories. Numbers in **bold** indicate statistically significant data from prior year.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Differences are taken from unrounded numbers. Shares may not sum to 100 percent due to rounding error.

percentage points. The one-year change from 2014 to 2015 also fell significantly by 3.2 percentage points. In 2015 the ethnic group with the highest poverty rate was Hispanics, at 24.6 percent. There were no significant changes in either the Hispanic or Non-Hispanic Black poverty rate over the 2010–2015 time period. Among Non-Hispanic Whites, the poverty rate was statistically unchanged in the most recent data but fell significantly, by 1.6 percentage points, from 2010 to 2015 – dropping from 14.9 to 13.3 percent.

Poverty Rates by Nativity/Citizenship: The 2015 poverty rate for non-citizens was 26.7 percent, which is substantially higher than poverty rates for both citizens by birth (18.1 percent) and naturalized citizens (19.6 percent). The increase in the non-citizen poverty rate from 2010 to 2015 was statistically unchanged, rising 0.3 percentage points. But from 2014 to 2015 the poverty rate for non-citizens fell a significant 2.3 percentage points.

The poverty rate for citizens by birth fell a statistically significant 1.6 percentage points from 2010 to 2015. The poverty rate for naturalized citizens increased significantly during that time, by 1.7 percentage points – one of the rare instances of poverty increasing over the six-year time period.

Poverty Rates for Persons 18 through 64 by Educational Attainment: For working age adults, the probability of being in poverty is inversely proportional to the individual's educational attainment. Those with less than a high school education are nearly four times more likely to be in poverty than those with a bachelor's or more advanced degree (31.7 percent against 8.1 percent in 2015). The 2015 poverty rate for those with no more than a high school degree and those with some college (but less than a bachelor's degree) fell between these two extremes, at 23.5 percent and 16.6 percent, respectively. Significant declines in the poverty rate for those with a bachelor's degree or higher occurred from 2010 to 2015. There were no statistical changes in the poverty rate for other educational groupings.

Poverty Rates for Persons 18 through 64 by Work Experience: Poverty rates vary markedly by individuals' work experience over the prior 12 months. In 2015, the poverty rate for working age adults that worked full time, year round was 7.2 percent; for those with no work it stood at 38.4 percent. Working age adults with some, but less than full-time, year-round work had a poverty rate of 23.2 percent. This represents an improvement over past data. During the recession both full-time and less than full-time workers showed significant increases in poverty rates. By 2015 the change in poverty rates for full time workers (7.2) was not significant from 2010 (7 percent). For adults with less than full-time work, there was a statistically significant decline as their poverty rate fell from 25 percent in 2014 to 23.2 percent in 2015. The poverty rate for adults with no work had no significant change from 2010 (38.1 percent) to 2015 (38.4 percent). This is not unexpected – adults with no work rely on a relatively stable amount of support over time that leaves them at a poverty rate nearly double that of the city as a whole.

3.2 Poverty Rates by Family Characteristic

Table 3.2 provides poverty rates for persons based on the characteristics of the family unit in which they live. As more fully described in Appendix A, "family," from the perspective of the NYCgov poverty measure, is a broader concept than that used in the U.S. official poverty measure. In the official measure, "family" consists of persons who live together and are related by blood, marriage, or adoption. The NYCgov "family" is the "poverty unit," persons living together who share costs and pool resources. This includes related persons but extends to

Table 3.2
NYCgov Poverty Rates for Persons Living in Various Family Types, 2010–2015 (Numbers are Percent of the Population)

	2010	2011	2012	2013	2014	2015	Percentage Point Difference		Group Share of 2015 Population
							2010–2015	2014–2015	
Total New York City	20.6	20.8	20.7	20.7	20.6	19.9	-0.7	-0.7	100.0
A. Family Composition									
Married/Unmarried Partner[1]									
No Children under 18	13.0	12.8	13.2	14.4	12.9	13.1	0.1	0.2	22.5
With Children under 18	17.5	17.1	17.1	16.2	16.3	16.6	-0.8	0.3	32.2
Single Head of Household									
No Children under 18	18.6	19.4	18.6	20.3	20.8	19.0	0.4	-1.8	11.5
With Children under 18	31.7	30.5	32.4	29.5	31.5	29.7	-2.0	-1.8	15.5
Single Mother Family	33.3	32.0	33.7	30.8	32.4	30.8	-2.5	-1.6	13.3
All Families with Children under 18	22.2	21.7	22.1	20.7	21.5	20.9	**-1.3**	-0.6	47.6
Unrelated Individuals	27.2	28.4	27.1	28.3	27.4	26.2	-1.0	**-1.2**	18.4
B. Work Experience of the Family[2]									
Two Full-Time, Year-Round Workers	4.5	5.3	4.9	5.9	5.5	5.0	0.5	-0.4	34.7
One Full-Time, Year-Round, One Part-Time Worker	13.3	13.4	14.5	12.7	14.8	12.4	-0.9	**-2.3**	15.1
One Full-Time, Year-Round Worker	16.3	16.1	16.6	17.2	16.8	17.0	0.6	0.2	24.8
Less than One Full-Time, Year-Round Worker	43.9	42.2	41.8	42.9	43.0	42.7	-1.2	-0.3	11.4
No Work	51.6	51.4	50.9	50.4	50.2	51.6	0.0	1.3	13.9

1. In the NYCgov measure, unmarried partners are treated as spouses. See text for explanation. 2. See text for explanation of work experience categories.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Differences are taken from unrounded numbers; those in **bold** type are statistically significant. Shares may not sum to 100 percent due to rounding error.
A change in the 2008 ACS questionnaire regarding work experience affects the comparability of estimates for 2008 and later with those for prior years.

Work Experience of the Family

Work Experience of Family categories are constructed by summing the number of hours worked in the prior 12 months by persons 18 and older for each family. Families with over 3,500 hours of work are labeled as having the equivalent of "Two Full-Time, Year-Round Workers." Families with 2,341 through 3,499 hours are labeled "One Full-Time, Year-Round and One Part-Time Worker." Families with at least 1,750 through 2,340 hours are identified as "One Full-Time, Year-Round Worker." Families with at least one hour of work, but less than 1,750 hours, are called "Less than One Full-Time, Year-Round Worker." And finally, there are families that have "No Work."

unmarried partners, their children, and other persons believed to be economically dependent on other members of the household – even if they are not kin.

When the data is broken out by family type, there are almost no statistically significant changes in the poverty rate. Panel A in Table 3.2 begins by categorizing people as living in families headed by a couple (married or unmarried partners) or in a single-head family.[1] A third category is unrelated individuals. Each family-type category includes everyone that is a member of the family. If a married couple has two children and two in-laws living with them, for example, then all six family members would be characterized as living in a married/unmarried partner family. Single heads are "householders" who do not have a spouse or unmarried partner but are living in families, for instance, a single mother with her children.[2] Within each of these family types we distinguish between those that do or do not include children under 18. Because single mothers have been a particular focus of public policy, poverty rates for members of single-mother families (households headed by a single female with children under 18) are also provided, as well as members of all families with children under 18, regardless of the number of parents in the family.

Not everyone is in a family or poverty unit with other persons. Unrelated individuals are people that do not have family members in the household. This includes persons that live alone (the typical case) and some persons living with others, such as roommates or boarders, who are treated as economically independent from the people they live with. Unrelated individuals are one-person poverty units.

Panel B in Table 3.2 presents poverty rates for persons in families by different groupings of work experience. Categories range from families with no workers to families with two full-time, year-round workers. Both panels are organized in a similar fashion to Table 3.1. They report poverty rates, changes in poverty rates, and the group share of the population.

1 Beginning in 2013 the ACS provides data on same-sex partners. For this reason, we have changed the family composition descriptors used in prior reports from "Husband/Wife/Unmarried Partner" to "Married/Unmarried Partner."

2 The householder is typically the person in whose name the dwelling is owned or rented.

Married/Unmarried Partner: In 2015, at 13.1 percent the poverty rate for persons living in married/unmarried partner families without children under 18 was the lowest of any family type described in Panel A. The 2015 poverty rate for married/unmarried partner families with children under 18 was higher, at 16.6 percent.

Single Head: The poverty rate for single householders with no children was 19 percent in 2015. This compares to 29.7 percent for single householders with children under 18 and to single mother families (at 30.8 percent).

All Families with Children: The 2015 poverty rate for all persons living in a family with children (a group that includes nearly half the city's population) was 20.9 percent. The rate has declined significantly from the 2010 rate of 22.2 percent.

Unrelated Individuals: Individuals in one-person "family" units are another high poverty group. In 2015, over one quarter of this group was poor (26.2 percent), significantly lower than the 2014 rate of 27.4 percent.

Work Experience of Family: Panel B in Table 3.2 groups individuals by the work experience of the family in which they reside. (Work Experience of Family categories are defined in the accompanying text box.) Poverty rates rise sharply as work activity decreases, ranging from 5 percent for families with the equivalent of two full-time, year-round workers to 51.6 percent for persons in families with no work at all in 2015. In that same year, families with "one full-time, year-round and one part-time worker," saw a significant decline in poverty rate from 14.8 to 12.4 percent.

3.3 Poverty Rates by Borough

Table 3.3 shows that in 2015, the poverty rate in the Bronx was the highest in the city at 27.5 percent. Brooklyn, at 21.2 percent, had the city's second highest

Table 3.3
NYCgov Poverty Rates by Borough, 2010–2015
(Numbers are Percent of the Population)

	2010	2011	2012	2013	2014	2015	Percentage Point Difference 2010–2015	Percentage Point Difference 2014–2015	Borough Share of 2015
Bronx	25.0	24.4	25.2	25.0	26.4	27.5	**2.5**	1.1	16.9
Brooklyn	23.7	23.5	22.3	22.1	21.7	21.2	**-2.5**	-0.5	31.0
Manhattan	14.7	15.1	14.7	15.8	14.3	14.4	-0.3	0.1	18.9
Queens	20.0	20.7	21.8	21.0	20.7	18.4	**-1.7**	**-2.3**	27.6
Staten Island	13.6	14.9	13.4	15.4	17.9	15.6	1.9	-2.3	5.6

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: Differences are taken from unrounded numbers; those in **bold** type are statistically significant.

Table 3.4

NYCgov Poverty Rates by Community District (CD)/Neighborhood, 2011–2015

(Numbers are Percent of the Population) Citywide Poverty Rate, 5-Year Average = 20.5%[1]

CD	Neighborhood	5-Year Average	Margin of Error
Bronx			
1 & 2	Hunts Point, Longwood, and Melrose	28.2	+/-1.7
3 & 6	Belmont, Crotona Park East, and East Tremont	31.4	+/-1.9
4	Concourse, Highbridge, and Mount Eden	32.6	+/-2.3
5	Morris Heights, Fordham South, and Mount Hope	34.2	+/-2.4
7	Bedford Park, Fordham North, and Norwood	27.6	+/-2.7
8	Riverdale, Fieldston, and Kingsbridge	15.5	+/-2.0
9	Castle Hill, Clason Point, and Parkchester	24.6	+/-1.9
10	Co-op City, Pelham Bay, and Schuylerville	13.5	+/-2.3
11	Pelham Parkway, Morris Park, and Laconia	21.6	+/-2.1
12	Wakefield, Willamsbridge, and Woodlawn	22.8	+/-2.0
Brooklyn			
1	Greenpoint and Williamsburg	17.7	+/-1.7
2	Brooklyn Heights and Greenpoint	12.4	+/-1.5
3	Bedford-Stuyvesant	24.7	+/-1.8
4	Bushwick	25.2	+/-1.7
5	East New York and Starrett City	32.1	+/-2.0
6	Park Slope, Carroll Gardens, and Red Hook	9.0	+/-1.3
7	Sunset Park and Windsor Terrace	28.4	+/-2.0
8	Crown Heights North and Prospect Heights	22.7	+/-1.9
9	Crown Heights South, Prospect Lefferts, and Wingate	23.1	+/-2.4
10	Bay Ridge and Dyker Heights	18.9	+/-1.6
11	Bensonhurst and Bath Beach	23.2	+/-1.6
12	Borough Park, Kensington, and Ocean Parkway	28.2	+/-1.9
13	Brighton Beach and Coney Island	24.2	+/-2.3
14	Flatbush and Midwood	23.3	+/-1.6
15	Sheepshead Bay, Gerritsen Beach, and Homecrest	19.8	+/-1.6
16	Brownsville and Ocean Hill	28.6	+/-2.1
17	East Flatbush, Farragut, and Rugby	20.5	+/-1.7
18	Canarsie and Flatlands	15.7	+/-1.2

CD	Neighborhood	5-Year Average	Margin of Error
Manhattan			
1 & 2	Battery Park City, Greenwich Village, and Soho	8.8	+/-1.1
3	Chinatown and Lower East Side	19.1	+/-1.8
4 & 5	Chelsea, Clinton, and Midtown Business District	10.3	+/-1.3
6	Murray Hill, Gramercy, and Stuyvesant Town	11.0	+/-1.4
7	Upper West Side and West Side	9.5	+/-1.3
8	Upper East Side	7.1	+/-0.9
9	Hamilton Heights, Manhattanville, and West Harlem	24.2	+/-2.3
10	Central Harlem	21.1	+/-2.2
11	East Harlem	22.7	+/-2.1
12	Washingon Heights, Inwood, and Marble Hill	20.1	+/-1.8
Queens			
1	Astoria and Long Island City	19.5	+/-1.5
2	Sunnyside and Woodside	21.8	+/-1.9
3	Jackson Heights and North Corona	25.6	+/-1.8
4	Elmhurst and South Corona	27.0	+/-1.9
5	Ridgewood, Glendale, and Middle Village	19.5	+/-1.4
6	Forest Hills and Rego Park	14.7	+/-1.7
7	Flushing, Murray Hill, and Whitestone	24.4	+/-1.5
8	Briarwood, Fresh Meadows, and Hillcrest	22.3	+/-2.1
9	Richmond Hill and Woodhaven	21.8	+/-1.8
10	Howard Beach and Ozone Park	19.8	+/-1.6
11	Bayside, Douglaston, and Little Neck	14.7	+/-1.7
12	Jamaica, Hollis, and St. Albans	21.0	+/-1.3
13	Queens Village, Cambria Heights, and Rosedale	12.7	+/-1.1
14	Far Rockaway, Breezy Point, and Broad Channel	17.8	+/-2.3
Staten Island			
1	Port Richmond, Stapleton, and Mariners Harbor	20.7	+/-1.9
2	New Springville and South Beach	14.2	+/-1.6
3	Tottenville, Great Kills, and Annadale	11.0	+/-1.3

1 90 percent confidence level.
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: Poverty rates shown are the average over the 2011-2015 period.

poverty rate, followed by Queens (18.4 percent), Staten Island (15.6 percent), and Manhattan (14.4 percent).

Over the six-year period 2010 to 2015, poverty rates fell significantly in Brooklyn (by 2.5 percentage points) and Queens (by 1.7 percentage points) and rose significantly in the Bronx (by 2.5 percentage points). Poverty rates remained statistically unchanged in Manhattan and Staten Island.

3.4 Poverty Rates by Neighborhood

Figure 3.1 illustrates and Table 3.4 lists NYCgov poverty rates for a total of 55 community districts in New York City. The districts are close approximations to Public Use Microdata Areas (PUMAs), the smallest geographical areas identified in the American Community Survey (ACS) Public Use Micro Sample (PUMS) files. The Census Bureau sets a minimum PUMA population requirement at 100,000 persons.[3] This is a relatively small sample size, making it difficult to generate meaningful one-year estimates for the City's community districts. Therefore, we combine estimates from the 2011 through 2015 ACS data to report the average poverty rate for neighborhoods[4] over a five-year period in Figure 3.1 and Table 3.4. The five-year citywide average poverty rate derived from the combined file is 20.5 percent.

The disparities across New York City's neighborhoods are striking, ranging from a poverty rate of 7.1 percent on Manhattan's Upper East Side to a 34.2 percent poverty rate in the Bronx neighborhood of Morris Heights/Fordham South/Mount Hope. In the Figure 3.1 map, areas of the city with the lowest poverty rates (no more than 15 percent) are shaded in light yellow. These include Manhattan south of Harlem (except for the Lower East Side); South Shore Staten Island; and eastern Queens. Poverty rates are also relatively low in "Brownstone Brooklyn" (Brooklyn Heights/Fort Greene and Park Slope/Carroll Gardens). Neighborhoods with the highest poverty rates (25 percent or more) are identified in shades of blue. They are clustered together in the South Bronx and across a wide swath of Brooklyn, from Sunset Park and Borough Park to East New York and Brownsville. Queens is home to a third high-poverty cluster composed of Jackson Heights and Elmhurst/Corona.

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3 Most PUMAs are coterminous with community districts (CDs). However, in the case where a CD does meet the minimum population requirement for a PUMA, two PUMAs had to be combined.

4 Neighborhood names are adopted from the PUMA/Community District Map published by NYC Department of City Planning https://www1.nyc.gov/assets/planning/download/pdf/data-maps/nyc-population/census2010/puma_cd_map.pdf

Figure 3.1
Percentage of Population Below Poverty Threshold, by Neighborhood, 2011–2015
Citywide Rate: 20.5%

	Under 15%
	15 - 20%
	20 - 25%
	25 - 30%
	Over 30%
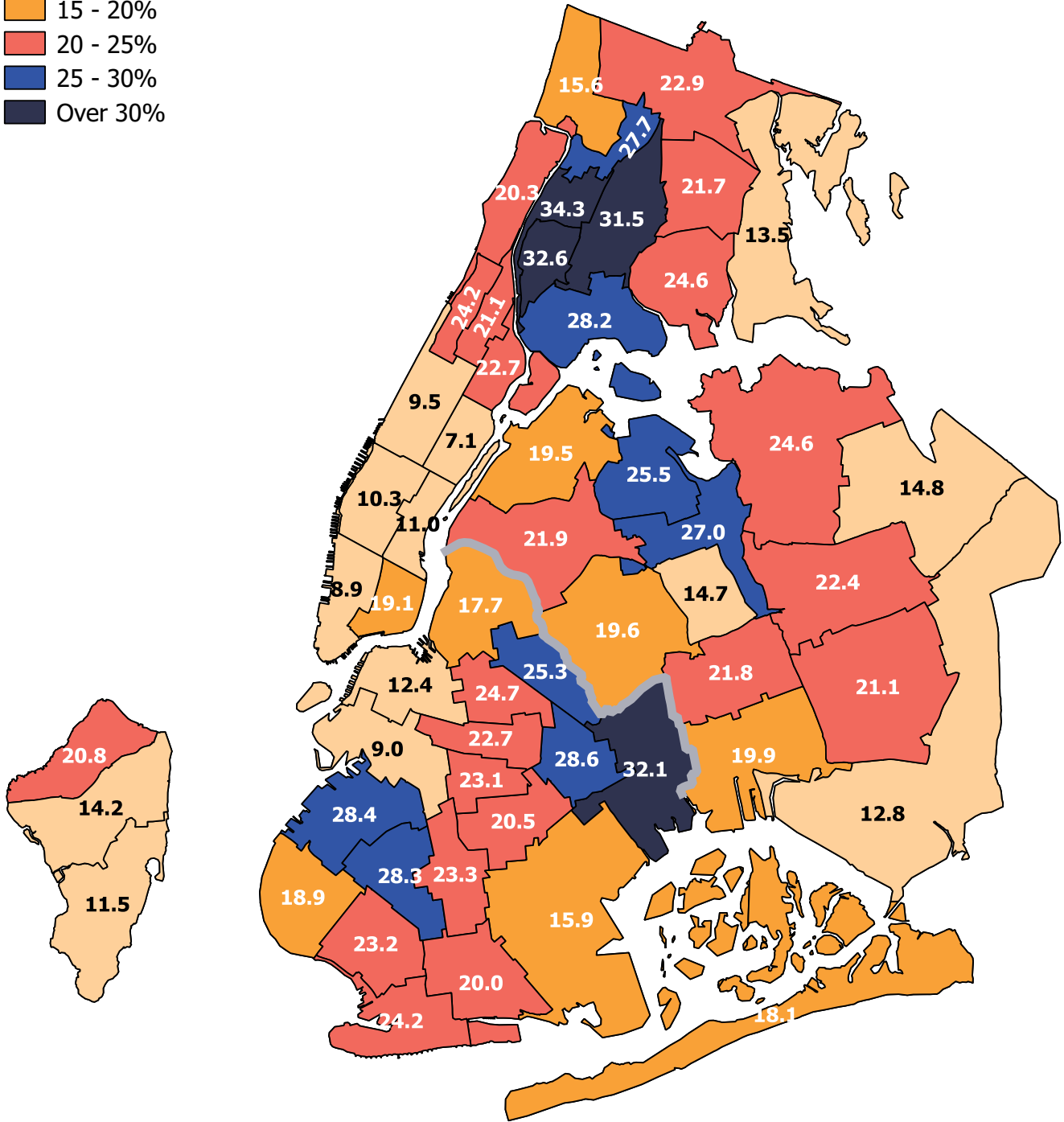
Source: 2011-2015 American Community Survey Public Use Micro Sample files as augmented by NYC Opportunity.

Chapter 4:
The NYCgov
Poverty Measure

Chapter 4: The NYCgov Poverty Measure

4.1 The Need for an Alternative to the U.S. Official Poverty Measure

The first chapter of this report gave a brief description of how the NYCgov poverty measure differs from the U.S. official poverty measure. In this chapter, we provide more historical background and an in-depth analysis of how the NYCgov poverty measure differs from other contemporary poverty measures.

It has been over a half century since the development of the current U.S. official measure of poverty. At its inception in the early 1960s the measure represented an important advance, serving as a focal point for the public's growing concern about poverty in America. But over the decades, discussions about poverty have increasingly included concerns about the adequacy of the poverty measure. As society evolved and public policy shifted, the official Census Bureau poverty measure now appears to be sorely out of date based on how it defines income and the poverty threshold. As an income-based measure of poverty, the U.S. official poverty measure addresses two questions: First, how much is enough? The answer to this question gives us the income threshold (also known as the poverty line) that separates the poor from the non-poor. The second question is, how much of what? Which resources available to families should be counted as income to meet their needs and compared against the poverty threshold?

The official measure's threshold, developed in the early 1960s, was based on the cost of the U.S. Department of Agriculture's Economy Food Plan, a diet designed for "temporary or emergency use when funds are low." Survey data available at the time indicated that families typically spent a third of their income on food, so the cost of the plan was simply multiplied by three to account for other needs. The threshold is also adjusted for family size. Since the threshold's 1963 base year, it has been updated annually by changes in the Consumer Price Index.[1]

A half century later, this poverty line has little justification – it does not represent contemporary spending patterns. Food now accounts for less than

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one-seventh of family expenditures. Housing is the largest item in the typical family's budget. The official threshold also ignores differences in the cost of living across the nation, an issue of obvious importance when measuring poverty in New York City. A final shortcoming of the threshold is that it is frozen in time. Since it only rises with the cost of living, it assumes that a standard of living that defined poverty in the early 1960s remains appropriate, despite advances in living standards since that time.

The official measure's definition of resources to be compared against the threshold is simply pre-tax cash. This includes wages, salaries, earnings from self-employment, income from interest, dividends, and rents; and what families receive from public programs, *if* they take the form of cash. Thus, payments from Unemployment Insurance, Social Security, Supplemental Security Income (SSI), and public assistance are included in the official resource measure. Given the data available and the policies in place at the time, this was not an unreasonable definition. But in recent years an increasing share of what government does to support low-income families takes the form of tax credits such as the Earned Income Tax Credit and in-kind benefits such as housing vouchers or SNAP (Supplemental Nutrition Assistance Program) benefits. If policymakers or the public want to know how these programs affect poverty, the U.S. official measure cannot provide an answer.

4.2 The National Academy of Sciences' Alternative

Dissatisfaction with the U.S. official measure prompted Congress to request a study by the National Academy of Sciences (NAS). The NAS' recommendations, issued in 1995, sparked further research and garnered widespread support among poverty experts.[2] However, neither the federal nor any state or local government had adopted the NAS approach until the then-named Center for Economic Opportunity's initial report on poverty in New York City in August 2008.[3]

The NAS-based methodology is also income based, but takes a considerably different approach to both the threshold and resource sides of the poverty measure. The NAS poverty threshold reflects the need for clothing, shelter, and utilities, as well as food. It is established by selecting a sub-group of families as reference families,[4] calculating their spending on these items, and then choosing a point in the resulting expenditure distribution.[5] A small multiplier is applied to account for miscellaneous expenses such as personal care, household supplies, and non-work-related transportation. The threshold is updated each year by the change in the level of this spending. This connects the threshold to the growth in

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2 Citro, Constance F. and Robert T. Michael (eds). Measuring Poverty: A New Approach. Washington, DC: National Academy Press. 1995. Much of the research inspired by the NAS report is available at: www.census.gov/hhes/povmeas/methodology/nas/index.html

3 New York City Center for Economic Opportunity. The CEO Poverty Measure: A Working Paper by the New York City Center for Economic Opportunity. August 2008. Available at: www1.nyc.gov/site/opportunity/poverty-in-nyc/poverty-measure.page

4 The reference family proposed by the NAS is composed of two adults and two children. The threshold for this family is then scaled for families of different sizes and compositions. See Appendix B.

5 The NAS suggested that this point lie between the 30th and 35th percentile of the distribution. Citro and Michael, p. 106.

living standards. In further contrast to the U.S. official measure, the NAS-style poverty line is also adjusted to reflect geographic differences in housing costs.

On the resource side, the NAS-based measure is designed to account for the flow of income and in-kind benefits that a family can use to meet the needs represented in the threshold. This creates a much more inclusive measure of income than pre-tax cash. The tax system and the cash equivalent value of in-kind benefits for food and housing are important additions to family resources. But families also have nondiscretionary expenses that reduce the income available to meet needs for food, clothing, shelter, and utilities (FCSU) that are represented by the threshold. These include the cost of commuting to work, childcare, and medical care that must be paid for out of pocket. This spending is accounted for as deductions from income because dollars spent on those items are not considered available to purchase food or shelter.

4.3 The Supplemental Poverty Measure

Since November 2011, the U.S. Bureau of the Census has issued an annual Supplemental Poverty Measure (SPM).[6] The new federal measure is shaped by the NAS recommendations and an additional set of guidelines provided by an

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6 The most recent SPM report is U.S. Bureau of the Census, The Research Supplemental Poverty Measure 2015. September 2016. Available at: https://www.census.gov/content/dam/Census/library/publications/2016/demo/p60-258.pdf

Measures of Poverty

U.S. Official: The current U.S. official poverty measure was developed in the early 1960s. It consists of a set of thresholds that were based on the cost of a minimum diet at that time. A family's pre-tax cash income is compared against the threshold to determine whether its members are poor.

NAS: At the request of Congress, the National Academy of Sciences issued a set of recommendations for an improved poverty measure in 1995. The NAS threshold represents the need for clothing, shelter, and utilities, as well as food. The NAS income measure accounts for taxation and the value of in-kind benefits.

SPM: In March 2010 the Obama Administration announced that the Census Bureau, in cooperation with the Bureau of Labor Statistics, would create a Supplemental Poverty Measure based on the NAS recommendations, subsequent research, and a set of guidelines proposed by an Interagency Working Group. The first report on poverty using this measure was issued by the Census Bureau in November 2011.

NYCgov: The first NYCgov poverty estimate for New York City was released in August 2008. The NYCgov poverty measure is largely based on the NAS recommendations, with modifications based on the guidelines from the Interagency Working Group.

Interagency Technical Working Group in March 2010.[7] The guidelines made several revisions to the 1995 NAS recommendations. The most important of these are:

1. An expansion of the type of family unit whose expenditures determine the poverty threshold from two-adult families with two children to all families with two children.

2. Use of a five-year, rather than three-year, moving average of expenditure data to update the poverty threshold over time.

3. Creation of separate thresholds based on housing status: whether the family owns its home with a mortgage; owns, but is free and clear of a mortgage; or rents.

4.4 NYC Opportunity's Adoption of the NAS/SPM Method

The NYCgov poverty measure has followed the first two of these three revisions to the NAS recommendations in our methodology. However, we do not utilize the SPM's development of thresholds that vary by housing status. We account for all differences in housing status – including residence in rent-regulated apartments and participation in means-tested housing assistance programs – on the income side of the poverty measure.[8] We calculate the ratio of the Fair Market Rent for a two-bedroom apartment in New York City to U.S.-wide Fair Market Rent for the same size unit and apply it to the housing portion of the SPM poverty threshold. We also adjust this national-level threshold (before its adjustment for housing status) to account for the relatively high cost of housing in New York City. In 2015, our poverty line for the two-adult, two-child family comes to $31,756, some 26 percent above the U.S.-wide SPM threshold of $25,262. We refer to this New York City-specific threshold as the NYCgov poverty threshold. (See Appendix B.)

To measure the resources available to a family to meet the needs represented by the threshold, we employ the Public Use Micro Sample (PUMS) from the Census Bureau's American Community Survey (ACS) as our principal data set. The advantages of this survey for local poverty measurement are numerous. The ACS is designed to provide measures of socioeconomic conditions on an annual basis in states and larger localities. It offers a robust sample for New York City (roughly 26,800 households in 2015) and contains essential information about household composition, family relationships, and cash income from a variety of sources.

As noted earlier, the NAS-recommended poverty measure greatly expands the scope of resources that must be measured in order to determine whether a family is poor. Unfortunately, the ACS provides only some of the information needed to

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7 Observations from the Interagency Technical Working Group on Developing a Supplemental Poverty Measure. March 2010. Available at: https://www.census.gov/hhes/povmeas/methodology/supplemental/research/SPM_TWGObservations.pdf

8 The rationale for this decision is provided in Appendix B of an earlier report. See: The CEO Poverty Measure, 2005–2010: A Working Paper by the NYC Center for Economic Opportunity. Available at:

estimate the additional resources required by the NAS measure. Therefore, NYCgov incorporates a variety of models developed internally that estimate the effect of taxation, nutritional and housing assistance, work-related expenses, and medical out-of-pocket expenditures on total family resources and poverty status. We reference the resulting data set as the "American Community Survey Public Use Micro Sample as augmented by NYC Opportunity," and we refer to our estimate of family resources as "NYCgov income."

Below is a brief description of how the non-pre-tax cash income items are estimated. More details on each of these procedures can be found in the report's technical appendices.

Housing Adjustment: The high cost of housing makes New York City an expensive place to live. The NYCgov poverty threshold, we noted above, is adjusted to reflect that reality. But some New Yorkers do not need to spend as much to secure adequate housing as the higher threshold implies. Many of the city's low-income families live in public housing or receive a housing subsidy, such as a Section 8 housing voucher. A large proportion of New York City's renters live in rent-regulated apartments. Some homeowners have paid off their mortgages and own their homes free and clear. We make an upward adjustment to these families' incomes to reflect these advantages. For families living in rent-subsidized housing units, the adjustment equals the difference between what they would be paying for their housing if it were market rate and what they are actually paying out of pocket. The adjustment is capped so that it cannot exceed the housing portion of the NYCgov threshold. The ACS does not provide data on housing program participation. To determine which households in the ACS could be participants in rental subsidy or regulation programs, we match households in the Census Bureau's New York City Housing and Vacancy Survey (HVS) with household-level records in the ACS. (See Appendix C.)

Taxation: Our tax model creates tax filing units within the ACS households; computes their adjusted gross income, taxable income, and tax liability; and then estimates net income taxes after non-refundable and refundable credits are applied. The model takes account of federal, state, and City income tax programs, including all the credits that are designed to aid low-income filers. The model also includes the effect of the federal payroll tax for Social Security and Medicare (FICA). (See Appendix D.)

Nutritional Assistance: We estimate the effect of SNAP,[9] the National School Lunch program, the School Breakfast Program, and the Supplementary Nutrition Program for Women, Infants, and Children (WIC). To estimate SNAP benefits, we make use of New York City Human Resources Administration SNAP records, imputing SNAP cases to "Food Stamp Units" we construct in the ACS data. We count each dollar of SNAP benefits as a dollar added to family income.

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9 In prior reports, we refer to these benefits by their previous name, Food Stamps.

The likelihood of participation in the school meals programs is calculated by a probability model. Participation is assigned to eligible families by replicating administrative data on meals served that is provided to us by the New York City Department of Education. We follow the Census Bureau's method for valuing income from the programs by using the per-meal cost of the subsidy. We identify participants in the WIC program in a similar manner, matching enrollment in the program to population participation estimates from the New York State Department of Health. Benefits are calculated using the average benefit level per participant calculated by the U.S. Department of Agriculture. (See Appendix E.)

Home Energy Assistance Program: The Home Energy Assistance Program (HEAP) provides assistance to low-income households that offsets their utility costs. In New York City, households that receive cash assistance, SNAP, or are composed of a single person receiving Supplemental Security Income benefits are automatically enrolled in the program. Other low-income households can apply for HEAP, but administrative data from the City's Human Resources Administration indicate that nearly all HEAP households come into the program through participation in other benefit programs. We identify HEAP-receiving households by their participation in public assistance, SNAP, or SSI, and then add the appropriate benefit to their income. Beginning in 2011, we also make use of HEAP receipt reported in the Housing and Vacancy Survey. (See Appendix F.)

Work-Related Expenses: Workers must travel to and from their jobs, and we treat the cost of that travel as a non-discretionary expense. We estimate the number of trips a worker will make per week based on their usual weekly hours. We then calculate the cost per trip using information in the ACS about mode of transportation and include administrative data (such as subway fares). Weekly commuting costs are computed by multiplying the cost per trip by the number of trips per week. Annual commuting costs equal weekly costs times the number of weeks worked over the past 12 months.

Families in which the parents are working must often pay for the care of their young children. Like the cost of commuting, the NYCgov poverty measure treats these childcare expenses as a nondiscretionary reduction in income. Because the ACS provides no information on childcare spending, we have created an imputation model that matches the weekly childcare expenditures reported in the Census Bureau's Survey of Income and Program Participation (SIPP) to working families with children in the ACS data set. Childcare costs are only counted if they are incurred in a week in which the parents (or the single parent) are at work. They are capped by the earned income of the lowest earning parent. (See Appendix G.)

Medical Out-of-Pocket Expenditures (MOOP): The cost of medical care is also treated as a non-discretionary expense that limits the ability of families to attain the standard of living represented by the poverty threshold. MOOP includes health insurance premiums, co-pays, and deductibles, as well as the cost of medical services that are not covered by insurance. In a manner similar to that for

childcare, we use an imputation model to match MOOP expenditures by families in the Agency for Healthcare Research and Quality's Medical Expenditure Panel Survey to families in the ACS sample. (See Appendix H.)

4.5 Comparing Poverty Rates

As noted above, the NYCgov poverty threshold for a two-adult, two-child family in 2015 was $31,756. The official poverty line for the equivalent family was $24,036 in that year. Obviously, if this were the only change NYCgov had made to the poverty measure, it would lead to a poverty rate above the official measure. But, as described above, NYCgov also uses a far different measure of income to compare against the poverty threshold. Although our measure includes subtractions as well as additions to resources, NYCgov income is higher than pre-tax cash income at the lower rungs of the income ladder. Thus, if a more complete account of resources had been the only change we made to the poverty measure, the NYCgov poverty rate would fall below the official measure.

The effect of the higher NYCgov threshold (32.1 percent above the official) outweighs the effect of NYCgov's more complete definition of resources (which is 26.6 percent higher at the 20th percentile than the official resource measure), resulting in a higher poverty rate. In 2015, the NYCgov poverty rate stood at 19.9 percent while the official rate was 18.4 percent, a 1.5 percentage point difference.

As noted above, the U.S. Bureau of the Census has been issuing a Supplemental Poverty Measure (SPM) since November 2011. Like the NYCgov measure, the SPM is based on recommendations made by a panel of experts assembled by the NAS. The creation of this alternative federal measure allows us to compare poverty in New York City to the nation using a similar methodology. This chapter compares

American Community Survey Years

The American Community Survey (ACS) is conducted as a rolling sample gathered over the course of a calendar year. Approximately one-twelfth of the total sample is collected in each month. Respondents are asked to provide information on work experience and income during the 12 months prior to the time they are included in the sample. Households that are surveyed in January of 2015, for example, would report their income for the 12 months of 2014; households that are surveyed in February of 2015 would report their income for February 2014 through January 2015, and so on. Consequently, estimates for poverty rates derived from the 2015 ACS do not, strictly speaking, represent a 2015 poverty rate. Rather, it is a poverty rate derived from a survey that was fielded in 2015. Readers should bear in mind this difference as they interpret the findings in this report.

some of the principal findings from the Census Bureau's SPM reports with our findings for New York City. The Bureau provides comparisons between the SPM and the official poverty rates for the U.S., much as we have done with the NYCgov measure and the official measure. We find that the pattern of differences between the official and NAS-style poverty rates in the nation and the city are quite similar. Changes in the SPM and NYCgov poverty rates from 2010 to 2015 are also alike.

4.6 Poverty Rates by Age Group

Given the focus that policymaking has had on children, differences in poverty rates by age group are a particularly important set of comparisons. Table 4.1 provides 2015 poverty rates by age using the official and NAS-style measures. Panel A reports these for the U.S.[10] The table's Panel B provides the New York City data. Differences between the official and SPM measures for the nation and differences between the U.S. official and NYCgov measures for the city follow the same pattern. Poverty rates for the total population using the alternative measures exceed the

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10 The U.S.-level poverty rates cited in this chapter are taken from Renwick, Trudi and Fox, Liana, The Supplemental Poverty Measure: 2015. U.S. Bureau of the Census. September 2016. Available at: https://www.census.gov/library/publications/2016/demo/p60-258.html

Table 4.1
Comparison of Poverty Rates by Age Group Using Different Measures, 2015 (Numbers are Percent of the Population)

A. United States			
	U.S. Official	SPM	Percentage Point Difference
Total	13.7	14.3	**0.6**
Under 18	20.1	16.1	**-4.0**
18 through 64	12.4	13.8	**1.4**
65 and Older	8.8	13.7	**4.9**
B. New York City			
	U.S. Official	NYCgov	Percentage Point Difference
Total	18.4	19.9	**1.5**
Under 18	27.1	22.8	**-4.4**
18 through 64	15.7	18.6	**2.9**
65 and Older	17.3	21.6	**4.3**

Sources: U.S. Bureau of the Census and American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Differences are measured in percentage points and are taken from unrounded numbers; those in **bold** type are statistically significant. U.S official poverty rates, reported in Panel B, are based on the NYC Opportunity poverty universe and unit of analysis.

poverty rates using the official measure. For the U.S., the difference is 0.6 percentage points while the city's difference is 1.5 percentage points.

Another important difference between the U.S. official and alternative poverty measures – common to the city and the nation – is that, despite the higher poverty rate overall, the alternative measures yield poverty rates for children that are below the official poverty rates. The U.S. SPM poverty rate for children is 16.1 percent, 4.0 percentage points below the U.S. official rate of 20.1 percent. The NYCgov poverty rate for children is 22.8 percent, 4.4 percentage points below the U.S. official rate of 27.1 percent.

The lower child poverty rates under the NAS-style measures shed light on the effectiveness of government benefit programs, many of which are targeted toward families with children. Note that the declines in child poverty rates occurred despite the subtraction of nondiscretionary taxes, work-related expenses, and medical out-of-pocket costs. This implies that government benefits, not counted in the U.S. official poverty measure, reduce child poverty effectively – even when the nondiscretionary expenses limit the resources available for families with children to meet their needs for food and shelter.[11]

Elderly poverty rates, however, are much higher under the NAS-style measures than under the U.S. official measure. This is primarily a result of the alternative measures' deduction of MOOP expenses from their measure of income. Without this deduction, the NAS-based measures would yield poverty rates that are lower than those from the official measures. For the SPM, the 2015 poverty rate for all persons in the U.S. 65 and older group would fall by 5.7 percentage points if MOOP was not included in the poverty measure; for the NYCgov measure, the 2015 poverty rate for all New York City residents 65 and older would fall by 4.5 percentage points.[12]

4.7 Extreme Poverty and Near Poverty

In Chapter 2, we noted that the proportion of the population living in extreme poverty (below 50 percent of the poverty line) is smaller under the NYCgov poverty measure than it is with the U.S. official measure. Table 4.2 reports extreme poverty rates for the U.S. and New York City by age. A smaller fraction of the nation's population is in extreme poverty using the alternative poverty measure. For the U.S. as a whole, the difference is 1.3 percentage points. The corresponding difference in the city is 2.4 percentage points. The pattern of differences across the age groups is also alike. For the nation and the city, the largest difference between the official and alternative measures of extreme poverty is for children, 4.6 percentage points and 7.7 percentage points, respectively. Differences between the measures for working age adults are more modest: 0.9 percentage points for the U.S. and 1.4 percentage points for New York City.

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11 Although the SPM and NYCgov poverty rates for children are lower than the official rates, both the SPM and NYCgov child poverty rates exceed those of working age and elderly adults.

12 SPM elderly poverty rates net of MOOP found in Renwick and Fox, 2016, "Table 5a. Effect of Individual Elements on SPM Rates: 2015." NYCgov rates not shown in Table 4.1.

Table 4.2

Comparison of Extreme Poverty Rates by Age Group Using Different Measures, 2015 (Numbers are Percent of the Population)

A. United States			
	U.S. Official	SPM	Percentage Point Difference
Total	6.2	4.9	**-1.3**
Under 18	9.4	4.8	**-4.6**
18 through 64	5.9	5.0	**-0.9**
65 and Older	2.8	4.5	**1.7**
B. New York City			
	U.S. Official	NYCgov	Percentage Point Difference
Total	7.4	5.0	**-2.4**
Under 18	11.6	3.9	**-7.7**
18 through 64	6.8	5.3	**-1.4**
65 and Older	4.0	5.1	**1.1**

Sources: U.S. Bureau of the Census and American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Differences are measured in percentage points and are taken from unrounded numbers; those in **bold** type are statistically significant. U.S. official poverty rates, reported in Panel B, are based on the NYC Opportunity poverty universe and unit of analysis.

This pattern of lower rates of extreme poverty, when using alternative measures, is reversed for the elderly. Historically, the alternative measures have found a higher incidence of extreme poverty for persons 65 and older than do the official measure. For the U.S., the SPM extreme poverty rate for persons 65 and over is 1.7 percentage points above the U.S. official rate. In 2015, the NYCgov extreme poverty rate for the elderly is 1.1 percentage points above the official rate.[13]

Table 4.3 reports the share of the U.S. and New York City population that is near poor in the official and NAS-based poverty measures. The near poor poverty rate is defined here as the proportion of the population whose income ranges from 100 percent to 150 percent of the respective poverty thresholds. As Chapter 2 indicated, the NYCgov measure places a much larger share of the population in near poverty than does the U.S. official measure. Likewise, the Census Bureau's SPM categorizes a larger share of the nation in this group than the official measure. For the population as a whole, the SPM near poverty rate is 16.3 percent, 7.3 percentage points above the U.S. official rate. The difference between the SPM and official measure for children is particularly high, at 9.8 percentage points, while the near poverty rates for the elderly in the two measures are relatively closer.

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13 In part, this is a function of overall lower estimates of extreme poverty than in official measures. See also Appendix H for differences in NYCgov and SPM methodologies in estimating MOOP.

Table 4.3
Comparison of Near Poverty Rates by Age Group Using Different Measures, 2015 (Numbers are Percent of the Population)

A. United States			
	U.S. Official	**SPM**	**Percentage Point Difference**
Total	9.0	16.3	**7.3**
Under 18	11.6	21.4	**9.8**
18 through 64	7.5	14.5	**7.0**
65 and Older	10.8	15.8	**5.0**
B. New York City			
	U.S. Official	**NYCgov**	**Percentage Point Difference**
Total	10.4	24.3	**13.8**
Under 18	14.0	32.0	**18.0**
18 through 64	8.9	22.3	**13.4**
65 and Older	12.3	21.6	**9.3**

Sources: U.S. Bureau of the Census and American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Differences are measured in percentage points and are taken from unrounded numbers; those in **bold** type are statistically significant. U.S. official poverty rates, reported in Panel B, are based on the NYC Opportunity poverty universe and unit of analysis.

In one respect, the pattern of difference between the measures for New York City is similar to that for the total U.S. The differences between the near poverty rates are greatest for children and more modest for the elderly. But the more eye-catching comparison between the city and the nation is how much larger the between-measure differences are for the city. The NYCgov measure, for example, categorizes 24.3 percent of the city population as near poor (living between the poverty threshold and 150 percent of the threshold), while the corresponding proportion from the U.S. official measure is 10.4 percent.

One reason for the larger between-measure difference between New York City and the nation is the geographic adjustment that accounts for the relatively high cost of housing in New York City. The resulting NYCgov poverty threshold is higher than the U.S.-wide SPM poverty threshold. We use the SPM threshold for renters in 2015 in the following example: The U.S.-wide SPM threshold for a two-adult, two-child family of renters was $25,930 while the comparable NYCgov threshold was $31,756. The near poor in the U.S.-wide SPM measure are defined as persons living in families with the equivalent income of $25,930 through $38,895 (1.5 times the threshold). The near poor for the NYCgov measure are persons living in families with the equivalent income of $31,756 to $47,634. Thus, one reason why the NYCgov measure categorizes a much larger share of

the population as near poor than does the SPM is simply because the income band that defines the group is larger, spanning $15,878 compared to $12,965. It is much harder in New York City to move poor or near poor people beyond near poor thresholds.

Another plausible reason for the larger between-measure difference in New York City than the nation is that the upper reaches of the (larger) near poor income band receive smaller benefits or phase out of eligibility altogether. In addition, nondiscretionary expenses that families incur rise as their income increases (for example, childcare costs may rise as total hours worked in the family increase), making it even harder for near poor families in New York City to exceed 150 percent of the threshold.

4.8 Changes in the SPM and NYCgov Poverty Rates, 2010–2015

Table 4.4 reproduces the Census Bureau's estimates for the years 2010–2015, along with comparable data for New York City. However, it should be noted that in 2013, the Census Bureau implemented redesigned survey instruments for the March Current Population Survey (CPS),[14] causing a break in data series of the SPM. For this reason, we emphasize changes in poverty for the years 2014 to 2015.

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14 See the technical documentation for the 2015 CPS Annual Social and Economic Supplement (ASEC)
https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar15.pdf

Table 4.4
Change in Poverty Rates, U.S. SPM and NYCgov, 2010–2015
(Numbers are Percent of the Population)

A. United States, SPM							Percentage Point	
	2010	2011	2012	2013*	2014	2015	2010–2015	2014–2015
Total	16.0	16.1	16.0	15.8	15.3	14.3	**-1.7**	**-1.0**
Under 18	18.0	18.0	18.0	18.1	16.7	16.1	**-1.9**	-0.6
18 through 64	15.2	15.5	15.5	14.9	15	13.8	-1.4	**-1.2**
65 and Older	15.8	15.1	14.8	15.5	14.4	13.7	-2.1	**-0.7**
B. New York City, NYCgov							Percentage Point	
	2010	2011	2012	2013	2014	2015	2010-2015	2014-2015
Total	20.6	20.8	20.7	20.7	20.6	19.9	-0.7	-0.7
Under 18	24.7	23.8	24.5	23.0	23.2	22.8	**-2.0**	-0.4
18 through 64	19.1	19.6	19.5	19.8	19.7	18.6	-0.5	**-1.1**
65 and Older	21.4	21.9	20.3	21.5	20.8	21.6	0.2	0.8

Sources: U.S. Bureau of the Census published data for 2010 through 2015, and American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Notes: Changes are measured in percentage points. NYCgov rates are taken from unrounded numbers; those in **bold** type are statistically significant.
*Estimates are based on responses from a sample of the population who completed the redesigned income and health insurance questions.

From 2014 to 2015, the SPM measure shows a statistically significant change in the poverty rate for the total population and a decline of 1 percentage point. The fall in working age adult poverty rates was significant for both the SPM measure – falling 1.2 percentage points – and the NYCgov measure – falling 1.1 percentage points. Neither the SPM nor the NYCgov measure showed a significant year-over-year change in child poverty rates. The SPM measure did show a significant decline in elderly poverty rates while there was no significant change in the NYCgov measure.

Chapter 5: Poverty in the City, Policy Responses, and the Path Forward

Poverty in the City, Policy Responses, and the Path Forward

The City has been making strong progress in combatting poverty. Both the poverty and near poverty rates have been moving downward. We are also moving closer to our goal, announced in 2015 in the poverty report and in *OneNYC: The Plan for a Strong and Just City*, of lifting 800,000 New Yorkers out of poverty or near poverty by 2025 – the first such benchmark ever set by the City.[1] The City has a wide array of initiatives aimed at reducing poverty and increasing opportunity. These programs, discussed below, are increasing financial resources and reducing expenses for low-income New Yorkers. Many programs are being expanded and new ones added, including the mayor's recent commitment to create 100,000 good paying jobs (paying at least $50,000 a year) in the next ten years. The City has also announced its intention to expand free pre-K to include 3-year-olds, building on the success of the universal pre-K program for 4-year-olds.

This important work combatting poverty in New York City is being carried out against a national backdrop of growing hostility to the interests of low-income Americans. Since the new presidential administration has taken office, there have been increasing calls to dismantle the social safety net and reduce funding for programs that support the nation's most vulnerable residents.

Social safety net programs do not merely provide housing, nutrition, and other assistance. They are an important force in lifting New Yorkers out of poverty. There is strong statistical support for the effect of the safety net in this year's poverty report. As previously illustrated in Figure 2.3 in Chapter 2, the NYCgov poverty rate would be 3.2 percentage points higher without SNAP (the Supplemental Nutrition Assistance Program, formerly known as Food Stamps) and 5 percentage points higher without Social Security.

In recent months, increasing attacks on immigrants have been coming out of Washington, including more aggressive raids and deportation efforts. In addition to

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1 *OneNYC: The Plan for a Strong and Just City* is available at: http://www.nyc.gov/html/onenyc/downloads/pdf/publications/OneNYC.pdf

the many other burdens these actions place on immigrant New Yorkers, they may raise poverty rates by making it harder for some immigrants to earn a living.

An Anti-Poverty Agenda Shaped by Evidence

The City has many initiatives that increase the incomes and decrease the expenses of low-income New Yorkers. Working from the data in previous poverty reports along with evidence about programs that have proven effective, the City has launched or expanded a large number of initiatives aimed at reducing poverty and increasing opportunity.

5.1 Increasing Income for Low-Income New Yorkers

Minimum Wage

When the Mayor's Office for Economic Opportunity (NYC Opportunity) did the modeling that led to the goal of lifting 800,000 New Yorkers out of poverty, economic simulations showed that increasing the minimum wage was among the most effective steps that could be taken to reduce the City's poverty and near poverty rates. When *OneNYC* established the 800,000 goal, it stated that it could be achieved "through a broad set of anti-poverty initiatives including raising the minimum wage – a particularly effective tool for reducing poverty and income inequality."

Using this data as support, the City successfully fought to increase the minimum wage for New York City residents. The minimum wage in effect in 2015, the period covered by this report, was $8.75. Relative to 2013 data (the most recent available when *OneNYC* was published), we estimate that throughout 2015, over 74,000 people moved out of poverty or near poverty as a result of the increased minimum wage. As it continues to rise to $15 by 2019, the benefits will be felt by hundreds of thousands of additional New Yorkers.

Jobs and Job Training

The City is making jobs and job training a central focus of its efforts to reduce poverty. In his State of the City address in February of this year, the mayor announced a goal of creating 100,000 new, good-paying jobs in the next ten years, including 40,000 in the next four years.

To increase access to quality job training and job placement, the City is significantly expanding Career Pathways, an overarching initiative that conceives of workforce development as a continuum, with supports for residents from basic preparedness to career advancement.

Consistent with the Career Pathways vision, City-funded opportunities are being tailored more precisely to increase employment opportunities for public assistance applicants and recipients: In CareerCompass, providers work with clients over the age of 25 to assess their skills and experience levels and match

them with the employment, training, or educational options that best suit them. In Youth Pathways, vendors work with clients ages 18 to 24 to provide services that are similar, but targeted to the special needs and potential of young people. In CareerAdvance, vendors focus on providing sector-based employment in growth industries.

Career Pathways also added new industry partnerships last year in the construction, food service, and industrial/manufacturing sectors. These partnerships will put Career Pathways participants on track to careers in those industries.

HireNYC connected 2,180 low-income New Yorkers to opportunities created by City spending, including Human Resources Administration (HRA) contracts and projects led by the NYC Economic Development Corporation. In 2016, HireNYC expanded to include Housing Preservation and Development (HPD) subsidies projects, connecting more low-income New Yorkers to opportunities in areas ranging from construction to case management to administration.

The Summer Youth Employment Program (SYEP) prepares young people ages 14 to 24 for entry-level jobs in financial services, real estate, information technology, arts and recreation, and other industries, instilling work skills and helping to put them on a path to success. Last summer, the program provided a record 60,113 young people with jobs. Participants included the highest-ever number of youth with disabilities. The program is being enhanced to provide participants with more robust summer experiences, with increased attention on ensuring that work assignments are well suited to particular age levels. Last year, Ladders for Leaders – the City's nationally recognized program that places outstanding high school and college students in paid summer internships with leading corporations, nonprofits, and agencies – also saw record enrollment.

The City recently released a report of the Youth Employment Task Force that highlights a series of recommendations for improving and expanding youth employment programs. Recommendations include creating programming more closely targeted to participants' ages; greater investment in programming for vulnerable youth; and better engagement and collaboration with employers that participate in the program.

5.2 Benefits Access

The City has been working to make it easier for low-income New Yorkers to identify and access the benefits to which they are entitled.

NYC Opportunity enhanced ACCESS NYC, the website that connects residents to over 30 City, state, and federal benefits programs through an eligibility screener and simplified program information. It is now mobile-friendly and presents information in a more standardized format, making it easier for potential clients and their advocates to identify potential resources.

HRA is launching a variety of new initiatives and tools to help with benefits access, including features that make it easier for users to monitor their case histories online through the ACCESS HRA website and mobile app. HRA has also developed a document upload mobile app that allows clients to share documents remotely rather than having to visit a SNAP center or other benefits office, and has introduced on-demand interviews citywide – making it much easier for clients to conduct recertification interviews with initial applications soon to follow.

Access to government benefits plays an important role in lifting New Yorkers out of poverty. Without Social Security, the City's NYCgov poverty rate would be 5 percentage points higher. Without SNAP, it would increase 3.2 percentage points. And as medical costs continue to rise, government health benefits are more important than ever in keeping people out of poverty.

The City partnered with the Robin Hood Foundation on the "Start by Asking" campaign, an initiative to close the gap between the number of New Yorkers who claim SNAP, the Earned Income Tax Credit, and WIC – and the number who are eligible to do so. The campaign focuses on two groups for whom direct targeting can be particularly effective: those who start applications but do not complete them and existing claimants at risk of losing benefits for failure to meet recertification deadlines. The campaign also includes public awareness messaging and on-the-ground outreach that emphasizes the role of existing benefits to provide greater economic stability.

The City launched GetCoveredNYC, an initiative to enroll more New Yorkers in health insurance. The program, a partnership between the Mayor's Office, Health + Hospitals, HRA, the Department of Health and Mental Hygiene, and MetroPlus, proactively contacts New Yorkers who are eligible for health insurance but are not currently taking advantage of existing options.

The City's NYC Rent Freeze campaign encourages eligible New Yorkers to sign up for the Senior Citizen Rent Increase Exemption (SCRIE) and the Disability Rent Increase Exemption (DRIE). These programs help seniors and disabled New Yorkers remain in housing they can afford by freezing their rent at current levels.

5.3 Increasing the Availability of Affordable Housing

Affordable Housing

Housing is the single largest expense for New York City households, and the availability of housing supports of various kinds makes a significant difference in the poverty rate. In this year's poverty report, "housing adjustment" – a category that includes rent stabilized apartments, public housing, and other forms of housing assistance – had the greatest impact on the poverty rate of all the supports studied. It reduced the NYCgov poverty rate by 5.8 percentage points. Table C.7 of

the report's Appendix C breaks down the impact of specific kinds of housing support on tenant poverty rates.

The City has increasingly made the supply of affordable housing a cornerstone of its agenda and continues to exceed the goal the mayor set in 2014 of building or preserving 200,000 units of high-quality affordable housing over ten years. When the report *Housing New York: Three Years of Progress* was released in January of this year, the City had built or preserved 62,506 units so far, including 21,963 apartments that were built or preserved in 2016 (the highest amount since 1989). About 35 percent of the 21,963 apartments are designated for three-person households making no more than $40,000.

Earlier this year the mayor increased the ten-year goal by adding 10,000 more affordable units designated for households earning less than $40,000 a year. This increases the number of Housing New York units designated for households earning under $40,000 from 40,000 units to 50,000 units. Half of the newly announced units will be reserved for seniors, and 500 for veterans.

Homelessness

Although the NYCgov poverty measure does not track people living in group quarters, which includes those in homeless shelters, homelessness it is an important part of the overall picture of poverty in the city. The most visible portion of the homeless population is the approximately 2,800 New Yorkers who live on the streets. Last year, the City launched HOME-STAT, the most comprehensive homeless outreach program in any American city. A joint program of the Department of Homeless Services (DHS) and the Mayor's Office of Operations, it represents a commitment to identify every individual living on the streets and offer them services that meet their specific needs.

HOME-STAT sends out nearly 400 highly trained outreach workers to engage street homeless people in a sustained manner. It takes an average of five months of intensive contact from outreach workers for a homeless individual to move into transitional housing and more than a year for them to enter permanent housing. From March to October of 2016, HOME-STAT helped 748 homeless individuals come off the street and stay off.

As the program moves people off the streets it increases the need for supportive housing. The City has announced plans to provide an additional 15,000 supportive housing units over the next 15 years to help formerly homeless New Yorkers permanently remain off the streets.

The City will significantly increase its capacity for housing and helping homeless New Yorkers. Going forward, there are plans to open an additional 90 shelters citywide, an increase of nearly a third.

At the same time, the City has been taking significant steps to ensure that New Yorkers who have housing do not become homeless. One of the main methods is preventive rental assistance: New Yorkers who have fallen behind on rent and face eviction but demonstrate an ability to pay their rent going forward can receive rental assistance through the HRA One Shot program.

One Shot is grounded in the simple premise that it is more cost-effective and less disruptive to keep individuals and families in their homes rather than help them find new ones. The average payment per case ($3,688 in 2016) — is far less than the cost to keep a family in a homeless shelter for a year. Preventive rental assistance will, for the first time, be extended to youth living in DYCD (Department of Youth and Community Development) youth shelters who are at risk of entering adult shelters.

A second strategy the City has used to prevent homelessness is to provide free legal services to tenants in housing court. Historically, only a small percentage of tenants in housing court – about 1 percent in 2013 – had lawyers, which made them vulnerable to eviction even when the law and facts did not warrant that outcome. The City has made an unprecedented tenfold increase in its investment in tenant legal services programs for low-income New Yorkers and marshal evictions have gone down 24 percent, allowing a combined total of 40,000 people over the course of 2015 and 2016 to stay in their homes. The City will invest $62 million this year, a tenfold increase over fiscal year 2013's spending level, to provide free legal assistance to low-income New Yorkers facing eviction, landlord harassment, or other housing threats.

A third part of the City's approach to homelessness prevention is HomeBase, a highly effective program that has cut shelter applications nearly in half. HomeBase staff members go into neighborhoods to engage people in supermarkets, check-cashing facilities, and other public spaces, identifying households in need of help before they ask for it. From fiscal year 2015 through early 2017, the City increased its number of HomeBase locations from 14 to 23 and doubled the program's funding.

5.4 Increasing Access to Opportunity

Education

The City has made a priority of improving K through 12 education and promoting high school graduation. Education is among the most powerful forces for moving people out of poverty. In Chapter 3, Table 3.1 shows the impact that various levels of educational attainment have on poverty rates, including the significant advantage accrued by graduating high school. The NYCgov poverty rate for working-age New Yorkers with less than a high school diploma is 31.7 percent. The rate for those with a diploma is 23.5 percent, over 8 percentage points lower.

This administration has put in place a policy of "Equity and Excellence for All," focusing on three key areas: academic excellence, student and community support, and innovation. The academic excellence component includes such programs as Universal Second Grade Literacy that hired more than 100 reading coaches in 2016

and Algebra for All, which trained 400 teachers with the goal of helping ensure that all students complete algebra no later than 9th grade. Student and community support includes programs such as College Access for All: High School, which provides 100 high schools with new training to ensure that every student has access to a true "college ready" culture. The innovation component includes the Renewal Schools Program, which is making significant additional resources available to transform schools that require the most support.

Last year, City schools reached new levels of success by a number of important metrics. City high schools had a record graduation rate of 72.6 percent in 2016, a 2.1 percentage point increase over the previous year. There were increases in every borough and every demographic, with the greatest gains among Hispanic students (whose graduation rate increased 2.9 percentage points) and black students (whose graduation rate rose 2.6 percent points). The dropout rate for 2016 was 8.5 percent, a record low.

In the last year, the City announced that students in City schools had the highest-ever postsecondary enrollment rate: 55 percent. The City also had a record number of students taking and passing Advanced Placement (AP) exams. The number of students taking at least one AP exam rose 8.4 percent over the previous year, and the number passing at least one AP exam rose 8.2 percent. The City's schools also had the highest-ever college readiness rate, with 37 percent of all students and 51 percent of all graduates in the Class of 2016 meeting CUNY's standards for college readiness in English and math.

Higher Education

In its work to reduce poverty, the City has placed emphasis on programs that promote college persistence and completion. Just as New Yorkers with a high school diploma are less likely to live in poverty than those without one, New Yorkers with some college are less likely to be below the poverty line than those with no college. The poverty rate for those with some college falls to 16.6 percent.

There is also evidence that the City University of New York (CUNY) is a particularly strong engine for moving New Yorkers out of poverty and into the middle class. In a recent report, the Equality of Opportunity Project placed the CUNY system sixth in its ranking of colleges by the rate at which students moved from the lowest 20 percent in income to the top 20 percent. The report found that 7.2 percent of CUNY graduates came from the bottom 20 percent and reached the top 20 percent – several times the national average. *The New York Times* reported on the study in an article headlined "America's Great Working-Class Colleges," which noted that the CUNY system "propelled almost six times as many low-income students into the middle class and beyond as all eight Ivy League campuses, plus Duke, M.I.T., Stanford and Chicago combined."[2]

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2 The Equality of Opportunity Project report is available at http://www.equality-of-opportunity.org/papers/coll_mrc_paper.pdf; David Leonhardt, "America's Great Working-Class Colleges," New York Times, Jan. 18, 2017.

The City has become a national leader in promoting college completion through CUNY Accelerated Study in Associate Programs (CUNY ASAP). The programs help students at nine CUNY colleges earn degrees as quickly as possible, ideally within three years, by providing an array of academic, social, and financial supports, including advising, career counseling, tutoring, and tuition waivers. CUNY ASAP's graduation rate is more than twice the national three-year graduation rate and its remarkable success has led to a recent announcement that it will be replicated in Westchester, N.Y. and California, in addition to an ongoing replication in Ohio. The City is also significantly increasing its investment so the program can grow locally. With new City funding, CUNY ASAP, which had 4,000 students in 2014, will enroll 25,000 students in the 2018–2019 academic year. The average student in CUNY ASAP receives $4,356 per year in tuition subsidies and financial assistance.

Through a collaboration between CUNY, the Mayor's Office for Economic Opportunity, and ideas42, a nonprofit behavioral research firm, the City has launched a series of initiatives that use behavioral science to increase college completion. In one of these initiatives, continuing students at CUNY community colleges were given repeated email and text message nudges to encourage them to renew the Free Application for Federal Student Aid (FAFSA). Students who received encouragement were significantly more likely to renew than those who did not. A College Retention Project is now underway to determine if a package of interventions – including a video, online activity, and follow-up messages – can improve college performance and retention rates.

IDNYC and Immigrant Assistance

Immigrants face special obstacles to integrating into the economic life of the City, which are being made worse by the new anti-immigrant policies coming out of Washington. The City has launched and expanded programs designed to help immigrants access opportunity and rise out of poverty.

IDNYC, the City's municipal ID program that launched in 2015, helps New Yorkers who lack government ID to more fully participate in the economic, cultural, and civic life of the City. The program is of particular help to many immigrants, including undocumented immigrants, who do not have any other official ID. IDNYC has been a great success. A little more than two years after its launch, it has enrolled more than one million New Yorkers. And it continues to add new benefits for cardholders, including new discounts at cultural, recreational, and other institutions. By helping New Yorkers without other U.S. government-issued ID to access government services and open bank accounts, IDNYC provides low-income New Yorkers with a valuable tool to improve their lives. Earlier this year, the Mayor and the City Council Speaker announced that IDNYC will remain free for its third year.

NYCitizenship provides critical assistance to New Yorkers in navigating the citizenship process. It offers free citizenship services at twelve New York Public Library branches, and targeted outreach and citizenship application assistance to a subset of HRA clients who are among the most vulnerable.   ActionNYC is a citywide initiative rooted in

immigrant community-based organizations, schools, and hospitals to provide free and safe immigration legal help where immigrant New Yorkers live and in the languages they speak. In May, ActionNYC opened new sites at NYC Health + Hospitals facilities, including Elmhurst Hospital, in Queens, and Gouverneur Health, in Lower Manhattan; an additional site will open at Lincoln Hospital, in the Bronx soon. The ActionNYC Immigrant Outreach and Immigration Legal Services Capacity-Building Fellowship program, launching this year, provides free legal and outreach training and technical assistance to community-based organizations across the City. These organizations are deeply rooted in immigrant neighborhoods and communities, have well-established cultural and linguistic competencies, and have obtained the trust of community members — making them uniquely placed to meet community-specific needs. These immigrant communities include, but are not limited to, recently arrived populations from Africa, Asia, and the Caribbean.

The Mayor's Office of Immigrant Affairs (MOIA) also runs the We Are New York Program, which helps English language learners learn English and serves as a supplement to ESL classes. MOIA partners with community and faith-based organizations and libraries to host English conversation classes using the Emmy-award winning We Are New York TV series and companion educational materials. WANY is centered on the principle that New Yorkers can work together across ethnic lines to access City resources and solve common problems. In doing so, the program fosters and empowers communities and enhances the public capacity for civic engagement.

The Mayor, the City Council Speaker, the Schools Chancellor, and the Mayor's Office of Immigrant Affairs have announced that the City will help New Yorkers protect their rights as the federal government increases actions targeted at immigrants. The City has provided detailed protocols for safely and appropriately responding to requests from non-local law enforcement agencies, including immigration authorities, and will provide training for families and students.

5.5 Improving the Infrastructure for Fighting Poverty

Social Indicators Data

One of the most critical tools for combatting poverty is reliable and precise data. A year ago, in April 2016, the City published the Social Indicators Report (SIR), the first such report to appear in more than a decade, with an increased emphasis on equity metrics.[3] The SIR provides an overview of conditions in the city, collecting data from 45 indicators in eight domains: education; health and well-being; housing; empowered residents and neighborhoods; economic security and mobility; core infrastructure and the environment; personal and community safety; and diverse and inclusive government.

The SIR has two important benefits. First, it provides a comprehensive statistical portrait of life in the city, which can be used to identify unmet needs and areas

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3 The Social Indicators Report is available at: http://www1.nyc.gov/assets/operations/downloads/pdf/Social-Indicators-Report-April-2016.pdf

where conditions are getting better or worse. The report contains data on a wide range of social indicators, from pre-K enrollment rates to premature mortality, and can be a powerful spur to action. The information it contains can play a critical role in assessing the needs of New Yorkers and helping to design effective, well-targeted solutions.

Second, the SIR provides data that can be used to reduce disparities and promote equity. The 2016 SIR breaks down data, where possible, by race, gender, community, and other factors, with special attention on places where disparities exist. This administration has made a strong commitment to ensuring equity in the provision of government services and ensuring that New Yorkers of all backgrounds are able to share, on an equal basis, in the city's economic, civic, and social opportunities. The report was designed to be a tool for assessing the level of equity and the degree to which progress is being made.

Also in April 2016, the Young Men's Initiative (YMI) released its Disparity Report.[4] The report provides a snapshot of where young people of color stand in relation to their peers to help inform ongoing City equity initiatives. It quantifies and describes the disparities experienced by young men and women of color as a result of structural racism, poverty, residential segregation, and toxic stress, with a focus on education, economic security and mobility, health and well-being, and community and personal safety. The report found that although there have been some decreases, significant disparities still exist. YMI declared that it intends to use the report "to set a new baseline of understanding for City policy makers, researchers, advocates, and community leaders in order to develop a roadmap for reducing disparate outcomes for young people of color in New York City."

The City has issued other reports in the last year with additional data on poverty and new approaches to addressing it. Take Care New York's first annual update detailed the priorities of more than a thousand New Yorkers who ranked their health concerns during community consultations in 28 neighborhoods and through online voting. Growing Up NYC released a Policy Framework that provided guidance to City agencies on how to prioritize and implement policies and programs to advance the well-being of children and young adults up to age 24. And earlier this year, the City released Turning the Tide on Homelessness, a detailed assessment of homelessness and a blueprint for addressing it, neighborhood by neighborhood.[5]

Citywide Data Integration

The City has implemented a new Citywide data integration framework including eight separate health and human services agencies that serve more than two million New Yorkers. Many clients work with more than one agency at the same time and in the past, agencies have had difficulty coordinating their work because of obstacles to sharing data. On a Citywide level, the new data integration structure

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4 The YMI Disparity Report is available at: https://www1.nyc.gov/assets/ymi/downloads/pdf/Disparity_Report.pdf

5 The Take Care New York annual update is available at: https://www1.nyc.gov/assets/doh/downloads/pdf/tcny/tcny-2020-annual-report.pdf; the Growing Up NYC Policy Framework is available at: http://s-media.nyc.gov/agencies/childrenscabinet/NYCDOH_GrowingUP_Policy_Brochure_For_WEB.pdf
Turning the Tide on Homelessness is available at: http://www1.nyc.gov/assets/dhs/downloads/pdf/turning-the-tide-on-homelessness.pdf

makes it easier for agencies to develop more effective policies, make more informed decisions, and conduct more accurate assessments. At the client level, data sharing allows caseworkers and other City employees who are helping low-income New Yorkers to provide more effective and efficient services.

In addition, NYC Opportunity recently integrated the formerly distinct unit HHS-Connect, which has had as its longtime mission bringing together data from disparate agencies to more effectively serve New Yorkers. The integration of NYC Opportunity and HHS-Connect will increase our ability to analyze data relating to poverty and opportunity in New York City and to assess the results of programs.

5.6 Ongoing Portfolio Programs

NYC Opportunity, which produced this report, supports the City's efforts to reduce poverty and advance equity using research and evidence. NYC Opportunity also promotes innovation by working with agencies and other partners to develop, manage, and evaluate program and policy initiatives to support low-income New Yorkers.

This work involves many parts of City government. Tables 5.1 and 5.2 below show the breadth of the effort, presenting data on the performance of an array of City agencies, including data drawn from the Preliminary Mayor's Management Report (PMMR) of February 2017. The PMMR is produced by the Mayor's Office of Operations and includes data on the performance of City agencies during fiscal years 2014–2016, as well as the first four months of fiscal year 2017.

NYC Opportunity also works closely with the Young Men's Initiative, the pioneering municipal strategy for addressing disparities faced by young men of color.

These charts reflect activity from fiscal years 2014–2016, which are the closest available comparisons to the 2015 poverty data contained in this report. For more detailed information on the agencies, initiatives, indicators, and their performance over time, see the full MMR report at www.nyc.gov/mmr.

5.7 Looking Forward

This year's poverty report contains the welcome news that from 2013 to 2015 there were statistically significant declines in both the poverty rate and the near poverty rate, and a statistically significant year-over-year drop from 2014 to 2015 in the near poverty rate. The City has also made considerable progress toward its goal of lifting 800,000 New Yorkers out of poverty or near poverty in ten years.

Under this administration, the City has greatly increased the number and scope of initiatives aimed at reducing poverty. The financial impact on New Yorkers has been substantial. Pre-K expansion, which added 50,000 new full-day seats, has a value of $1.9 billion over four years for city families in saved education cost and additional work hours available. The expansion of CUNY ASAP, from fall 2014 to fall 2017, has put an additional $220 million in the pockets of CUNY students. The

Table 5.1
Selected Performance Indicators from NYC Opportunity and Young Men's Initiative (YMI)

EDUCATION		
CUNY Accelerated Study in Associate Programs (ASAP) (CUNY) NYC Opportunity launched 9/2007	Fiscal Year 2016 Comparison Group	Fiscal Year 2016 Actual
Enrollees Cohort 9 (Entered Academic Year 2015–2016)	TBD	5,678
Enrollees Cohort 8 (Entered Academic Year 2014–2015)	12.7%	34.3%
Enrollees Cohort 7 (Entered Fall 2013)	28.4%	57.6%
Cohort 6 (Fall 2012) Graduation Rate after Three Years	29.2%	55.4%
Cohort 5 (Fall 2011) Graduation Rate after Three Years	24.8%	57.1%
Young Adult Literacy Program / Community Education Pathways to Success (DYCD/BPL/NYPL/QPL/DOP) NYC Opportunity launched 11/2007, YMI expansion began 8/2011	Fiscal Year 2015	Fiscal Year 2016
New Enrollees	713	725
Gained 1 or More Literacy Grade Level	39% (275/713)	69% (312/453)
Gained 1 or More Numeracy Grade Level	37% (266/713)	66% (296/451)
EMPLOYMENT		
Jobs-Plus (NYCHA/HRA/DCA-OFE) NYC Opportunity launched 0/2009, YMI expansion began 3/2013	Fiscal Year 2015	Fiscal Year 2016
New Enrollees	3,639	3,148
Placed in Jobs	1,377	1,418
3-Month Job Retention	617	848
Sector-Focused Career Centers (SBS) NYC Opportunity launched 6/2008		
New Enrollees	15,246	17,362
Placed in Jobs Paying $10/Hour or More, or Promoted	1,969	2,819
Young Adult Internship Program (DYCD) NYC Opportunity launched 11/2007, YMI expansion began 8/2011		
Participants	1,857	1,803
Percent of Participants Who Completed Internship	82%	82%
Percent of Participants Placed in Employment or Education	52%	57%
ASSET DEVELOPMENT		
Financial Empowerment Centers (DCA/OFE), NYC Opportunity launched 6/2008	Fiscal Year 2015	Fiscal Year 2016
New Enrollees	8,423	7,566
Financial Counseling Sessions	16,263	14,894
Cumulative Savings	$3.60M	$4.09M
Cumulative Debt Reduced	$33.09M	$43.13M

City's Emergency Rent Assistance program helped more than 161,000 households over three years, with average payments of about $3,400 per case. The newly announced free 3-K program will save participating families over $10,000 annually, and approximately one in four participating families are likely to be able to work an extra four hours a week, resulting in an estimated $2,400 in additional family income annually. Other programs have added many hundreds of millions more to the household budgets of low-income New Yorkers.

These advances are real, but at the same time a great deal remains to be done. With new leadership in Washington that is more hostile to the social safety net, the City will fight to protect federal programs and budgets that provide critical support to the most vulnerable Americans. And closer to home, the City will build on recent successes, with new and expanded efforts to reduce poverty and increase opportunity for all New Yorkers

Table 5.1
Selected Performance Indicators from NYC Opportunity and Young Men's Initiative (YMI) *(continued from previous page)*

HEALTH		
School-Based Health Centers (DOHMH), NYC Opportunity launched 6/2008	Fiscal Year 2015	Fiscal Year 2016
Program Participants	17,915	15,909
Program Participants Utilizing the Clinics	11,603	9,977
Number of Total Clinic Visits	59,398	47,734
Shop Healthy NYC (DOHMH), NYC Opportunity launched 1/2012		
Number of Stores That Are Promoting Healthy Foods	86	146
Number of Community Members Who Attended a Training Event	483	342
JUSTICE		
Arches: Transformative Mentoring (DOP), YMI launched 7/2012	Fiscal Year 2015	Fiscal Year 2016
Program Participants	676	611
Number of New Participants Receiving One-On-One Mentoring	451	412
Number Completed Program	47.0%	61.0%
Employment Works (SBS and DOP), NYC Opportunity launched 8/2008		
Program Participants	2,849	2,641
Placed in Jobs	979	843
6-Month Job Retention	42.0%	52.0%
Justice Community (DOP), NYC Opportunity and YMI launched 1/2012		
Program Participants	328	252
Placed in Job or Education	39.0%	37.0%

Table 5.2
Selected Agency Performance Indicators

Agency/Program Area	Indicator Name	FY14	FY15	FY16
ADMINISTRATION FOR CHILDREN'S SERVICES				
Early Child Care & Education	Average EarlyLearn contract enrollment	30,422	30,079	30,671
	EarlyLearn - Average center-based enrollment	24,068	23,077	23,396
	EarlyLearn - Average family child care enrollment	6,354	7,002	7,275
	Average EarlyLearn Utilization (%)	82.10%	81.80%	83.40%
	Average EarlyLearn Utilization - Center-based (%)	84.60%	82.00%	83.10%
	Average EarlyLearn Utilization - Family child care (%)	73.90%	81.40%	84.60%
	Average mandated children voucher enrollment	54,852	55,000	54,761
	Average other eligible children voucher enrollment	12,689	11,801	12,659
	Average center-based child care voucher enrollment	26,401	27,052	27,132
	Average family child care voucher enrollment	21,507	22,177	24,119
	Average informal (home-based) child care voucher enrollment	19,633	17,572	15,976
CAREER PATHWAYS				
Connection to Employment	Individuals enrolled in industry-based training	n/a	14,633 (preliminary)	16,161
	Individuals obtaining industry-based training credentials	n/a	-	7,423
	Individuals connected to employment	n/a	-	63,420
	Number of jobs, internships, or mentorships provided by CYE	n/a	n/a	81,915
	Cumulative number of employers that provide jobs, internships, or mentorships through CYE	n/a	n/a	534
CITY UNIVERSITY OF NEW YORK (CUNY)				
Academic Success	Six-year systemwide graduation rate (%) - CUNY Associate's degree students	31.7%	30.5%	31.8%
	Six-year systemwide graduation rate (%) - CUNY baccalaureate students	52.6%	52.7%	53.9%
	CUNY Associate's degree recipients who transfer to a CUNY baccalaureate program within one year (%)	51.5%	54.0%	54.8%
	One-year (fall-to-fall) retention rate of full-time first-time freshmen enrolled in CUNY Associate's degree programs	67.1%	67.9%	66.3%
	One-year (fall-to-fall) retention rate of full-time first-time freshmen enrolled in CUNY baccalaureate degree programs	84.8%	87.3%	86.8%

Table 5.2 **Selected Agency Performance Indicators** *(continued)*

Agency/Program Area	Indicator Name	FY14	FY15	FY16
DEPARTMENT FOR THE AGING (DFTA)				
Administer in-home services	Total meals served (000)	11,597*	11,671	12,102
	Hours of home care services provided	996,105*	906,442	1,097,543
	Total recipients of home care services	3,250	2,928	3,826
Administer senior centers	Senior center utilization rate (%)	86.0%*	85.0%	86.0%
Administer the caregiver program	Persons who received information and/or supportive services through DFTA's in-house and contracted caregiver programs	9,296	1,033	11,342
DEPARTMENT OF HOMELESS SERVICES (DHS)				
Adult Services	Single adults entering the DHS shelter services system	17,547	18,091	19,139
	Adults receiving preventive services who did not reside 21 days or more in the shelter system (%)	96.0%	93.5%	90.6%
	Average number of single adults in shelters per day	10,116	11,330	12,727
	Average length of stay for single adults in shelter (days)	305	329	355
	Single adults who exited to permanent housing and returned to the DHS shelter services system within one year (%)	21.7%	21.8%	18.9%
Adult Services (Street Homelessness Reduction)	Unsheltered individuals who are estimated to be living on the streets, in parks, under highways, on subways, and in public transportation stations in New York City (HOPE)	3,357	3,182	2,794
Family Services (Adult Families)	Average number of adult families in shelters per day	1,866	2,110	2,212
	Adult families entering the DHS shelter services system	1,283	1,385	1,476
	Average length of stay for adult families in shelters (days)	515	534	563
	Adult families who exited to permanent housing and returned to the DHS shelter services system within one year (%)	12.5%	14.2%	8.7%
	Adult families receiving preventive services who did not enter the shelter system (%)	97.3%	91.5%	90.7%
Family Services (Families with Children)	Average number of families with children in shelters per day	10,649	11,819	12,089
	Families with children entering the DHS shelter services system	11,848	12,671	13,311
	Families with children who exited to permanent housing and returned to the DHS shelter services system within one year (%)	12.5%	16.5%	10.0%
	Families with children receiving preventive services who did not enter the shelter system (%)	94.0%	94.5%	94.1%

Table 5.2 **Selected Agency Performance Indicators** *(continued)*

Agency/Program Area	Indicator Name	FY14	FY15	FY16
DEPARTMENT OF EDUCATION (DOE)				
General Education Teaching and Learning	Students in grades 3 to 8 meeting or exceeding standards - English Language Arts (%)	28.4%	30.4%	38.0%
	Students in grades 3 to 8 meeting or exceeding standards - Math (%)	34.2%	35.2%	36.4%
Graduation and Dropout Prevention	Students in cohort graduating from high school in 4 years (%) (NYSED)	68.4%	70.5%	N/A
	Students in cohort graduating from high school in 6 years (%) (NYSED)	N/A	N/A	N/A
	Students with disabilities in cohort graduating from high school in 4 years (%) (NYSED)	40.5%	41.1%	N/A
	Students with disabilities in cohort graduating from high school in 6 years (%) (NYSED)	N/A	N/A	N/A
	Students in cohort dropping out from high school in 4 years (%) (NYSED)	9.7%	9.0%	N/A
	Students with disabilities in cohort dropping out from high school in 4 years (%) (NYSED)	15.8%	15.4%	N/A
DEPARTMENT OF YOUTH AND COMMUNITY DEVELOPMENT (DYCD)				
Community Development Programs	Community anti-poverty program participants achieving target outcomes designated for clients in each program area (%)	61%	67%	64%
Literacy Programs	Participants in DYCD-funded English literacy programs meeting federal standards of improvement in their ability to read, write, and speak English (%)	54%	52%	54%
Out-of-School Time Programs (OST)	COMPASS NYC programs meeting minimum attendance rate goal - elementary (school-year) (%)	83%	87%	88%
	COMPASS NYC programs meeting target enrollment (school year) (%)	95%	96%	94%
	COMPASS NYC programs meeting target enrollment (summer) (%)	95%	92%	80%
Runaway and Homeless Youth (RHY) Services	Utilization rate for crisis beds (%)	98%	99%	96%
	Utilization rate for transitional independent living (TIL) beds (%)	94%	96%	91%
	Youth reunited with family or placed in a suitable environment from crisis shelters (%)	83%	89%	77%
	Youth reunited with family or placed in a suitable environment from Transitional Independent Living (TIL) centers (%)	93%	92%	89%
Youth Employment programs (OSY and ISY)	Youth who are out-of-school, attend a DYCD-funded training or employment program, and are placed in post-secondary education, employment, or advanced training in the 1st quarter after exiting the program (%)	68%	68%	68%
	Youth who attend a training program while in school and are placed in post-secondary education, employment, or advanced training during the 1st quarter after exiting the program (%)	78%	82%	85%

Table 5.2 **Selected Agency Performance Indicators** *(continued)*

Agency/Program Area	Indicator Name	FY14	FY15	FY16
NYC HEALTH + HOSPITALS				
Health Insurance Access	Uninsured patients served	469,239	421,647	425,089
HUMAN RESOURCES ADMINISTRATION (HRA)				
Agencywide Management	Fair hearings upheld (%)	7.0%	5.2%	7.9%
Cash Assistance Administration	Cash assistance unduplicated number of persons (12-month) (000)	589.1	591.1	601.8
	Cash assistance caseload (point in time)(000)	182.4	192.4	196.1
	Cash assistance application timeliness rate (%)	93.6%	94.4%	97.5%
Child Support Enforcement	Child support cases with orders of support (%)	71.5%	73.2%	76.7%
	Support cases with active orders receiving current payments (%)	58.8%	59.1%	59.7%
Employment Programs	Family cases engaged in training or education in accordance with New York City guidelines (%)	24.3%	25.5%	27.4%
	Clients whom HRA helped obtain employment (000)	48.1	46.6	47.0
	Cash assistance family cases participating in work or work-related activities per federal guidelines (official federal fiscal year-to-date average) (%)	33.9%	34.1%	33.4%
	HRA clients who obtained employment, and maintained employment or did not return to CA for 180 days (City fiscal year-to-date average) (%)	74.5%	73.9%	73.3%
	Safety Net Assistance (SNA) cases engaged in training or education in accordance with New York City guidelines (%)	19.0%	20.7%	25.5%
Public Health Insurance	Application timeliness rate for Medicaid administered by HRA (%)	91.7%	96.5%	92.1%
IDNYC	Number of applications processed	N/A	336,473	545,184
	Total number of cards issued	N/A	334,794	544,083
	Application timeliness	N/A	95%	99%
NEW YORK CITY HOUSING AUTHORITY (NYCHA)				
Public Housing Access	Occupancy rate (%)	99.4%	99.5%	99.5%
Resident/Social Services	Resident job placements	874	1,084	1,410
	Emergency Transfer Program disposition time (days)	45.91	48.17	39.60
Section 8 Program	Section 8 Occupied Units (vouchers)	88,529	86,167	85,224
	Utilization rate for Section 8 vouchers (%)	91.2%	88.1%	87.0%
SMALL BUSINESS SERVICES (SBS)				
Workforce1 Career Centers	Workforce1 systemwide job placements and promotions	36,097	26,952	28,455

Source: Preliminary Mayor's Management Report. February2017. New York. See: http://www1.nyc.gov/assets/operations/downloads/pdf/pmmr2017/2017_pmmr.pdf

Acknowledgements

Acknowledgements

This report would not be possible without the advice and assistance of many people since its inception and on an ongoing basis. Carson Hicks, Deputy Executive Director of NYC Opportunity, Kate Dempsey, Minden Koopman, Angelique Henderson and all of the NYC Opportunity programs and evaluation staff provide valuable assistance and input daily. Adam Cohen, also of NYC Opportunity, plays a critical role in describing the city's anti-poverty policy and programs in this report. Since 2014, NYC Opportunity has operated as a unit within the Mayor's Office of Operations. Brady Hamed and Stephanie Puzo help to smooth our work flow. Tina Chiu provides agency performance data. We owe a debt to past and present NYC Opportunity colleagues, including Mark Levitan, former Director of Poverty Research, Todd Seidel, Daniel Scheer and Danny Silitonga, former members of the Poverty Research Unit.

Many of our colleagues in City government have generously shared their expertise about public policy, the City's administration of benefit programs, and agency-level data: Dr. Joseph Salvo, Director of the Population Division at New York City Department of City Planning has made several important contributions. Adam Hartke at the Metropolitan Transportation Authority; Jim McCormack, Metro North Railroad; Francesco Brindisi, Frank Zimmerman, and Rodney Chun at NYC Office of Management of Budget; Neil Matthew, Gerri Stepanek, and Paraic O'Connor at NYC Office of Payroll Administration; Stella Xu and Juan P. Gutierrez at NYC Department of Citywide Administrative Services; Jeffrey Assisi at the Office of Labor Relations and Robert Deschak, NYC Department of Education's Office of School Support Services; Kevin Fellner, Karl Snyder, Harold Wenglinsky, Rebecca Widom, Anil Tripathi, Ephraim Buchinger and Hildy Dworkin at the Human Resources Administration all provide continuing data support. Technical support and assistance was provided by Mark Azeem and the staff at City Hall MIS. Tayyab Walker of NYC Opportunity's data and tech team and IT specialists Saikit Chan, Nelson Cocorpus, and Che Liao helped find new ways to streamline our data processing.

Staff at other government agencies that also assisted us include: Grace Forte-Fitzgibbon, Long Island Railroad; Robert Hickey, Port Authority of New York and New Jersey; Jessica Semega, Housing and Household Economic Statistics Division, U.S. Bureau of the Census; Jackson Sekhobo, Director, Evaluation and Analysis Unit, Division of Nutrition New York State Department of Health.