



# 2022 Income and Affordability Study

**NEW YORK CITY RENT GUIDELINES BOARD**

*April 20, 2022*

# What is the I&A Study?

- Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board to consider “relevant data from the current and projected cost of living indices” and permits consideration of other measures of housing affordability in its deliberations

# What is the I&A Study?

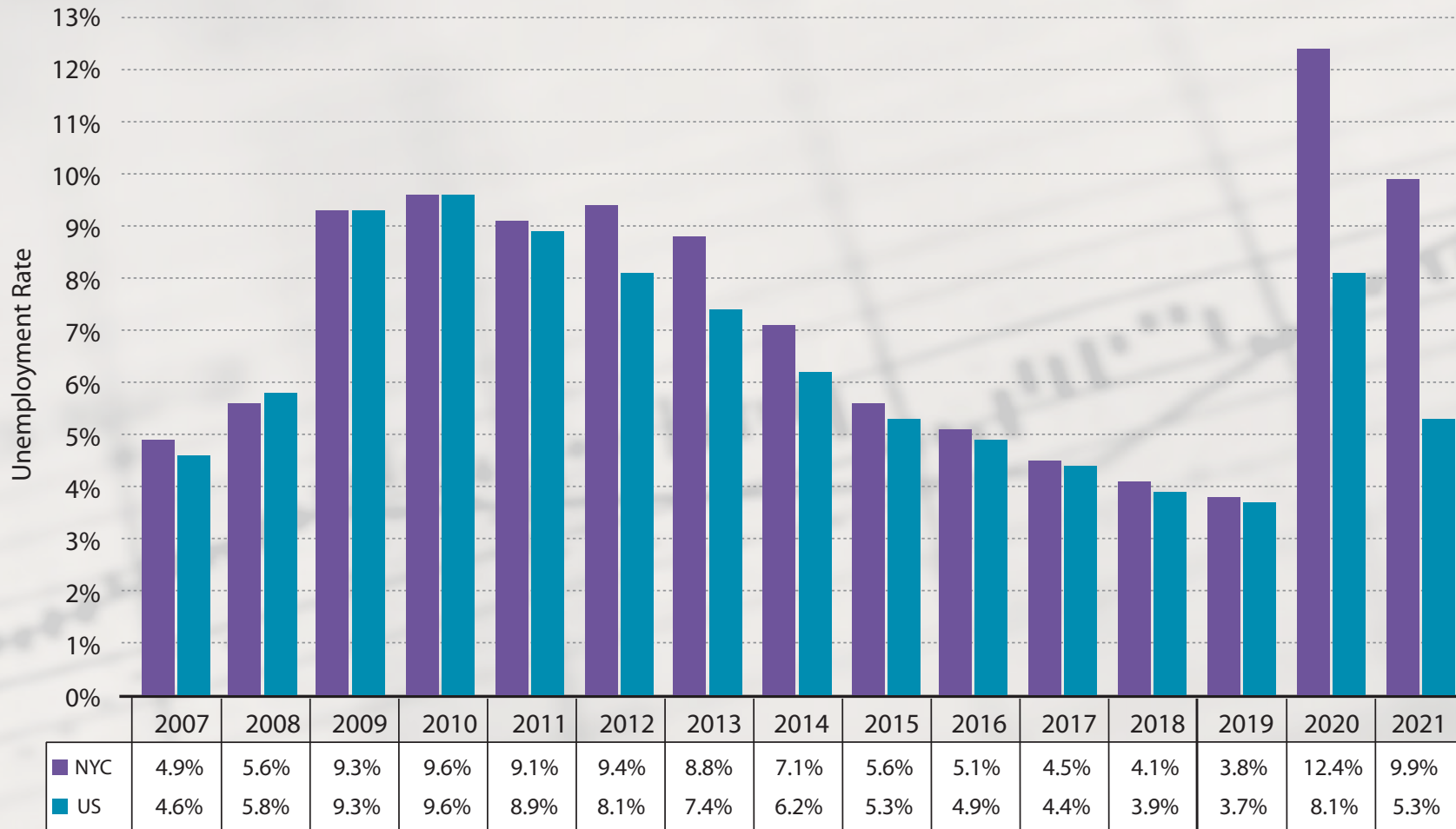
- The *I&A Study* reports on housing affordability and tenant income by examining economic factors, rent levels, and public policies
- Factors include:
  - Economic factors such as inflation and job growth
  - Household income and housing costs
  - Eviction proceedings, homelessness, usage of emergency assistance and other indicators



# Income & Affordability Overview

- City's economy grew by "real" 5.6%
- City gained 86,700 jobs, a 2.1% increase
- Faster growth in inflation, 3.3%
- Average "real" wages increased 6.8%; "real" total wages increased 3.2%
- Unemployment rate fell to 9.9%
- Non-payment filings fell 47.8% and non-payment calendared cases by 54.2%
- Evictions decreased 95.5%
- Homeless levels (in DHS shelters) fell 14.4%
- Cash assistance recipients increased 2.3%
- SNAP recipients increased 5.3%

# Unemployment Statistics



**Source: NYS Department of Labor and U.S. Bureau of Labor Statistics,  
Local Area Unemployment Statistics Program**

## ***Initial Unemployment Claims (New York City, New York State, and the United States)***

### ***Initial Unemployment Claims, 2020, 2021, and Five-Year Average (2015-2019)***

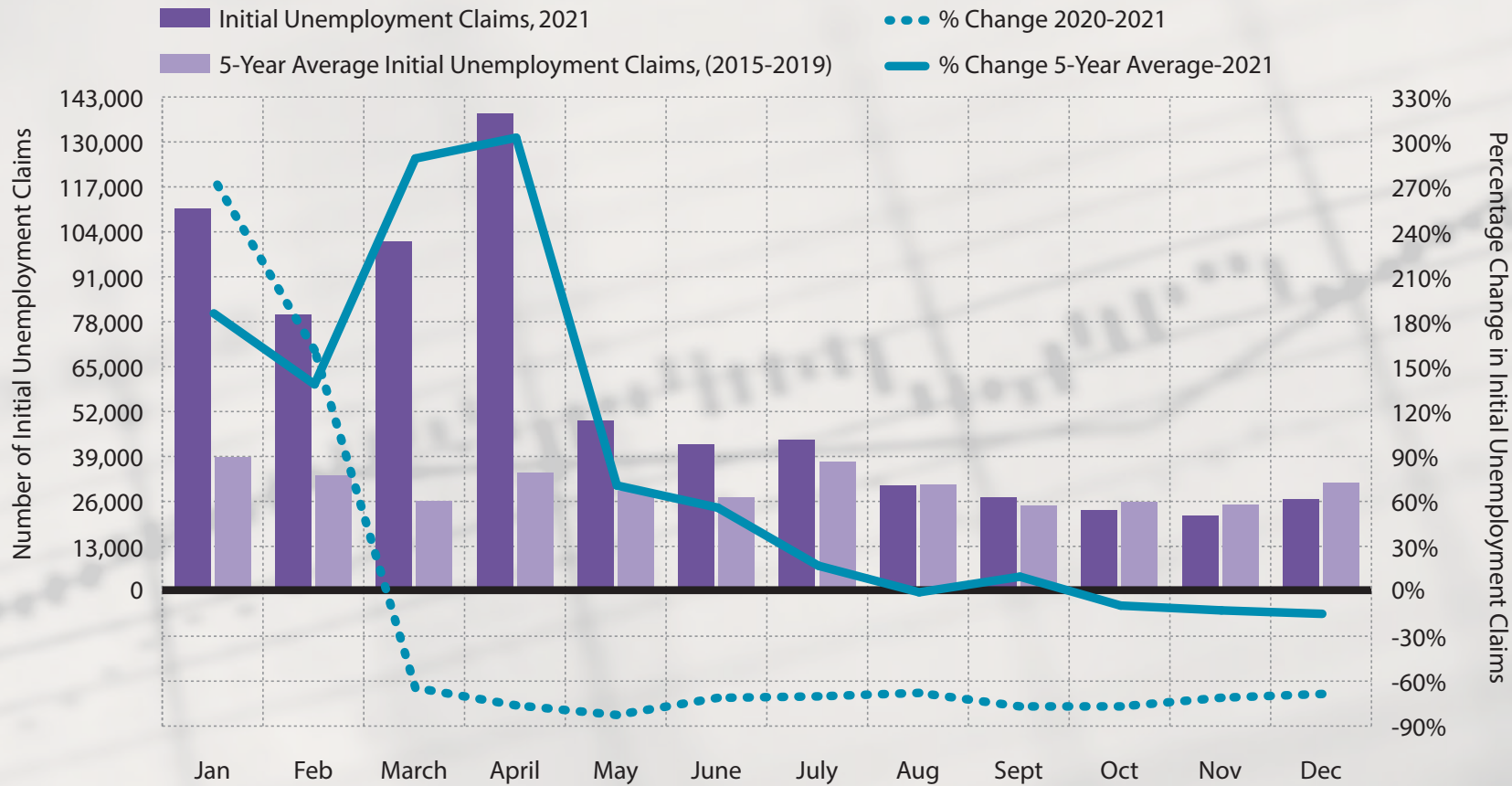
<b><u>Year/Geography</u></b>	<b><u>Q1</u></b>	<b><u>Q2</u></b>	<b><u>Q3</u></b>	<b><u>Q4</u></b>	<b><u>Annual</u></b>
<b><u>2020</u></b>					
NYC	344,568	1,005,548	358,434	260,286	1,968,836
NYS	809,757	1,995,967	667,088	540,010	4,012,822
U.S.*	13,888,632	33,663,746	13,212,652	11,195,842	71,960,872
<b><u>2021</u></b>					
NYC	291,660	229,690	101,572	71,806	694,728
NYS	683,644	519,834	212,502	195,802	1,611,782
U.S.*	12,473,734	7,659,160	4,993,316	3,658,164	28,784,374
<b><u>5-Year Average (2015-2019)</u></b>					
NYC	98,266	90,298	92,919	82,123	363,607
NYS	245,843	203,036	198,611	232,077	879,567
U.S.*	3,445,751	2,989,302	2,769,830	3,493,489	12,698,372

### ***Change in Initial Unemployment Claims, 2020, 2021, and Five-Year Average (2015-2019)***

<b><u>Year/Geography</u></b>	<b><u>Q1</u></b>	<b><u>Q2</u></b>	<b><u>Q3</u></b>	<b><u>Q4</u></b>	<b><u>Annual</u></b>
<b><u>2020-2021</u></b>					
NYC	-15%	-77%	-72%	-72%	-65%
NYS	-16%	-74%	-68%	-64%	-60%
U.S.	-10%	-77%	-62%	-67%	-60%
<b><u>5-Year Avg. (2015-2019)-2020</u></b>					
NYC	251%	1,014%	286%	217%	441%
NYS	229%	883%	236%	133%	356%
U.S.	303%	1026%	377%	220%	467%
<b><u>5-Year Avg. (2015-2019)-2021</u></b>					
NYC	197%	154%	9%	-13%	91%
NYS	178%	156%	7%	-16%	83%
U.S.	262%	156%	80%	5%	127%

Source: NYS Department of Labor and U.S. Department of Labor

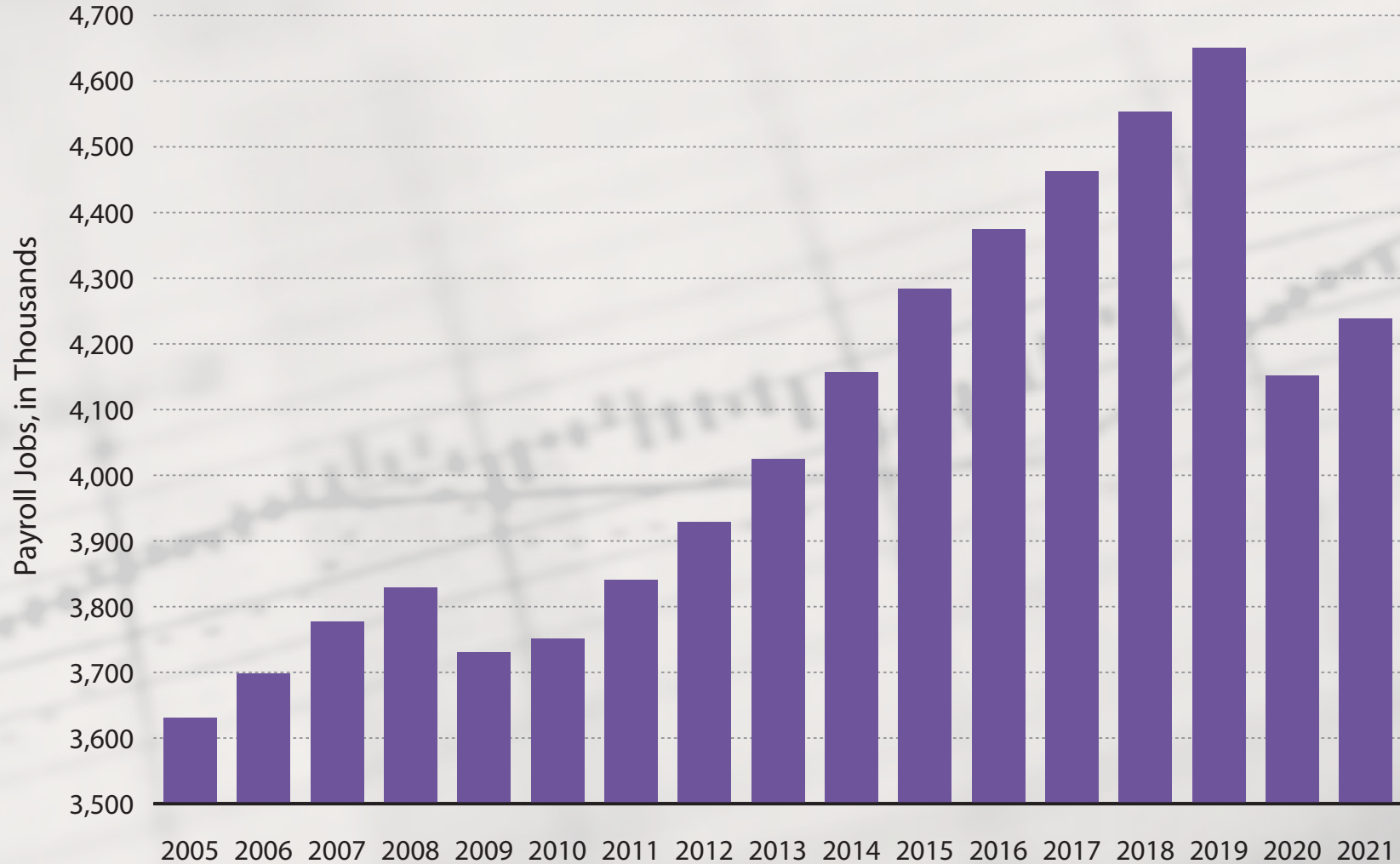
# NYC Initial Unemployment Claims



Source: NYS Department of Labor



# Employment Statistics



Source: NYS Department of Labor, Current Employment Statistics Program

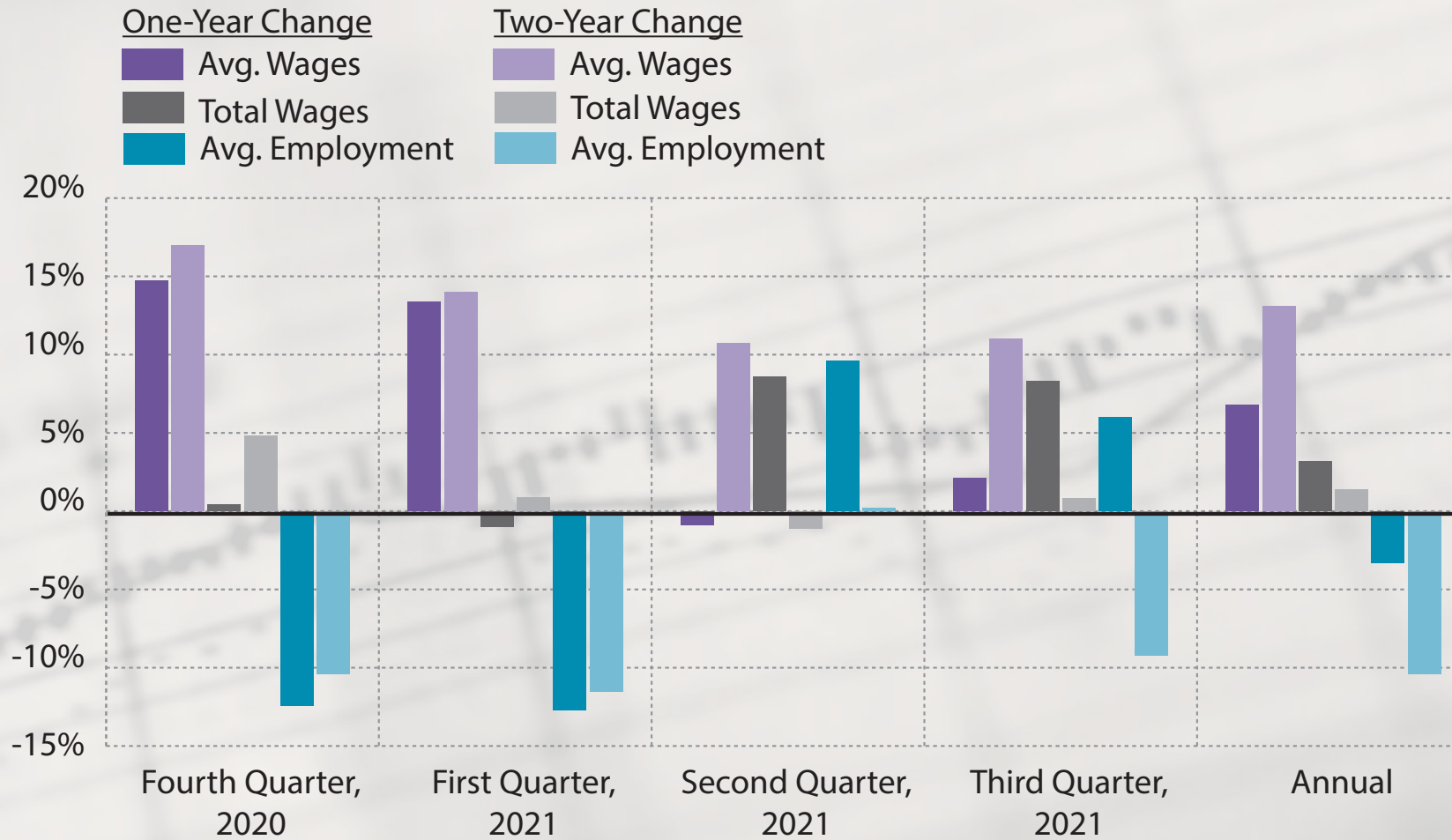


# Average Wage Data



Source: NYS Department of Labor, QCEW Filings

# Percentage Change in "Real" Wages & Employment



Source: NYS Department of Labor

# 2021 NYC Housing & Vacancy Survey

- Preliminary results from the *2021 NYC Housing and Vacancy Survey (HVS)* are not available as of the publication of this report
- This triennial survey provides data on the housing and demographic characteristics of NYC residents, including affordability of housing, rents, incomes, and vacancy rates for both renter- and owner-occupied housing. It is also the only survey that can provide data specifically for rent stabilized tenants
- Data is expected to be released in May or June of 2022, and will be provided to the Board after the publication of this report



# Selected 2020 ACS Data

- Due to the pandemic, collection of data for the *2020 American Community Survey* was negatively impacted
  - Less surveys mailed; lower response rate; and “nonresponse bias”
  - As a result, the Census Bureau chose to release data with experimental weights and cautions against comparing the data to previous years
- Selected estimated data points include:
  - NYC poverty rate for all individuals: 16.4%
    - 9.8% in Queens; 10.5% in Staten Island; 16.9% in Manhattan; 18.3% in Brooklyn; and 25.4% in the Bronx



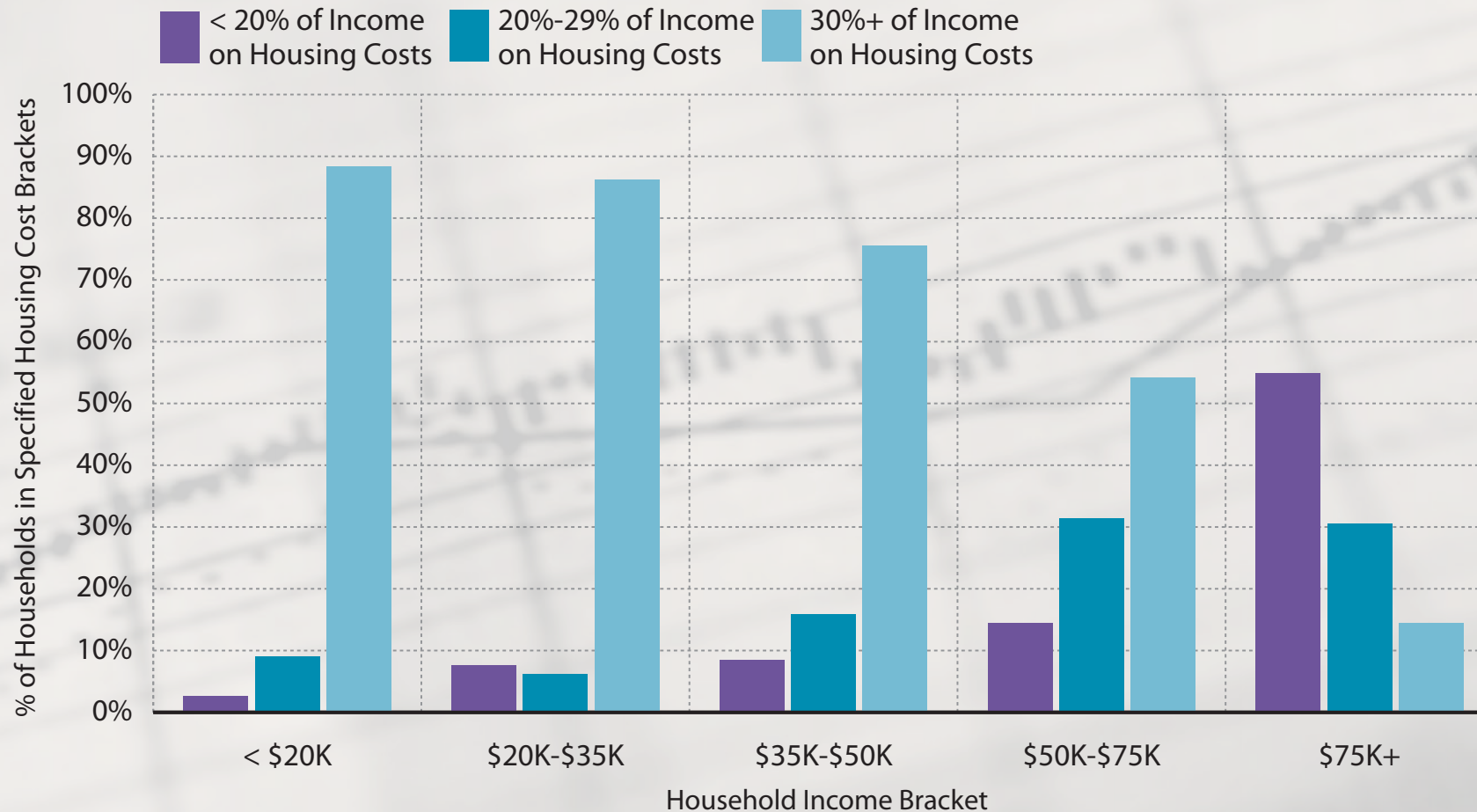
# Selected 2020 ACS Data

- NYC's median gross rent-to-income ratio is approximately 30.0%
  - By borough, approximate rates ranged from a low of 28.0% in Manhattan, to 30.0% in both Brooklyn and Queens, and 33.0% in the Bronx
- The approximate proportion of households Citywide paying 30% or more of their income towards gross rent is 51.7%
- The proportion paying 50% or more is 28.3%
  - By borough, approximate rates ranged from 26.2% in Queens; to 26.3% in Manhattan; 27.6% in Brooklyn; and 33.6% in the Bronx

## Selected 2020 ACS Data

- The approximate median contract rent in NYC in 2020 was \$1,500, and the approximate median gross rent was \$1,570
  - Approximate median gross rent was highest in Manhattan (\$1,820), and was approximately \$1,700 in Queens; \$1,580 in Brooklyn; and \$1,300 in the Bronx
- The approximate median household income was reported as \$70,000
  - Owner households: \$107,500
  - Renter households: \$55,000
    - Manhattan: \$70,800; Queens: \$63,200; Brooklyn: \$56,800; and the Bronx: \$37,000

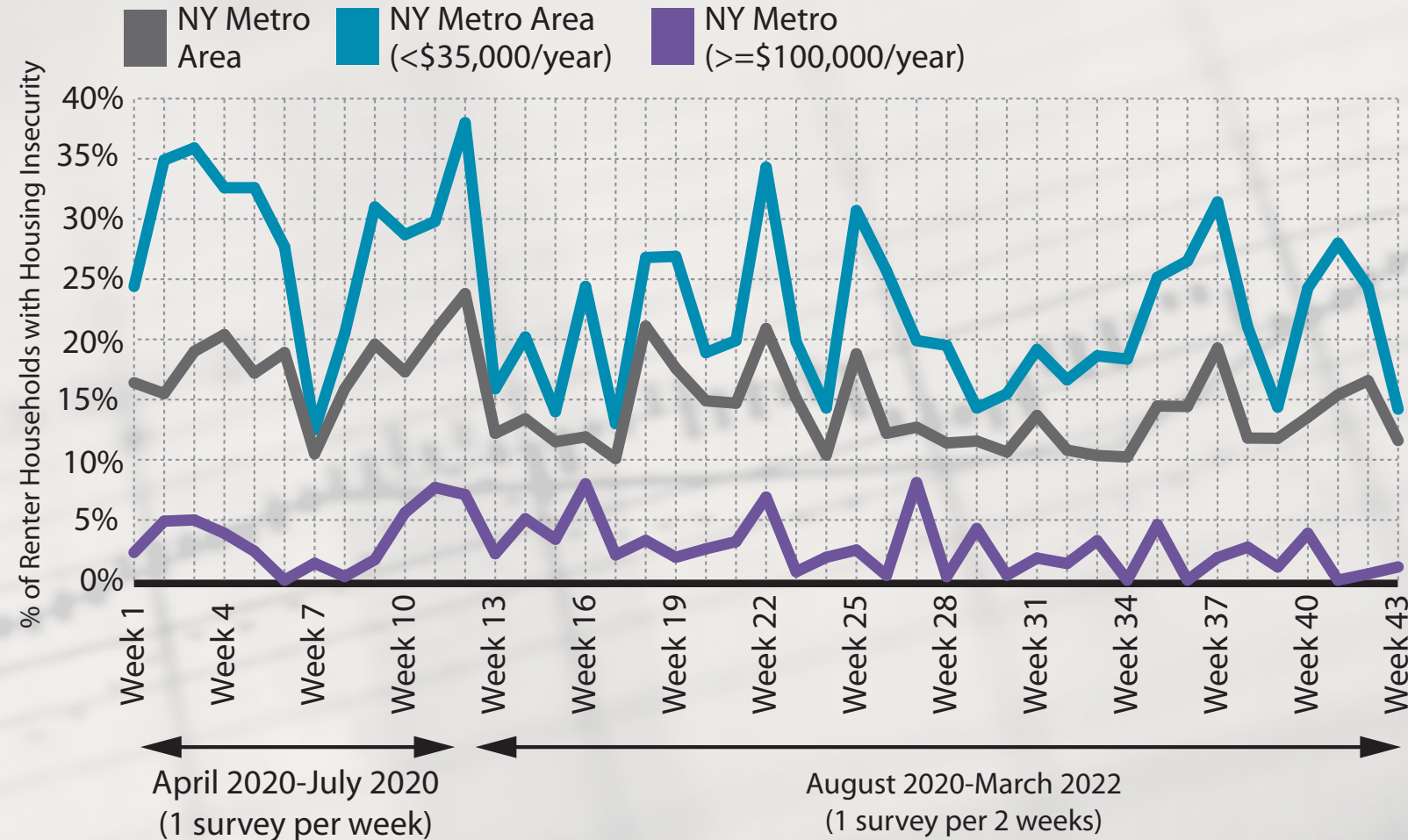
# Renter Housing Costs as a Percent of Household Income (ACS Survey)



Source: 2020 American Community Survey



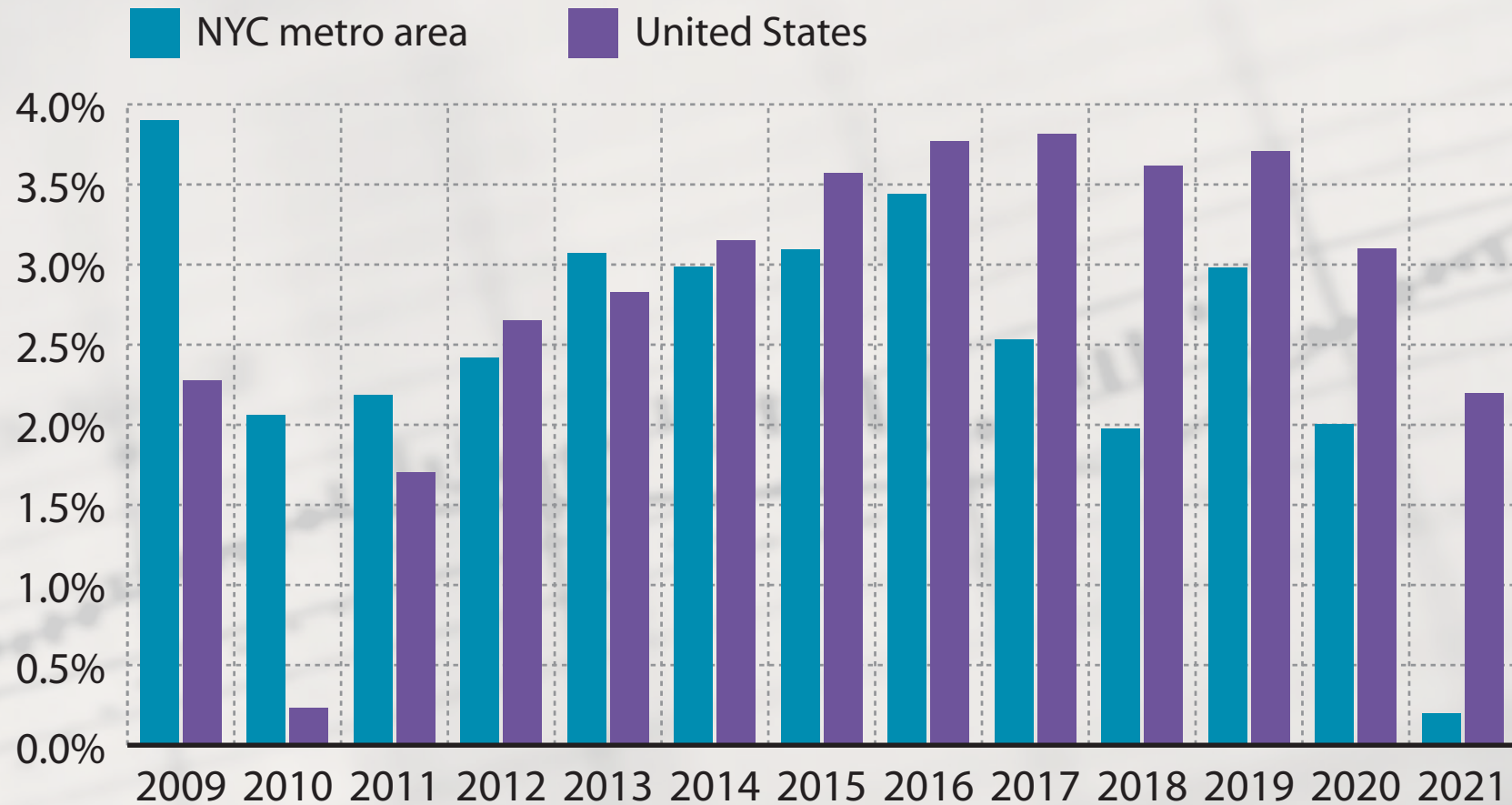
# Percentage of Renter Households with Housing Insecurity



Source: U.S. Census Bureau, Household Pulse Survey

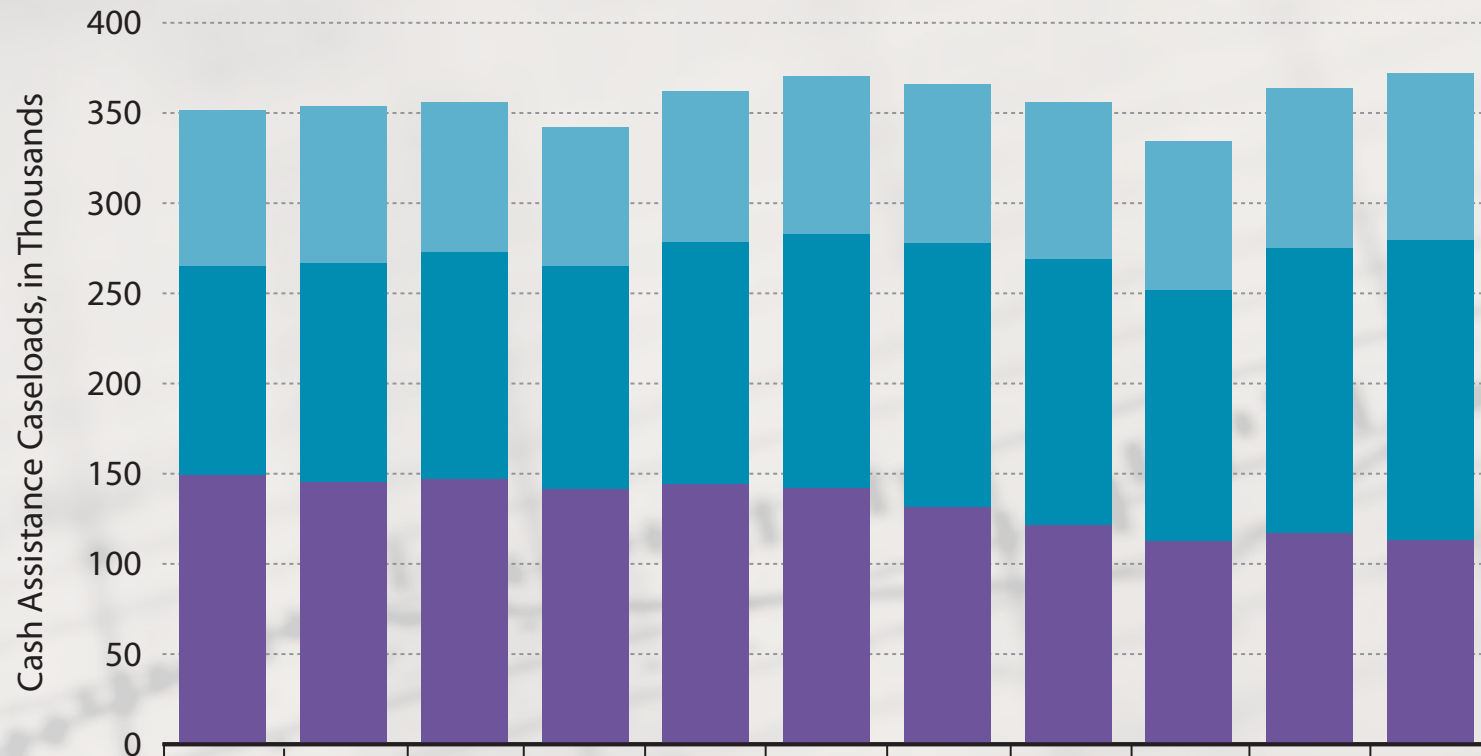


# Consumer Price Index — Rent



Source: U.S. Bureau of Labor Statistics

# Cash Assistance Programs



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FAP	148.9	145.2	147.0	141.3	144.2	141.8	131.4	121.6	112.7	117.0	113.3
SNA	116.1	121.9	125.5	124.0	134.2	140.9	146.3	147.0	138.9	158.1	166.2
FAP-SNA	86.7	86.9	83.6	77.0	83.5	87.7	88.7	87.5	83.1	88.5	92.6
Total	351.7	353.9	356.0	342.3	361.9	370.5	366.3	356.1	334.7	363.7	372.1

Source: NYC Human Resources Administration

# NYS Emergency Rental Assistance Program

- \$2.4 billion in funding for rental assistance
- Guidelines to qualify:
  - Household income generally at or below 80% of AMI
  - Experiencing unemployment, a reduction in income, significant costs or other financial hardship that are directly or indirectly due to the COVID-19 outbreak
  - Demonstrating a risk of homelessness or housing instability
- Up to 12 months of rent or utility arrears
- Payments made directly to utilities or landlords
  - Acceptance of payment requires landlords to waive late fees on rent arrears; keep rent constant for one year; and no evictions for one year



# NYS Emergency Rental Assistance Program

- Of all the applications for rent arrears in NYS through mid-April, 76.1% of applications (246,562) came from residents of NYC
- As of mid-April, 107,311 payments were issued on behalf of NYC tenants for rental assistance, 76.4% of the total payments within NYS
- The payments for rent arrears in NYC totaled \$1.1 billion, with another \$362 million expended for prospective rent payments (for a total of \$1.5 billion, or 82.9% of the total value of payments within NYS)
- As of mid-April, there are 27,679 provisionally approved applications within NYS (totaling payments of \$346 million)

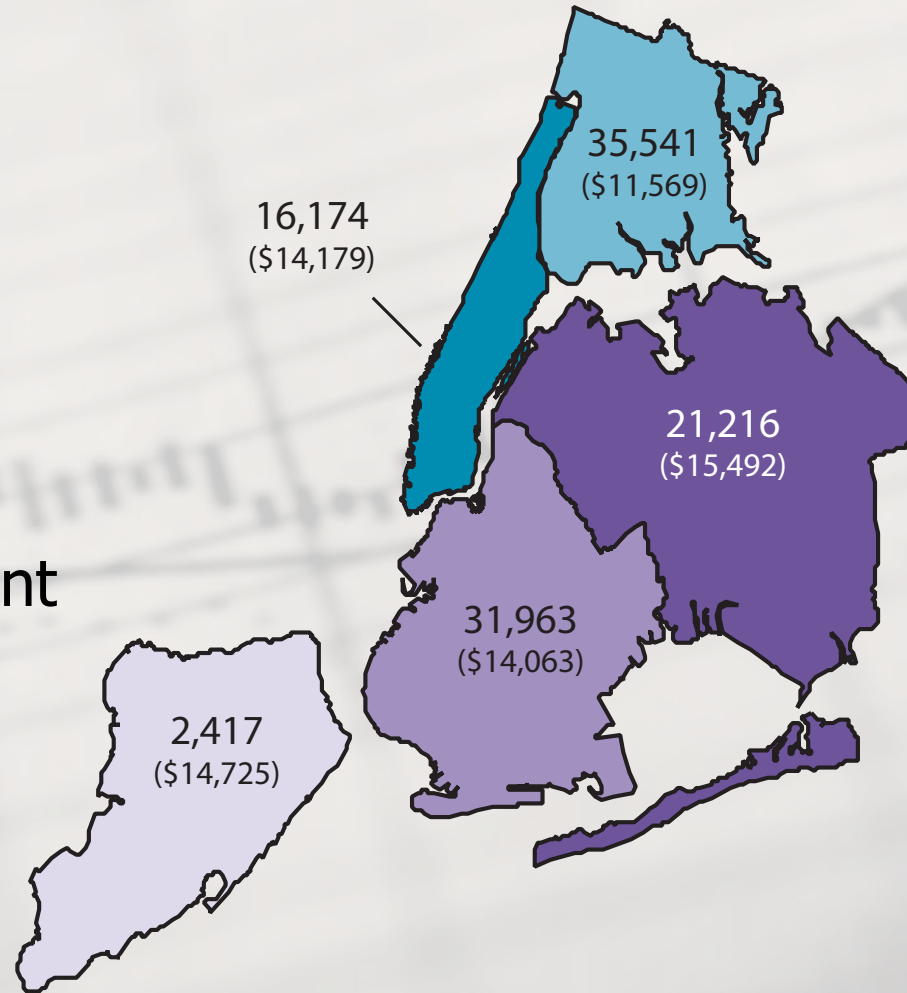


# NYS Emergency Rental Assistance Program

Total Number of Payments  
and Average Payment  
Amount, by Borough  
(as of April 13, 2022)

NYC Total:

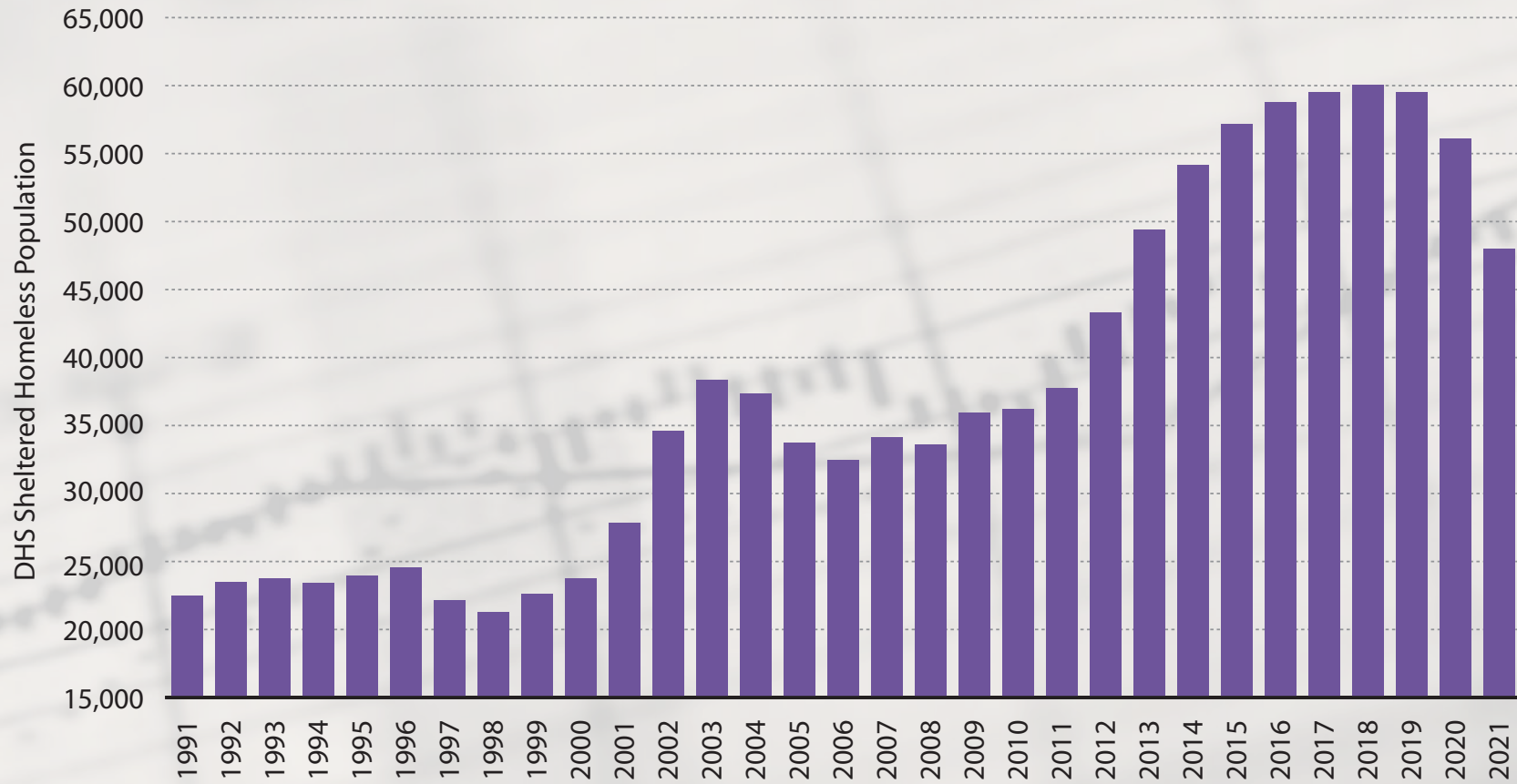
- 107,311 Payments
- \$13,552 Average Payment



# NYS Emergency Rental Assistance Program

- As of the publication of this report, applicants for ERAP are advised that all funding for NYC residents had been allocated by October 7, 2021
- Governor Hochul had requested an additional \$1.6 billion from the federal government to cover roughly 174,000 tenant applications within NYS that are not yet funded
- In March 2022, the federal Treasury Department awarded NYS an additional \$119 million
- The recently enacted FY 2023 NYS budget allocates an additional \$800 million in State funding for ERAP and an additional \$250 million for a separate utility arrears program

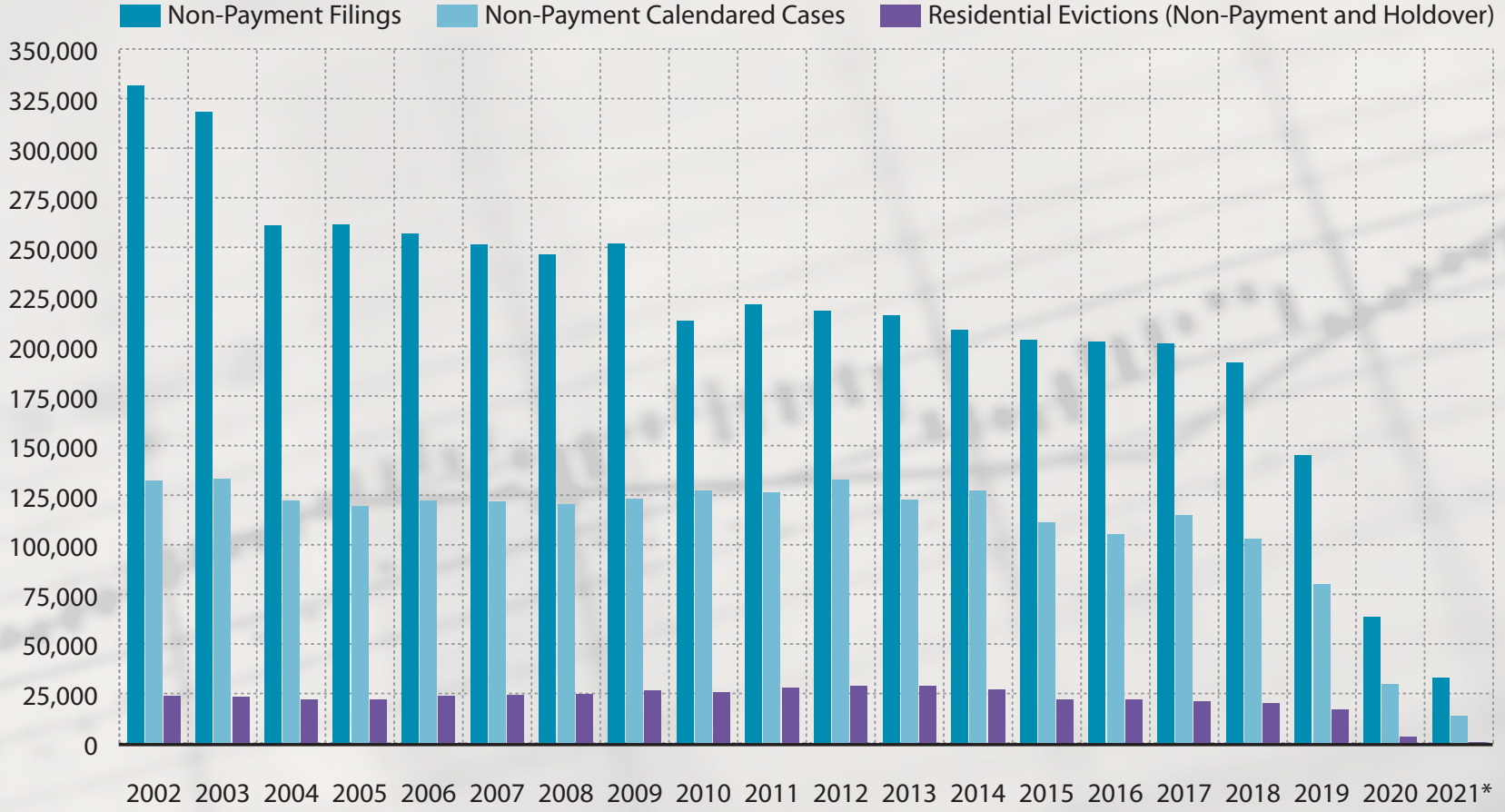
# DHS Sheltered Homelessness Levels



**Source: NYC Department of Homeless Services**



# Housing Court



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

\*There were 136 evictions in 2021, which due to the scale of the graph, are not visible.



# Change in Selected I&A Indicators, by Quarter (2021)

Indicator	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
Unemployment Rates	8.4 pp	-6.8 pp	-6.6 pp	-5.8 pp	-2.5 pp
Employment	-12.1%	10.2%	7.0%	5.8%	2.1%
Gross City Product	2.1%	11.4%	5.1%	4.0%	5.6%
Homelessness	-11.4%	-13.9%	-17.5%	-15.0%	-14.4%
Cash Assistance Caseloads	14.5%	4.7%	-6.5%	-1.3%	2.3%
SNAP Caseloads	12.7%	8.2%	0.7%	0.5%	5.3%
Medicaid Enrollees	4.6%	4.3%	1.5%	-0.1%	2.5%
Non-Payment Filings	-88.7%	*	21.2%	-61.9%	-47.8%
Calendared Cases	-80.4%	**	591.9%	-75.0%	-54.2%
"Real" Average Wages	13.4%	-0.9%	2.1%	N/A	6.8%***

**NOTES:** "pp" refers to percentage point; All changes are as compared to the same time period in the previous year. \* The percentage change is 148,050.0%. \*\* The percentage change is 4,409.5%. \*\*\* As based on the fourth quarter of 2020-third quarter of 2021.

# First Quarter 2022 Data

- Increase in employment levels of 7.0%
  - Seasonally adjusted increase of 1.2% over Q4 2021
- Decrease in the unemployment rate (6.7%) of 5.8 percentage points
  - Seasonally adjusted decrease of 1.1 pp over Q4 2021
- Inflation rises at a faster pace (5.5%), up 4.0 percentage points
- Increase in non-payment court filings, up 292.1%
  - Decrease of 65.5% from Q1 2019
- Increase in evictions, up from zero to approximately 439
  - Decrease of approximately 90.8% from Q1 2019
- Decrease in homeless in DHS shelters of 13.2%
  - Decrease of 1.2% from Q4 2021



# 2022 Income and Affordability Study

**NEW YORK CITY RENT GUIDELINES BOARD**

*April 20, 2022*