



# 2023 Income and Affordability Study

**NEW YORK CITY RENT GUIDELINES BOARD**

*April 13, 2023*

# 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

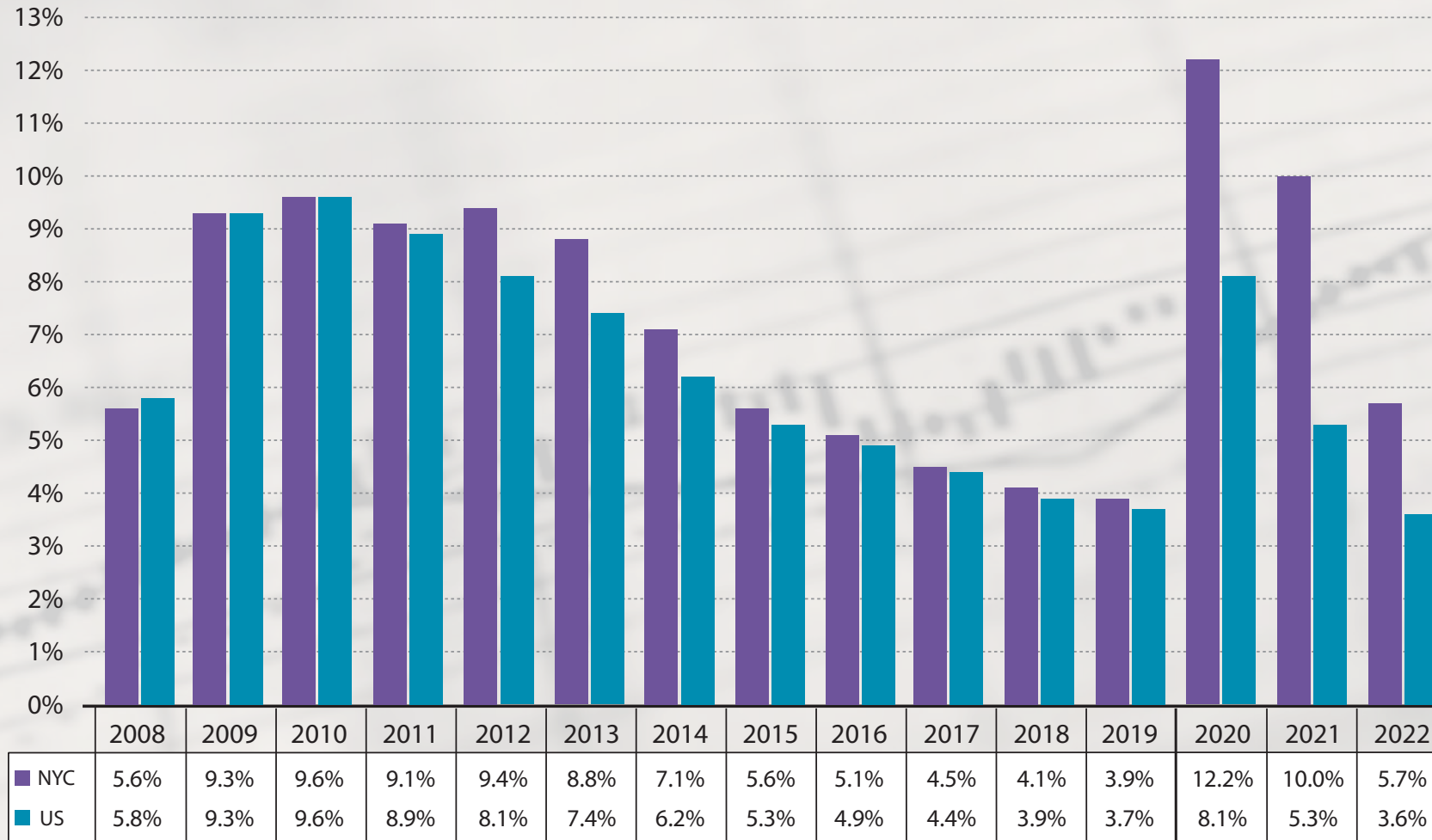
# Income & Affordability Overview

- City's economy grew by "real" 3.3%
- Unemployment rate fell to 5.7%
- City gained 297,592 jobs, a 7.0% increase
- Faster growth in inflation, 6.1%
- Average "real" wages decreased 2.1%; "real" total wages increased 4.9%
- Cash assistance recipients increased 14.2%
- SNAP recipients increased 1.3%
- As of March 29, 2023, NYS ERAP has made 175,301 payments on behalf of tenants for rent assistance within NYC. The average payment amount is \$13,410.

# Income & Affordability Overview

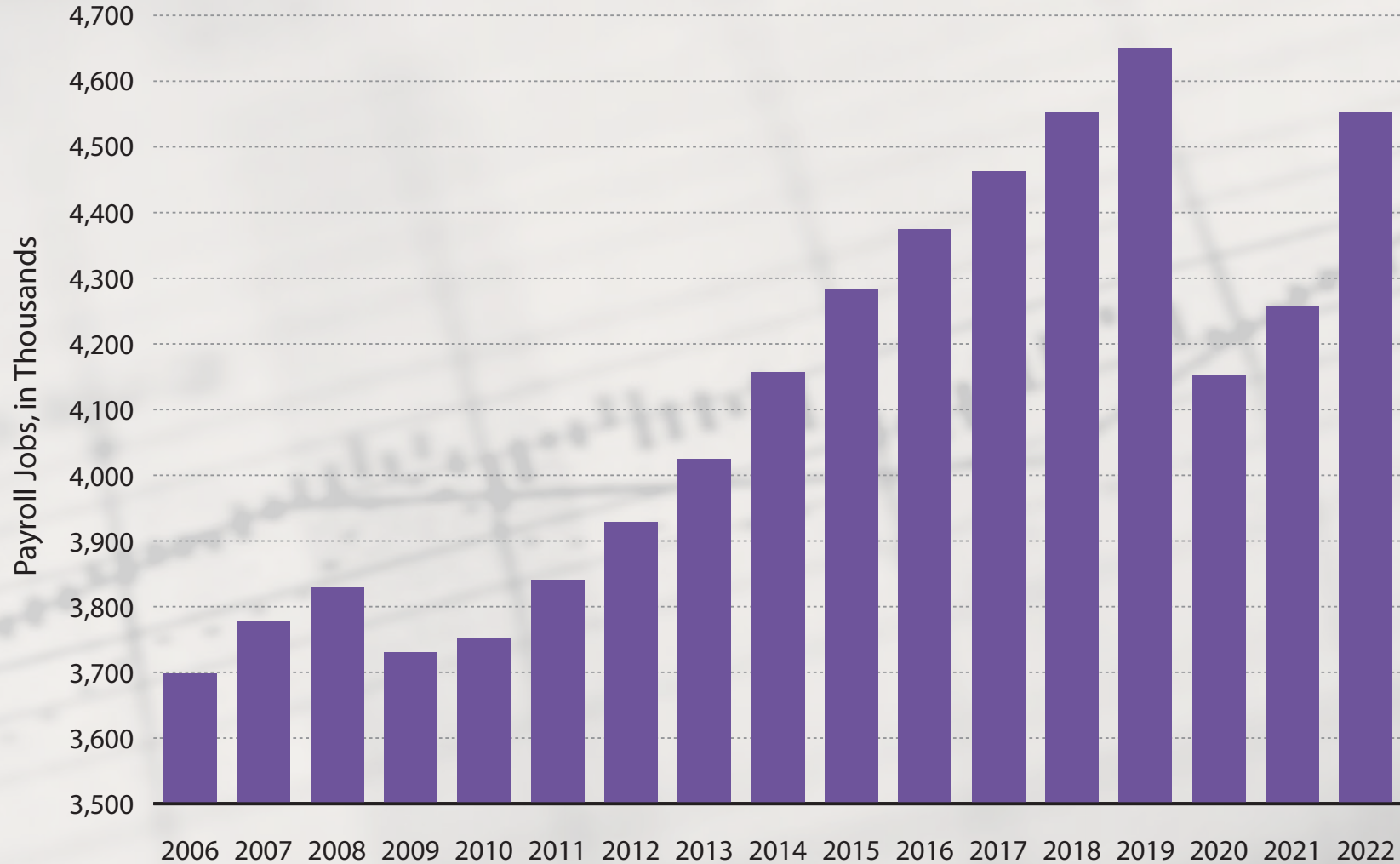
- Homeless levels (in DHS shelters) rose 8.0%
- Non-payment filings rose 167.8% and non-payment calendared cases rose 228.6%
- Residential evictions increased from 136 to 4,109
- Data for rent stabilized tenants from the *2021 NYC Housing and Vacancy Survey* shows that:
  - Median gross rent-to-income ratio (excluding those receiving rental assistance): 32.2%.
  - Median household income: \$47,000
  - Median contract rent: \$1,400
  - Median gross rent: \$1,547
  - Vacancy Rate: 4.57%

# Unemployment Statistics



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

# Employment Statistics



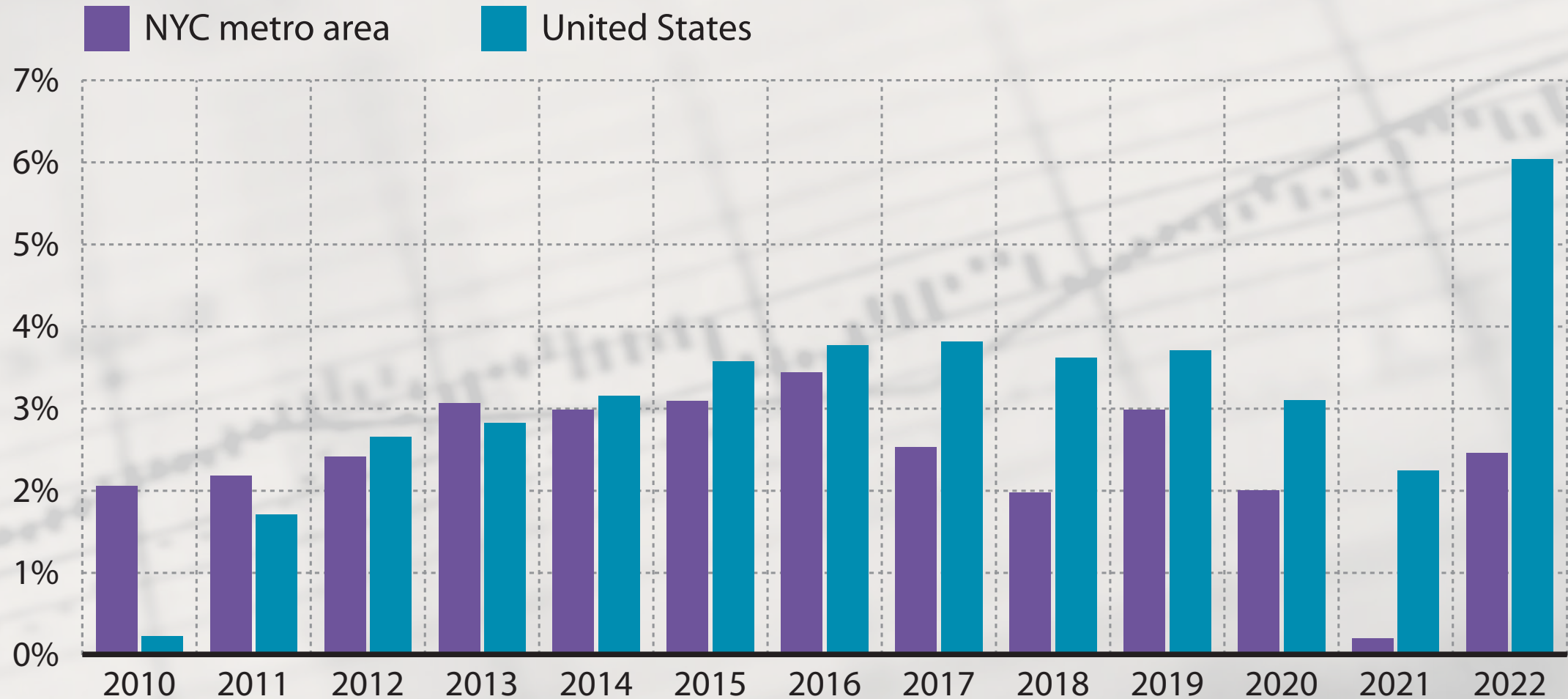
Source: NYS Department of Labor, Current Employment Statistics Program

# Consumer Price Index

- Inflation rises
  - Prices in NYC metro area rise by 6.1% in 2022
    - Largest increase since 1981
    - Follows increases of 3.3% in 2021, and 1.7% in both 2019 and 2020
  - Prices in U.S. urban areas increased 8.0% in 2022
    - 3.3 percentage points higher than the previous year

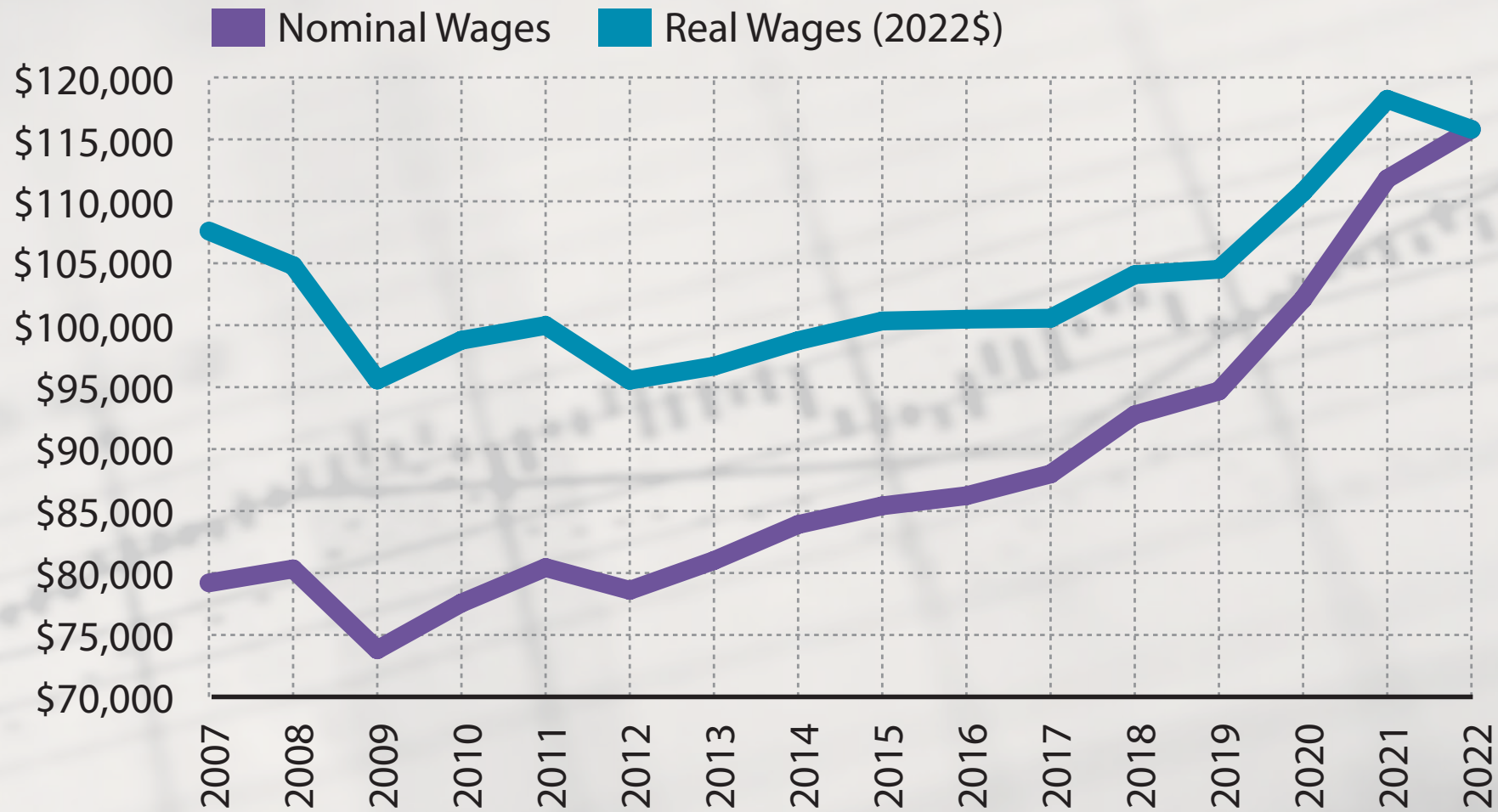


# Consumer Price Index — Rent



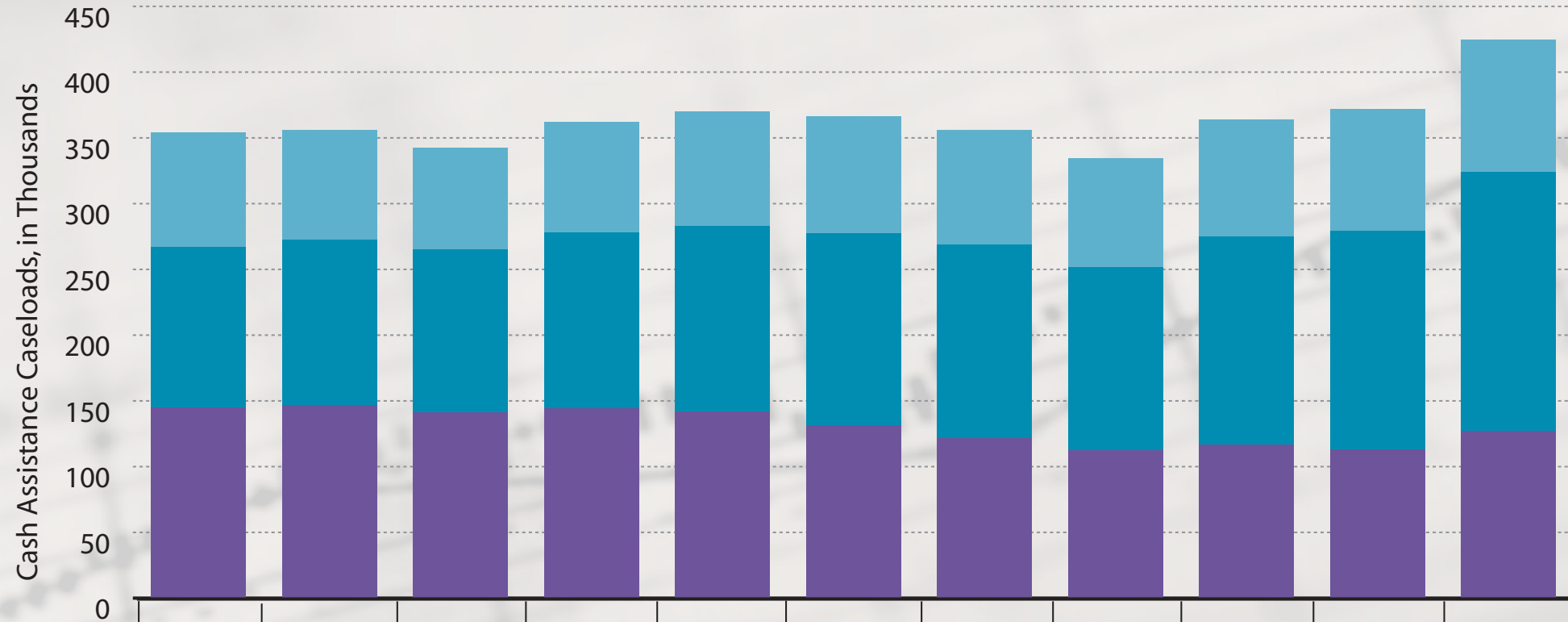
Source: U.S. Bureau of Labor Statistics

# Average Wage Data



Source: NYS Department of Labor, QCEW Filings

# Cash Assistance Programs



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
FAP	145.2	147.0	141.3	144.2	141.8	131.4	121.6	112.7	117.0	113.3	126.9
SNA	121.9	125.5	124.0	134.2	140.9	146.3	147.0	138.9	158.1	166.2	197.4
FAP-SNA	86.9	83.6	77.0	83.5	87.7	88.7	87.5	83.1	88.5	92.6	100.6
Total	353.9	356.0	342.3	361.9	370.5	366.3	356.1	334.7	363.7	372.1	424.9

Source: NYC Human Resources Administration

# NYS Emergency Rental Assistance Program

- ERAP, authorized in 2021, has allocated \$3.3 billion towards helping eligible New Yorkers pay rent and utilities arrears.
- Up to 12 months of rent or utility arrears and three months of prospective rent
- Acceptance of payment requires landlords to:
  - waive late fees on rent arrears
  - keep rent constant for one year
  - and not evict for one year

# NYS Emergency Rental Assistance Program

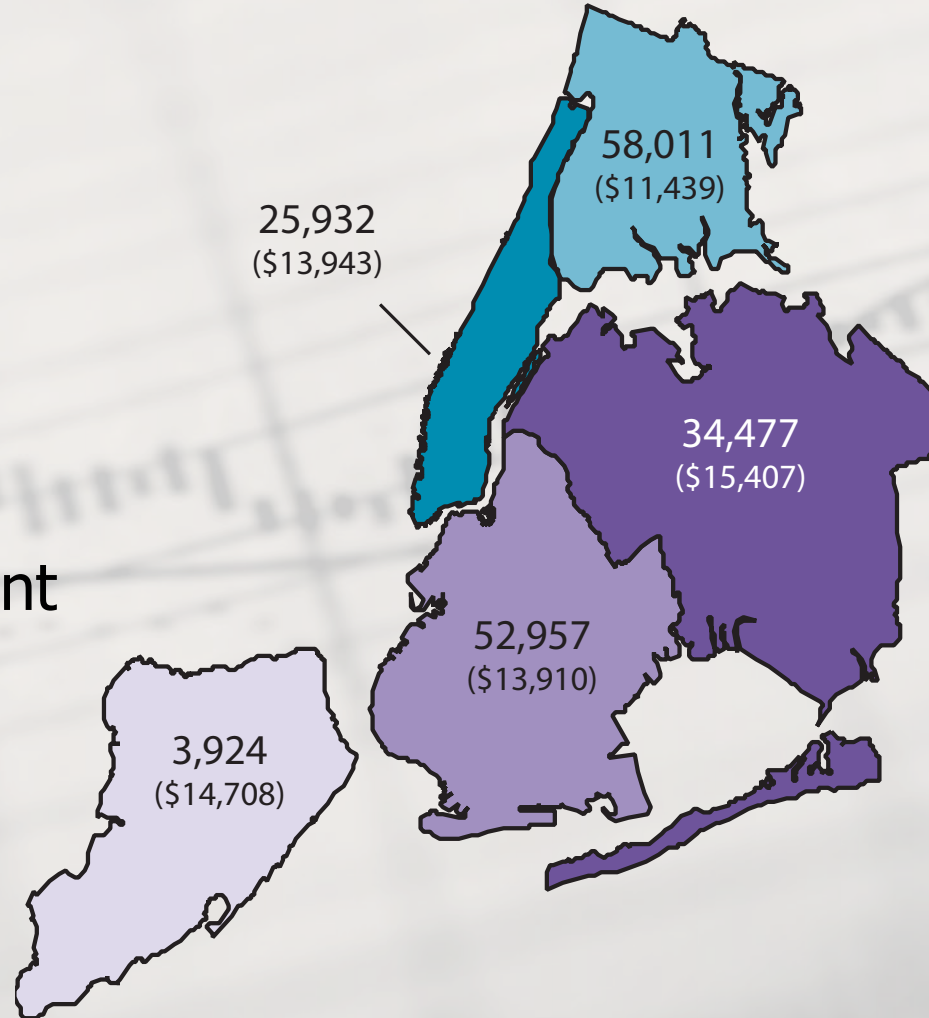
- Of all the applications for rent arrears in NYS through March 2023, 73.4% of applications (296,863) came from residents of NYC
- As of March 2023, 175,301 payments were issued on behalf of NYC tenants for rental assistance, 75.5% of the total payments within NYS
- The payments for rent arrears in NYC totaled \$1.8 billion, with another \$561 million expended for prospective rent payments (for a total of \$2.35 billion, or 81.4% of the total value of payments within NYS)
- As of March 2023, there are 11,905 provisionally approved applications within NYS (totaling payments of \$148 million)

# NYS Emergency Rental Assistance Program

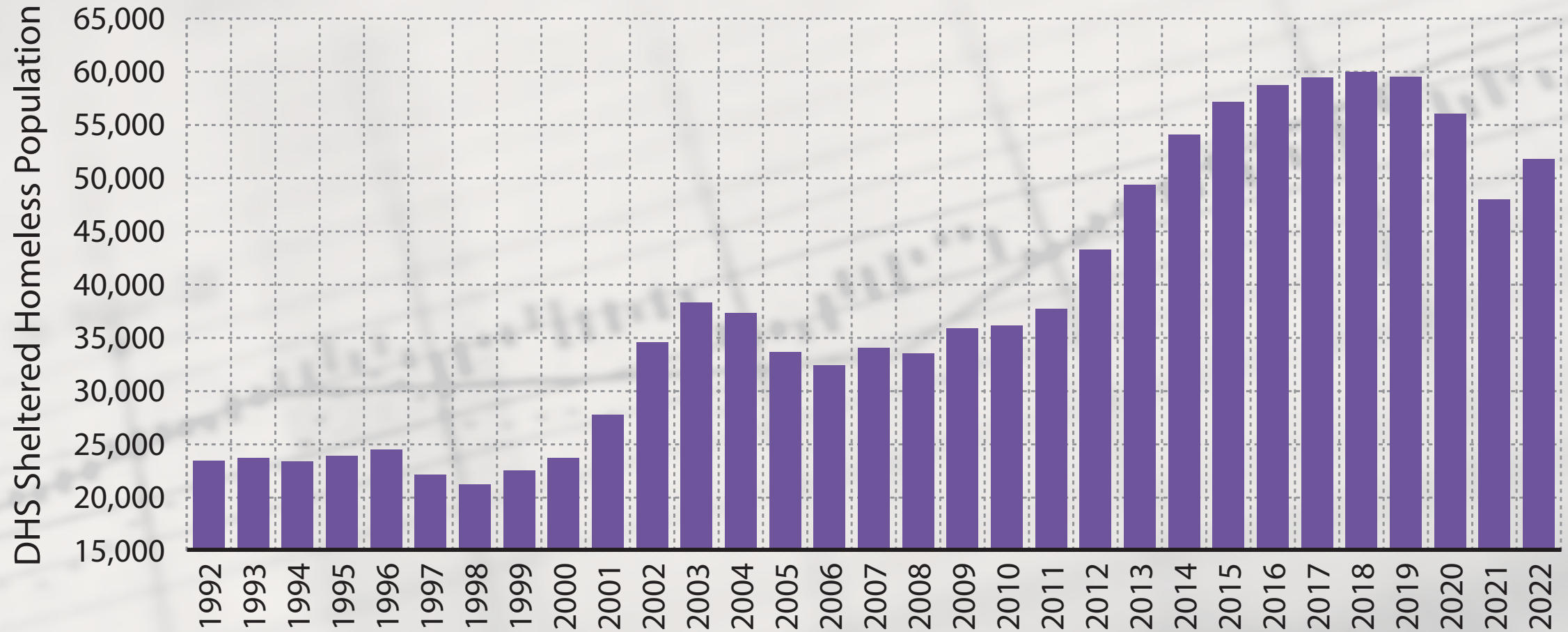
Total Number of Payments  
and Average Payment  
Amount, by Borough  
(as of March 29, 2023)

NYC Total:

- 175,301 Payments
- \$13,410 Average Payment

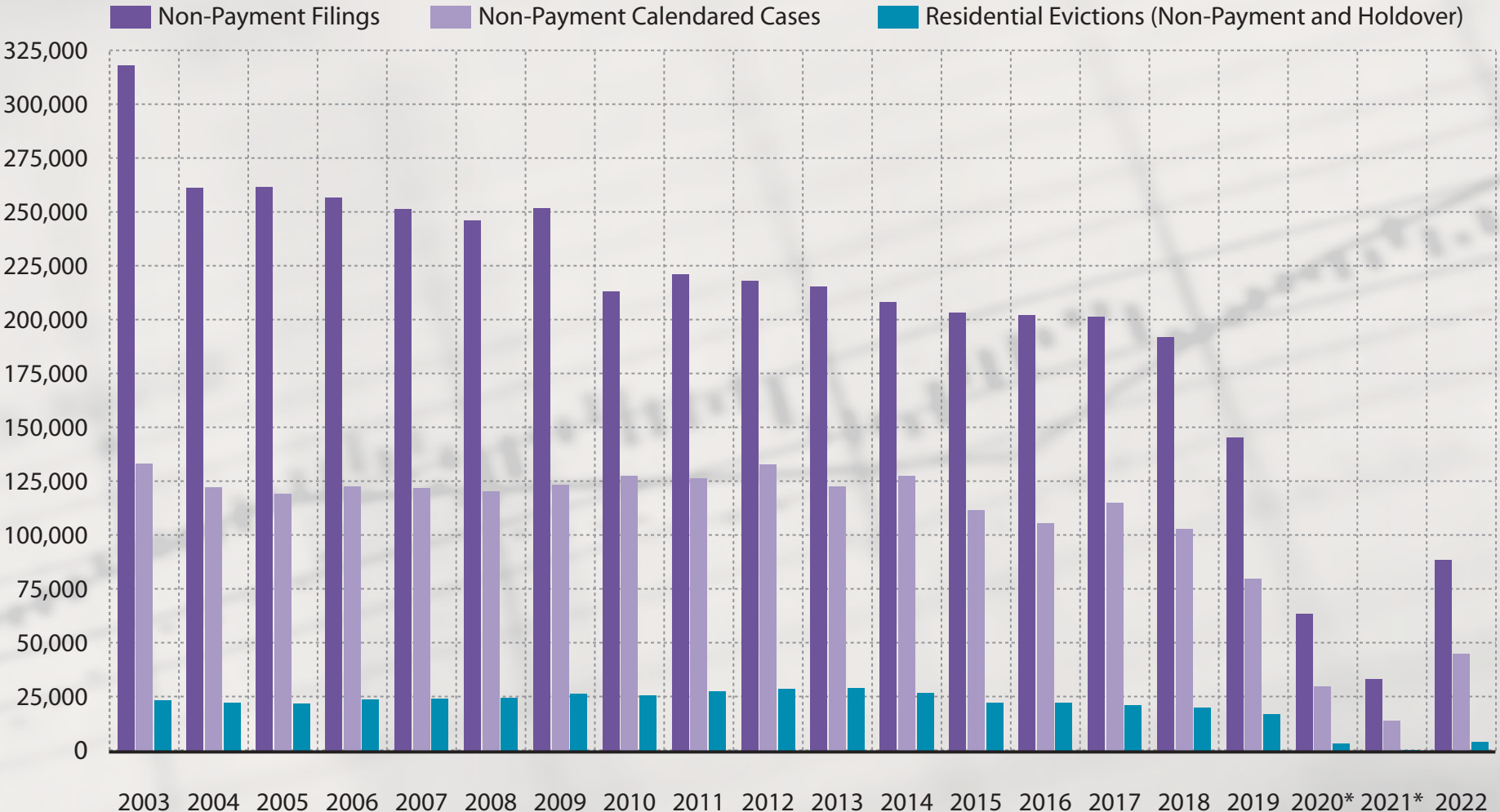


# DHS Sheltered Homelessness Levels



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.



# 2021 NYC Housing & Vacancy Survey: Affordability

- Median gross rent-to-income ratios in 2021:
  - All rental households: 34.3%
  - Rent Stabilized: 36.2%
    - Without Rent Assistance: 32.2%
  - Private, non-regulated: 32.9%
  - Public Housing: 30.3%
  - Rent Controlled or Other Regulation: 42.8%
- Severe Gross Rent Burden in 2021:
  - All rental households: 36.6%
  - Rent Stabilized: 39.5%
    - Pre-1974: 40.3%; Post-1973: 35.1%

# 2021 NYC Housing & Vacancy Survey: Income

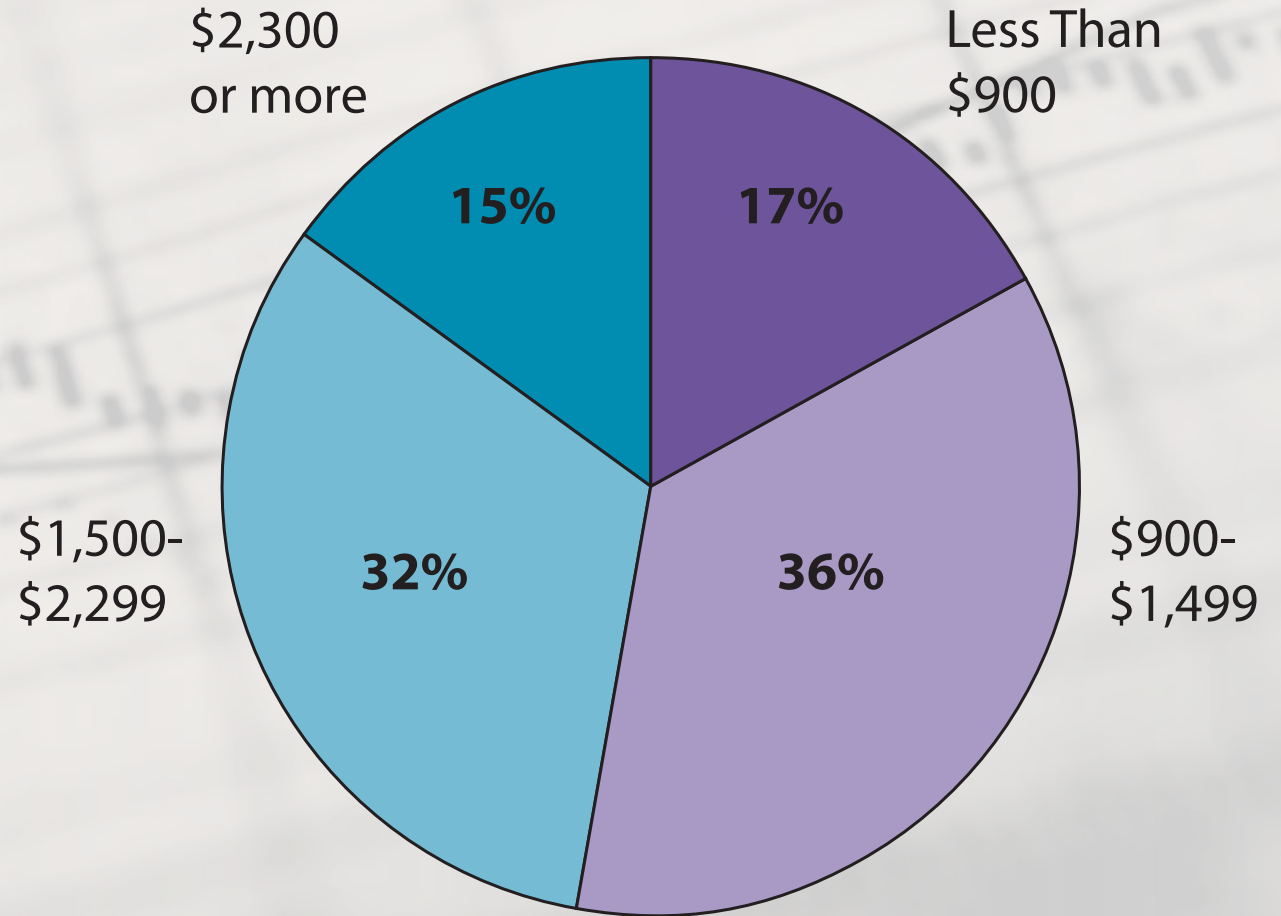
- Median household income for various households in 2020:
  - All Households: \$60,550
  - Rental households: \$50,000
  - Owner-occupied: \$98,000
  - Rent Stabilized: \$47,000
  - Private, non-regulated: \$62,960
  - Public Housing: \$18,530
  - Rent Controlled or Other Regulation: \$24,000

# 2021 NYC Housing & Vacancy Survey: Rent

- Median contract rent for various households in 2021:
  - Rental households: \$1,500
  - Rent Stabilized: \$1,400 (Pre-1974: \$1,400; Post-1973: \$1,906)
  - Private, non-regulated: \$1,825
  - Public Housing: \$500
  - Rent Controlled or Other Regulation: \$1,100
- Median gross rent for various households in 2021:
  - Rental households: \$1,650
  - Rent Stabilized: \$1,547 (Pre-1974: \$1,500; Post-1973: \$2,109)
  - Private, non-regulated: \$1,950
  - Public Housing: \$510
  - Rent Controlled or Other Regulation: \$1,187

# 2021 NYC Housing & Vacancy Survey: Contract Rent of Rent Stabilized Units

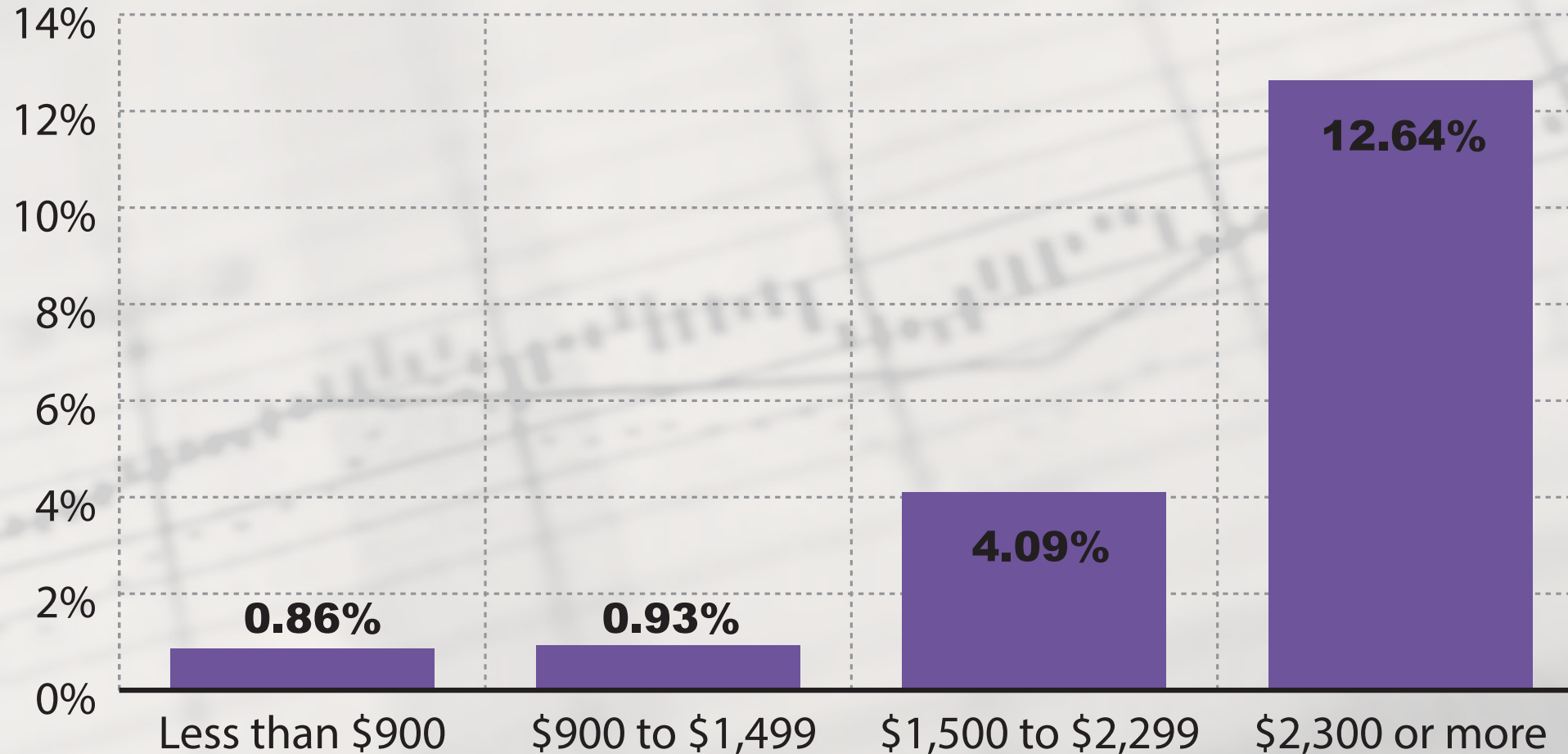
More than two-thirds of rent stabilized units have a contract rent between \$900 and \$2,299 per month.



# 2021 NYC Housing & Vacancy Survey: Vacancy Rates

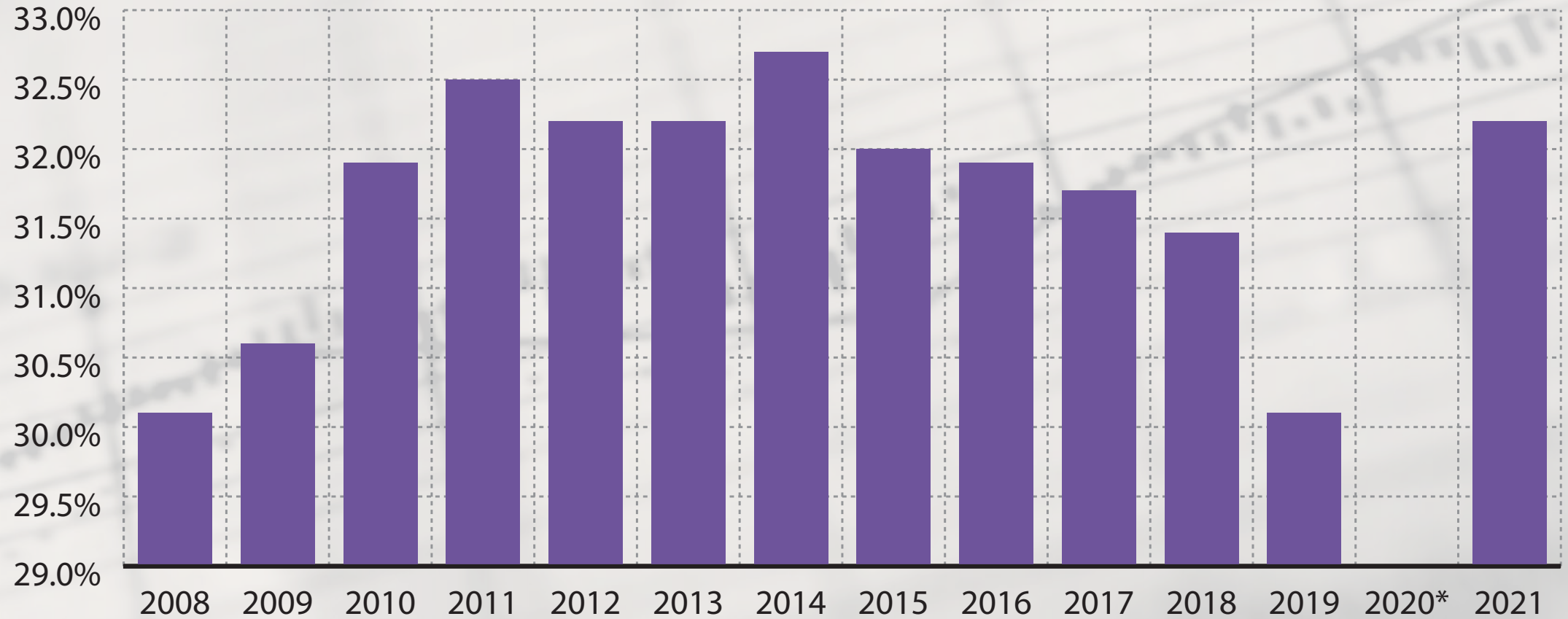
- Vacancy Rates by Borough:
  - Citywide: 4.54%
  - Bronx: 0.78%
  - Manhattan: 10.01%
  - Brooklyn: 2.73%
  - Queens and Staten Island: 4.15%
- Vacancy Rates by Type of Rental Housing:
  - Rent Stabilized: 4.57%
    - Rent Stabilized, buildings built prior to 1974: 3.22%
  - Private, non-regulated: 5.29%
  - Public Housing or Other Regulation: 1.36%

# 2021 NYC Housing & Vacancy Survey: Vacancy Rate by Monthly Asking Rent Level



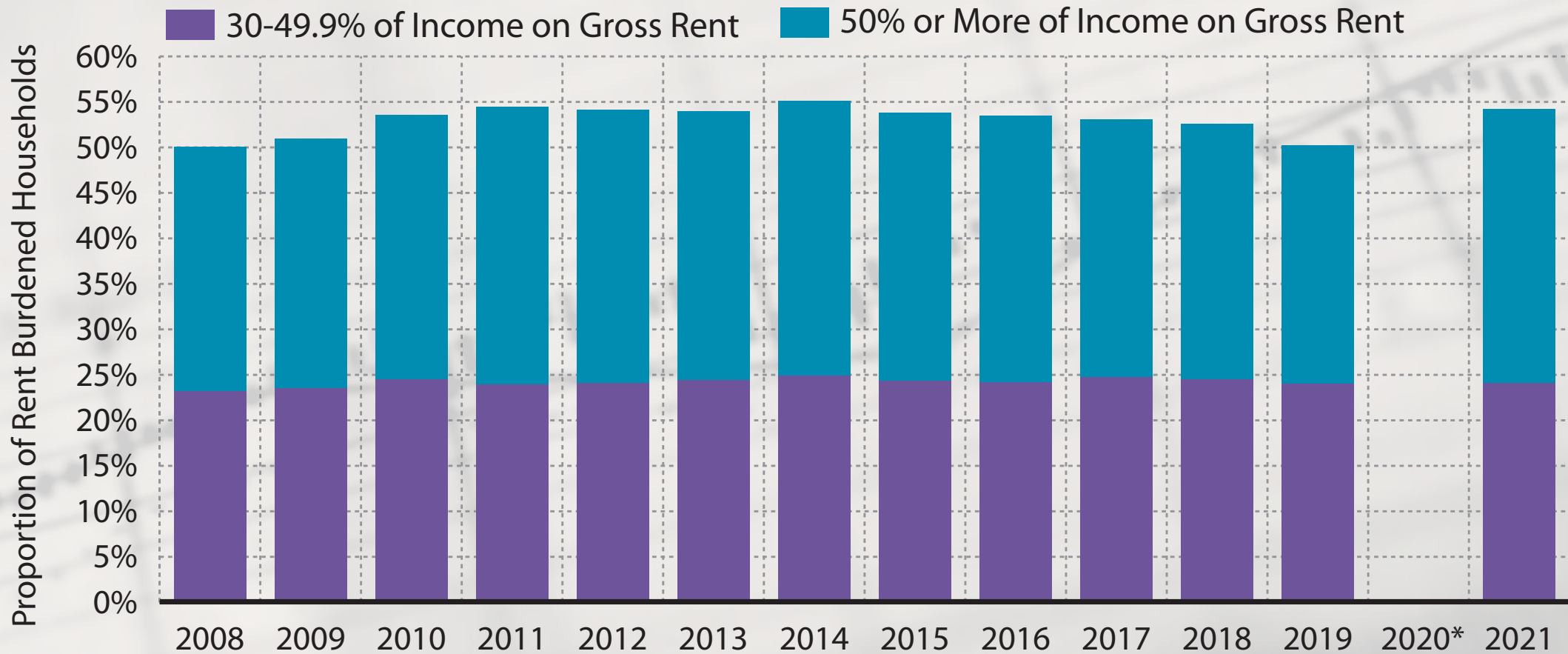
Source: 2021 Housing and Vacancy Survey

# Median Gross Rent-to-Income Ratios (ACS Survey)



**Source: 2021 American Community Survey; \*2020 ACS Data Not Available for Comparison.**

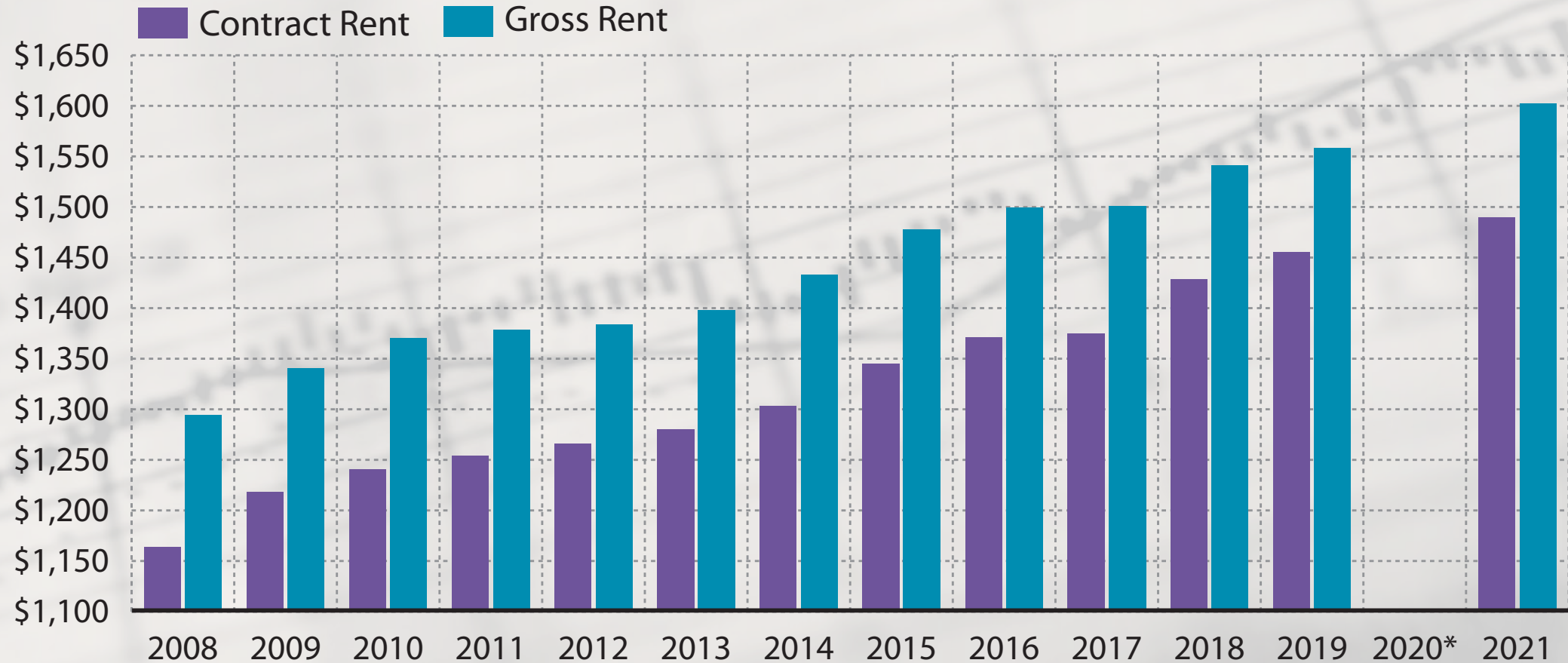
# Rent Burdened Households (ACS Survey)



Source: 2021 American Community Survey; \*2020 ACS Data Not Available for Comparison.

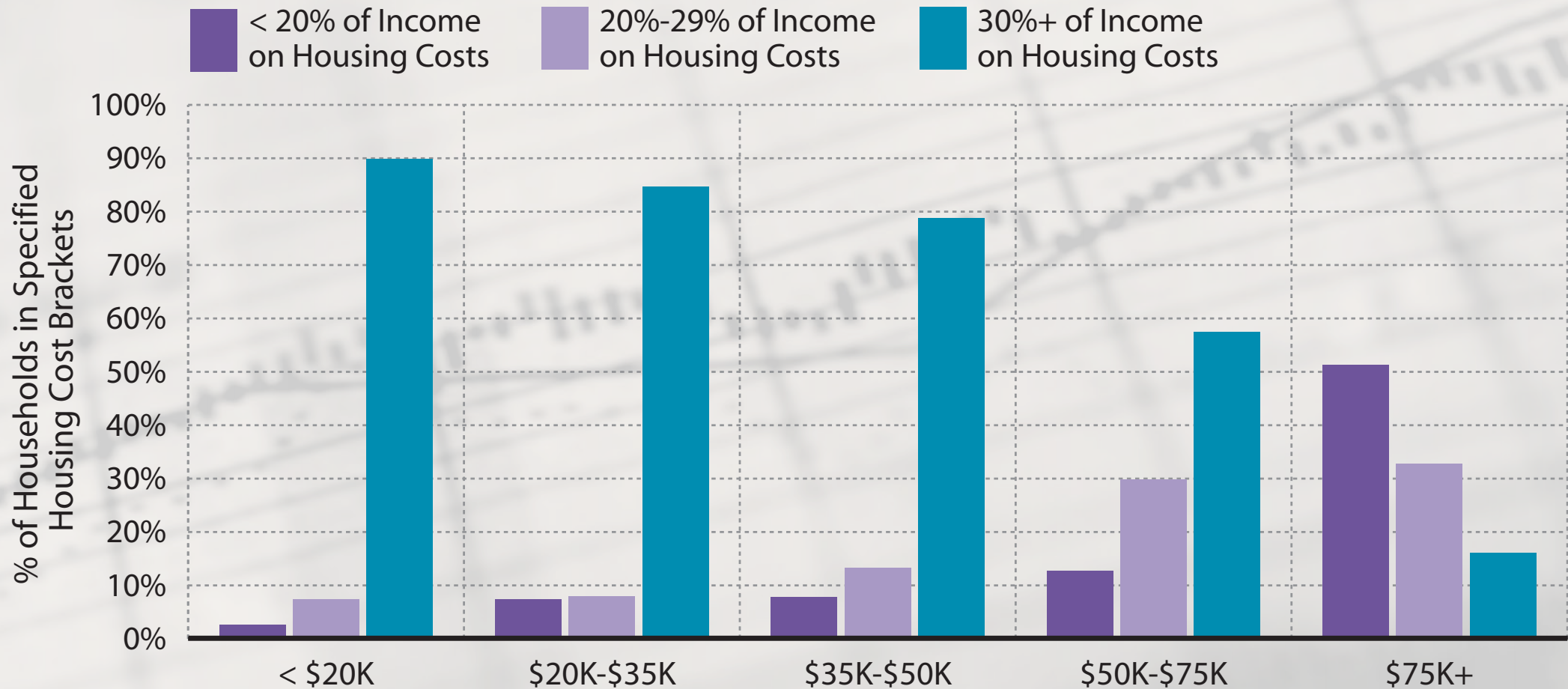


# Median Monthly Rent in Real 2021 Dollars (ACS Survey)



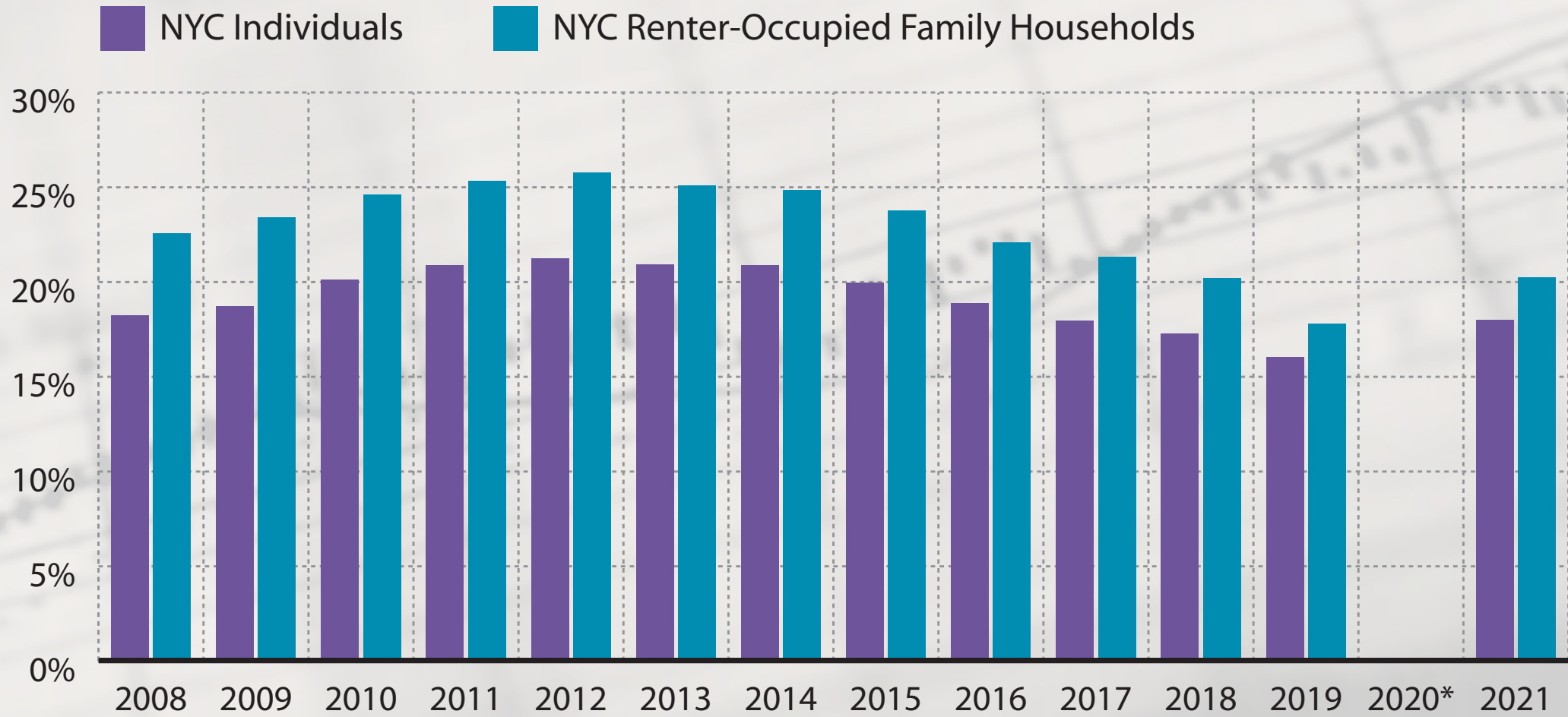
Source: 2021 American Community Survey; \*2020 ACS Data Not Available for Comparison.

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



Source: 2021 American Community Survey; \*2020 ACS Data Not Available for Comparison.

# Poverty Rates (ACS Survey)



Source: 2021 American Community Survey; \*2020 ACS Data Not Available for Comparison.

# Household Pulse Survey

- Household Pulse Survey Background:
  - Conducted by U.S. Census Bureau
  - Began in April 2020
  - Surveyed respondents weekly through July 2020; every two weeks through October 2021; and a single two-week period in each month since
  - Continues to refer to surveys as “weeks” to maintain continuity
  - Surveys since last I&A published are Weeks 44-55 (April 2022 through March 2023)
  - Data available for 15 metro areas, including NYC metro area

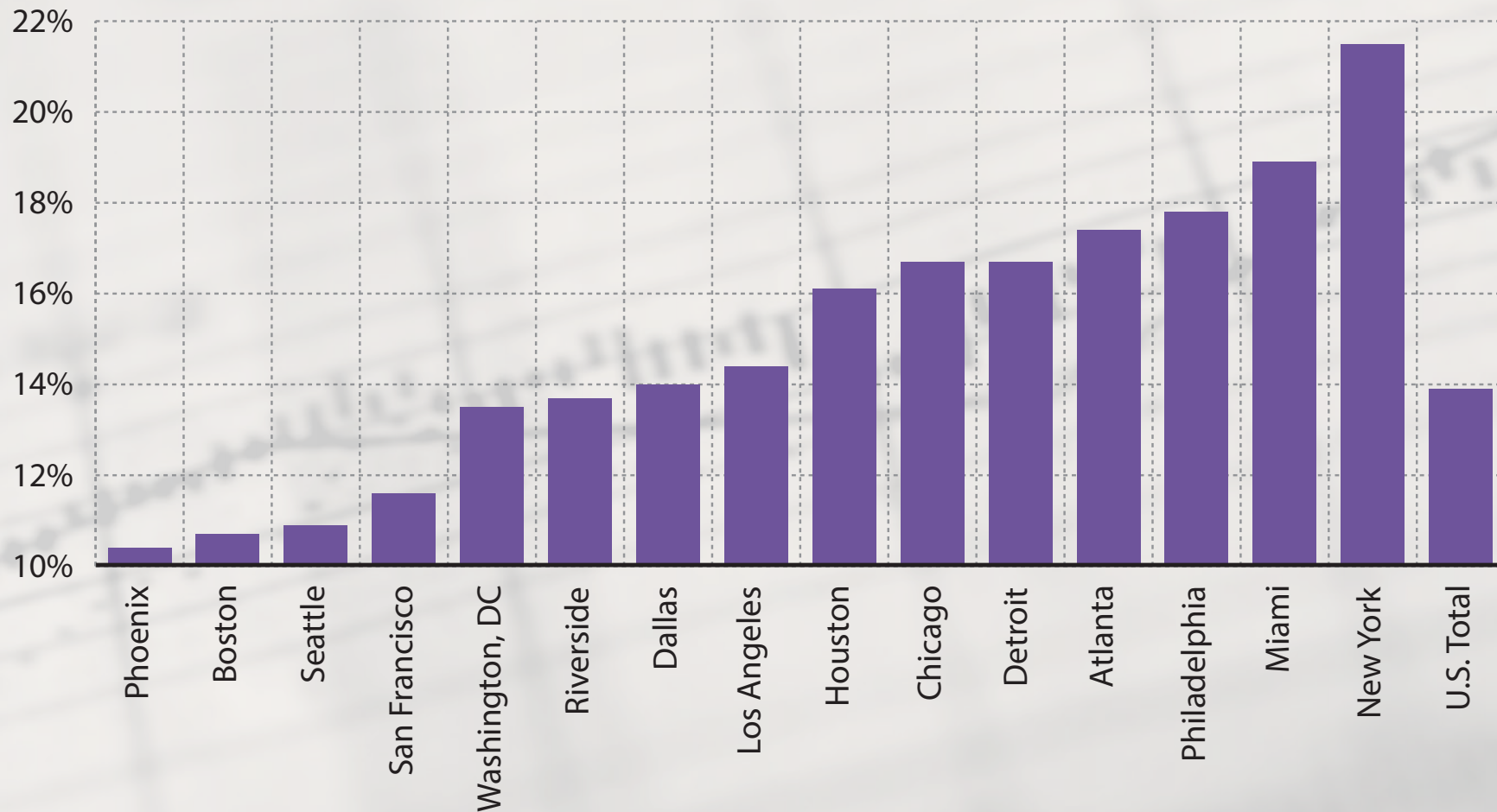
# Household Pulse Survey (NYC Metro Area)

- Housing-Related Questions include:
  - Caught up on rent?
    - Weeks 1-55 (April 2020-March 2023): 22.7% not caught up on rent
      - ✓ Household income less than \$35,000: 32.7% not caught up on rent
      - ✓ Household income of \$100,000 or more: 7.0% not caught up on rent
    - Weeks 44-55 (April 2022-March 2023): 21.5% not caught up on rent
    - Of those not caught up on rent in Weeks 44-55 (April 2022-March 2023):
      - ✓ 23.6% "0" months behind
      - ✓ 18.2% one month behind and 18.1% two months behind
      - ✓ 32.9% three to seven months behind
      - ✓ 11.3% eight or more months behind
      - ✓ For those behind at least one month, average is 3.53 months
  - Applied for Emergency Rental Assistance Program?
    - Weeks 34-55 (July 2021-March 2023): 16.5% applied
      - ✓ Household income less than \$35,000: 26.8% applied
      - ✓ Household income of \$100,000 or more: 1.9% applied

# Household Pulse Survey (NYC Metro Area)

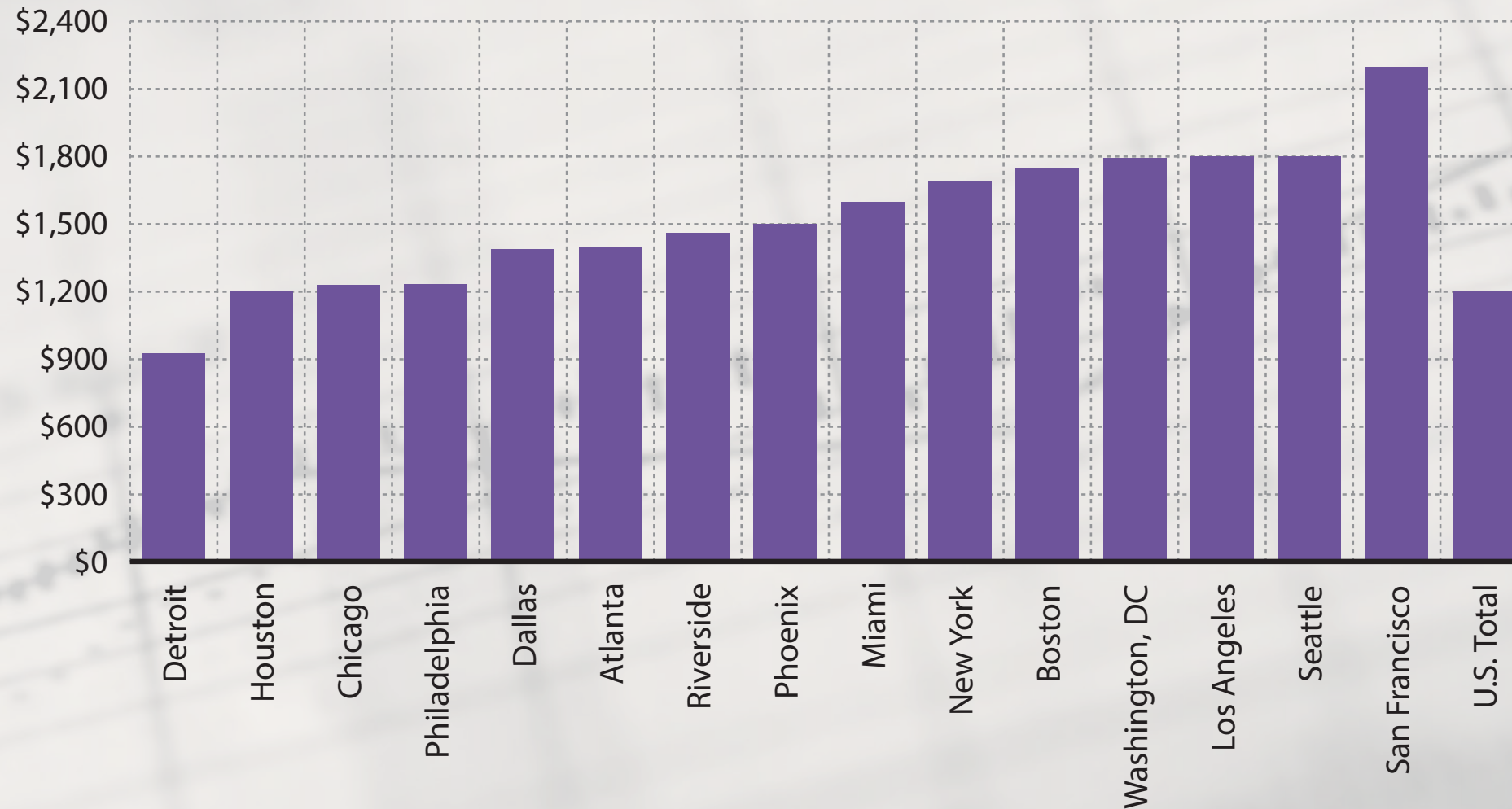
- Housing-Related Questions include:
  - Current Rent?
    - Weeks 46-55 (June 2022-March 2023): Median of \$1,690 per month
      - ✓ Household income less than \$35,000: \$1,200
      - ✓ Household income of \$100,000 or more: \$2,600
  - Change in Rent in Last 12 Months?
    - Weeks 46-55 (June 2022-March 2023):
      - ✓ No change or decreased: 43.1%
      - ✓ Increased by less than \$100: 26.3%
      - ✓ Increased \$100-\$249: 17.7%
      - ✓ Increased \$250 or more: 12.9%

# Average Proportion of Adults in Households that are not Current on Rent, April 2022-March 2023 (HPS Survey)



Source: U.S. Census Bureau, Household Pulse Survey, Weeks 44-55

# Median Rent, June 2022-March 2023 (HPS Survey)



Source: U.S. Census Bureau, Household Pulse Survey, Weeks 46-55



# Change in Selected I&A Indicators, by Quarter (2022)

Indicator	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
Unemployment Rate	-5.0 pp	-5.1 pp	-4.6 pp	-2.7 pp	-4.3 pp
Employment	8.1%	7.9%	7.2%	4.9%	7.0%
Gross City Product	N/A	N/A	N/A	N/A	3.3%
Homelessness	-13.2%	-5.8%	15.5%	39.3%	8.0%
Cash Assistance Caseloads	8.2%	12.7%	18.5%	17.5%	14.2%
SNAP Caseloads	1.7%	-0.5%	1.7%	2.3%	1.3%
Medicaid Enrollees	-2.8%	-6.2%	-6.6%	-4.0%	-4.9%
Non-Payment Filings	316.9%	84.0%	151.2%	231.5%	167.8%
Calendared Cases	89.8%	182.7%	227.2%	448.5%	228.6%
"Real" Average Wages	-1.8%	-5.4%	-2.9%	N/A	-2.1%*

**NOTES: "pp" refers to percentage point; All changes are as compared to the same time period in the previous year.**

**\*As based on the fourth quarter of 2021-third quarter of 2022.**



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