

**Testimony of the New York City Department of Housing Preservation and Development to  
the New York City Council Committee on Housing and Buildings**

**2021 Housing and Vacancy Survey (HVS) and the Continuation of  
Rent Control and Rent Stabilization in New York City**

**Tuesday, June 7, 2022**

Good morning, Chair Sanchez, and members of the Housing and Buildings Committee. I am Brendan McLaughlin, Deputy Commissioner for Policy and Strategy at the Department of Housing Preservation and Development (HPD).

I am joined by colleagues Dr. Elyzabeth Gaumer, HPD's Chief Research Officer, and Lucy Joffe, Assistant Commissioner for Housing Policy.

I would like to thank the Committee for welcoming us today to testify in support of Preconsidered Resolution T2022-1530 and Preconsidered Introduction T2022-1528 and to discuss initial findings from the 2021 New York City Housing and Vacancy Survey (NYCHVS). HPD submitted these findings to the Council on May 16, 2022.

The NYCHVS provides critical data that informs our understanding of the city's housing stock and establishes the city's net rental vacancy rate, which the Council must consider when determining if New York City is in a state of housing emergency. Pursuant to State law, a housing emergency is determined based on the supply and condition of housing accommodations within a municipality and an identified need for regulating and controlling residential rents. The continuation of rent stabilization and rent control in the city depends on a determination by the Council that a state of housing emergency still exists. Local law also requires that a survey be conducted to examine the supply of housing, the condition of housing, and the need for continuing regulation and control of residential rents and evictions.

The NYCHVS is a representative survey of the City's housing stock that has been carried out about every three years since 1965. It is the longest running housing survey in the country and is of critical importance for understanding how our city is changing and what we can and should do to support improvements in policy and programming. It is conducted by the United States Census Bureau under contract with the City of New York. Interviews for the current survey were conducted between February and June 2021, making it the most up-to-date representative data on New York City currently available.

As you know, the Council must pass the Resolution and Introduction being heard here today between 30 and 60 days from receiving findings of the NYCHVS, and the Mayor must sign the legislation before July 1, 2022. Simply put, they are what make the extension of the rent control and rent stabilization laws possible.

In 2021, the NYCHVS underwent a major redesign and added a new module focused on the impact of the COVID-19 pandemic. The redesign focused on five key areas:

- Improving the validity of how the NYCHVS measures key features of the city’s housing stock and population;
- Ensuring the NYCHVS sample is able to adequately speak to all of New York City’s various types of housing and represent the population living in different types of units;
- Modernizing procedures and protocols, employing new technology and reducing the burden placed on respondents and fieldworkers;
- Ensuring representation among hard-to-reach communities through enhanced language access and inclusive respondent-facing materials and messaging; and
- Expanding the survey questionnaire on important topics, including financial stability.

In addition, through the new COVID-19 module, the NYCHVS collected information about New Yorkers’ experiences during the COVID-19 pandemic, including its disparate impact by various sociodemographic groups, protected characteristics, and housing conditions. While much of the City’s pandemic response is oriented to the urgency of how we can help New Yorkers who are at risk now, the NYCHVS is one of the tools we have to help us better plan for the future.

The findings from this module show the intense strain that many New Yorkers—particularly the lowest-income New Yorkers—faced during the first 18 months of the pandemic. One in 10 renter households faced food insecurity. One in 8 renter households reported missing at least one rent payment. Of these, just under 30% reported still being in arrears at the time of the survey.

As Dr. Gaumer’s testimony will highlight in detail, the findings from the 2021 NYCHVS are clear: New York City continues to face a housing crisis that affects our residents in various ways – from paying too much of their income toward rent each month, to feeling stuck because of the lack of vacant affordable apartments, to facing pests, mold, and heat outages in their homes. Despite the City’s unparalleled investments in creating and preserving affordable housing, a continued shortage of housing options contributes to our ongoing affordability and homelessness crisis. More than half of New York renters were rent burdened – which means they are paying more than 30% of their income toward rent – which is consistent with the highest levels on record over the past decade.

Within our housing crisis, long-standing renter protections from the rent control and rent stabilization laws have been vital resources for millions of households over the years; in 2021, approximately one million New York City households benefited from the protections that these laws provide.

Rent stabilization, in particular, provides the largest source of low-cost housing in the city, and offers critical tenant protections that enable residents to remain in their homes and exercise the choice to stay in their neighborhoods. Rent stabilization also supports our affordable housing work, where HPD adds to the stock of rent stabilized housing through many of our housing programs, which provides an extra layer of protection for those renters.

Taking these and many other findings into consideration, we believe New York City continues to experience a housing crisis. The shortage of housing is particularly acute for lower income households who face the lowest vacancy rates and a shrinking stock of lower cost units. It is

clear from the 2021 NYCHVS that we must not only continue to add to the overall stock to address our emergency, but specifically add lower cost units and work to retain existing units with low rents to support New Yorkers who face continued affordability challenges.

Before turning the microphone over to the Chief Research Officer, I want to emphasize my gratitude to Lyz and the entire team that ran the NYCHVS through truly trying circumstances over the past three years; to the hundreds of New Yorkers who worked as Census field representatives; and to the thousands of New Yorkers who dedicated their time and shared personal information. The people of the City of New York – and especially the million households who live in rent-controlled and rent-stabilized housing – are deeply indebted to their service.

I am Elyzabeth Gaumer, Chief Research Officer at HPD. Thank you for the opportunity to testify before the Council today.

HPD submitted selected initial findings of the 2021 New York City Housing and Vacancy Survey to the Council on May 16, 2022. Our testimony today will present the main findings from the report, including key statistics on the supply of housing, its condition, and the continued need for the regulation of residential rents and evictions. As with past cycles of the NYCHVS, more detailed analysis will be made available over the coming months and the Census Bureau plans to release the microdata later this summer for analysis by the range of policymakers, policy researchers, and academics who rely on the NYCHVS for their work.

The US Census Bureau conducted the survey from February through the middle of July in 2021. Although the NYCHVS is the most up-to-date, representative information we currently have available, it is important to note that it reflects this point in time. The estimates we share today, as well as the information provided in the report, are based on that time period.

In 2021, there were 3.644 million housing units. This is the largest stock recorded since the NYCHVS began in 1965 and represents a net increase of 175,000 units since 2017.

The 2021 New York City Housing and Vacancy Survey reports the net rental vacancy rate to be 4.54 percent, below the 5 percent net rental vacancy rate threshold set forth in state and local laws as the condition determining that a housing emergency continues to exist. The citywide net rental vacancy rate indicates that although supply has continued to increase, it has failed to keep pace with the continuing demand for housing.

When we break the vacancy rate down further, we see significant variation in the rental inventory.

Manhattan had a significantly higher net rental vacancy rate than any other borough at 10.01 percent. The net rental vacancy rate was 4.15 percent for Queens and Staten Island combined, 2.73 in Brooklyn, and less than one percent in The Bronx.

There was an acute shortage of housing among lower-cost units. In 2021, the median rent across all occupied housing was \$1,500. The vacancy rate for units with asking rents below this level

was less than one percent. Units with asking rents at or above \$2,300 had a 12.64 percent vacancy rate.

In 2021, there were 353,400 units that were vacant but not available for one or more reason. Of those that were unavailable for only one reason (a total of 244,400) by far the most prevalent reason for being unavailable was “held for seasonal, recreational, or occasional use” with 102,900 units in this group.

In 2021, there were 2.274 million renter-occupied and vacant, available rental units during the survey period. Just over one million of these were rent stabilized, representing 42 percent of the active rental stock. This is statistically the same as in 2017.

There was a similar share of rental units that were what the NYCHVS refers to as private, unregulated units. These units are commonly referred to as “market rate” because their rents are not regulated. These include units in newer buildings that were not subject to rent stabilization as a result of participation in an affordable housing or tax incentive program, units in smaller buildings where rent stabilization did not apply, and units that were previously decontrolled and not subject to rent stabilization by some other means. Private, unregulated rental units also generally included units in condominium and cooperative buildings that were renter-occupied, either as a sponsor unit rented after construction or conversion or as a sublet by the unit’s owner.

Each cycle of the NYCHVS shows the net change in units from the prior survey—that is, the cumulative result of both units that have left the stock and those that have been added. Over time, the NYCHVS has shown minimal net change in the rent stabilized stock and a net increase of private, unregulated units.

The NYCHVS measured housing conditions through self-report of the current occupants regarding maintenance deficiencies. In 2021, 14 percent of occupied units reported three or more deficiencies.

Although the share of households experiencing a heating or toilet breakdown decreased in 2021, there was an increase in the prevalence of most individual deficiencies, including presence of rodents, leaks, cracks and holes, broken plaster or peeling paint, and additional heating required. This upward trend was across all housing types, but we saw significant disparities in the tenant population living with these conditions. New Yorkers of color, and particularly Black and Hispanic New Yorkers, were much more likely to experience lower quality housing than White New Yorkers.

Overall, 8 percent of all New York City households were living in overcrowded conditions. 12 percent of foreign-born households were crowded. The prevalence was highest for families with children, where one in four households were crowded.

The 2021 NYCHVS showed that we continue to face a severe affordability challenge. According to the 2021 NYCHVS, the median household income for renters was \$50,000. That’s equivalent to a gross monthly income of \$4,167.

Using standard federal guidelines that suggest a household should pay no more than 30 percent of gross income on housing costs, the typical renter household could afford to pay \$1,250 in rent and utilities.

But the median contract rent in 2021 was \$1,500. And it was \$1,650 when we factor in the cost of utilities, which are also high. Moreover, the median asking rent of units available for rent was \$2,750—well above the \$1,250 the typical household could afford to pay. To be able to afford the typical unit available for rent would require a household income of at least \$110,000 a year, more than double that of the typical New York City renter.

What results is a high prevalence of rent burden across nearly every income level. In 2021, we found that more than half of renter households were rent burdened, or paying more than 30 percent of income for housing each month. More than a third were severely burdened or paying more than 50 percent of income for housing.

The NYCHVS helps us to identify the components of this challenge. One side is rent burden based on the intersection of housing costs and incomes. But another critical component is the overall composition of our rental stock. Between 2017 and 2021, we saw a net decrease of about 96,000 units renting for less than \$1,500 and a net increase of 107,000 renting for \$2,300 or more.

This is not a recent phenomenon. Over the last decade, from 2011 to 2021, we saw an even larger net loss of the lowest cost units as rents shifted upward. The graph shows the net change in the number of rental units by rent level in 2021, relative to 2011 after adjusting for inflation. The negative bars to the left show where we have lost lower-cost units and the bars to the right show the net increase in higher-cost units. Over this time period, there was a net decrease of about 340,100 units with rents below \$1,500 and an increase of just over 335,400 units with rents of \$2,300 or more.

When we examine the change in rents over the last 30 years we see a dramatic shift in rental costs, after adjusting for inflation. This graph shows the absolute number of units with rents of less than \$1,500 and those with rents of \$2,300 or more from 1991 to 2021. Over this period, New York City saw the loss of 608,700 units renting for less than \$1,500 and a gain of 431,200 more units renting for \$2,300 or more. All estimates are inflation-adjusted and shown in 2021 dollars.

The affordability challenge faced by everyday New Yorkers continues unabated. When we examine the share of income spent on rent for the typical New Yorker all the way back to the first NYCHVS in 1965, we see a clear increase over time. In the last decade, the level of rent burden has remained constant where the typical New Yorker, regardless of income, is paying more 30% of their pre-tax income on rent.

As Deputy Commissioner McLaughlin shared earlier in our testimony, New York renters struggled financially during the first year and a half into the pandemic. The NYCHVS showed that households that were rent burdened had lower confidence that they could cover an emergency expense. They were also more likely to have missed at least one rent payment and to

still be in arrears at the time of the survey, placing them at risk of losing their home or forgoing other critical expenses to make ends meet.

In summary, there is a net rental vacancy rate of less than 5 percent overall, and a severe shortage of lower-cost units. Rents continue to increase. The rent burden faced by most New York City households remains at persistently high levels, leaving households vulnerable to financial instability across multiple dimensions.

Thank you for the opportunity to testify. We are happy to answer any questions.

# 2021 NYCHVS Selected Initial Findings

Testimony of the New York City Department of Housing Preservation and  
Development to the New York City Council Committee on Housing and Buildings

June 7, 2022

Elyzabeth Gaumer, PhD  
Chief Research Officer  
Department of Housing Preservation and Development

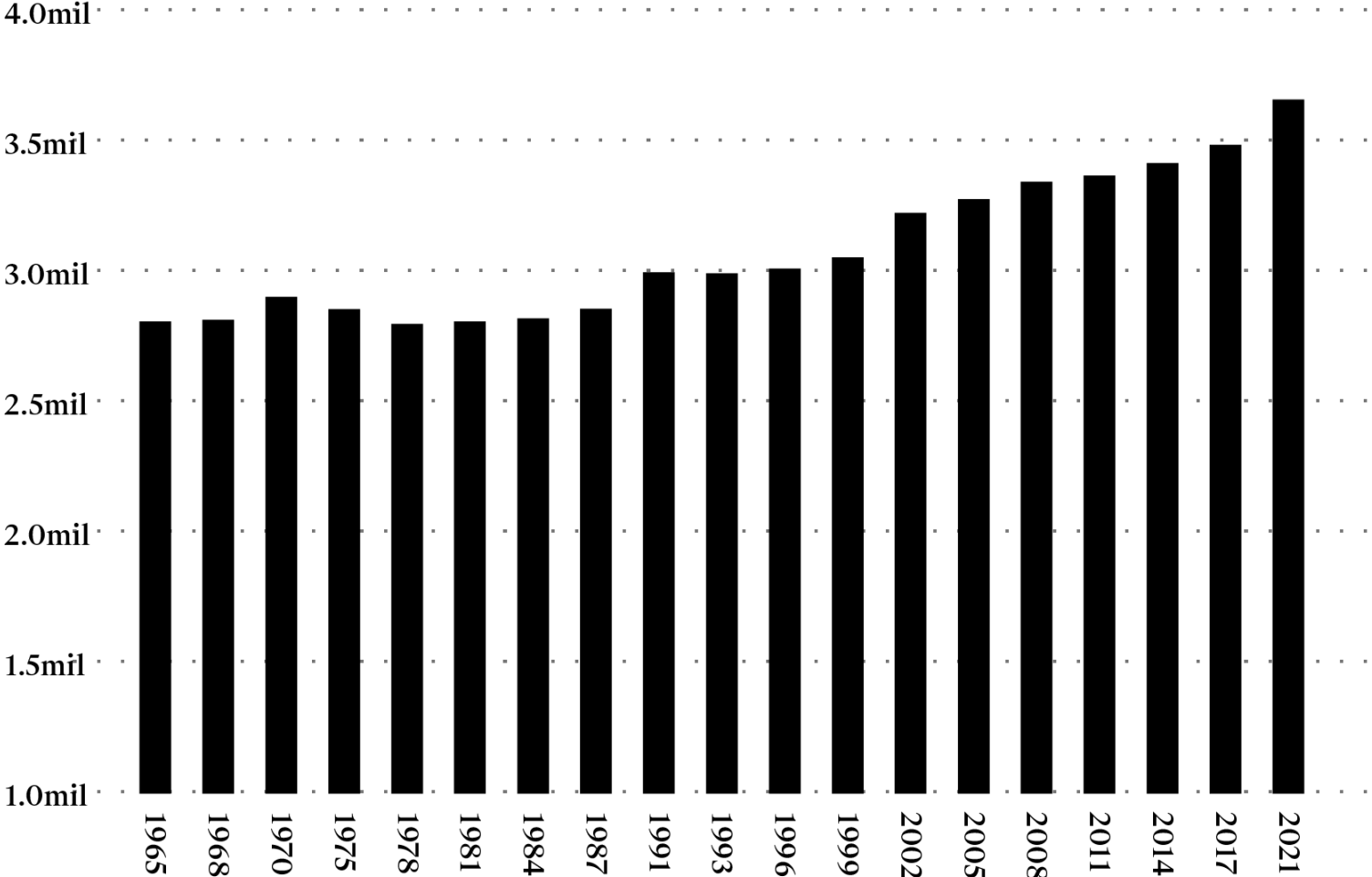
The U.S. Census Bureau reviewed all of the 2021 NYCHVS estimates that appear in this report for unauthorized disclosure of confidential information and approved the disclosure avoidance practices applied to this release. CBDRB-FY22-199 and CBDRB-FY22-POP001-0101.

Data sources: New York City Housing and Vacancy Survey (NYCHVS), 1965 - 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. See 2021 NYCHVS Selected Initial Findings for methodology and technical definitions.

NYCHV<sup>®</sup>

# NYC continued to add to the overall supply of housing

Total Housing Units: 1965-2021



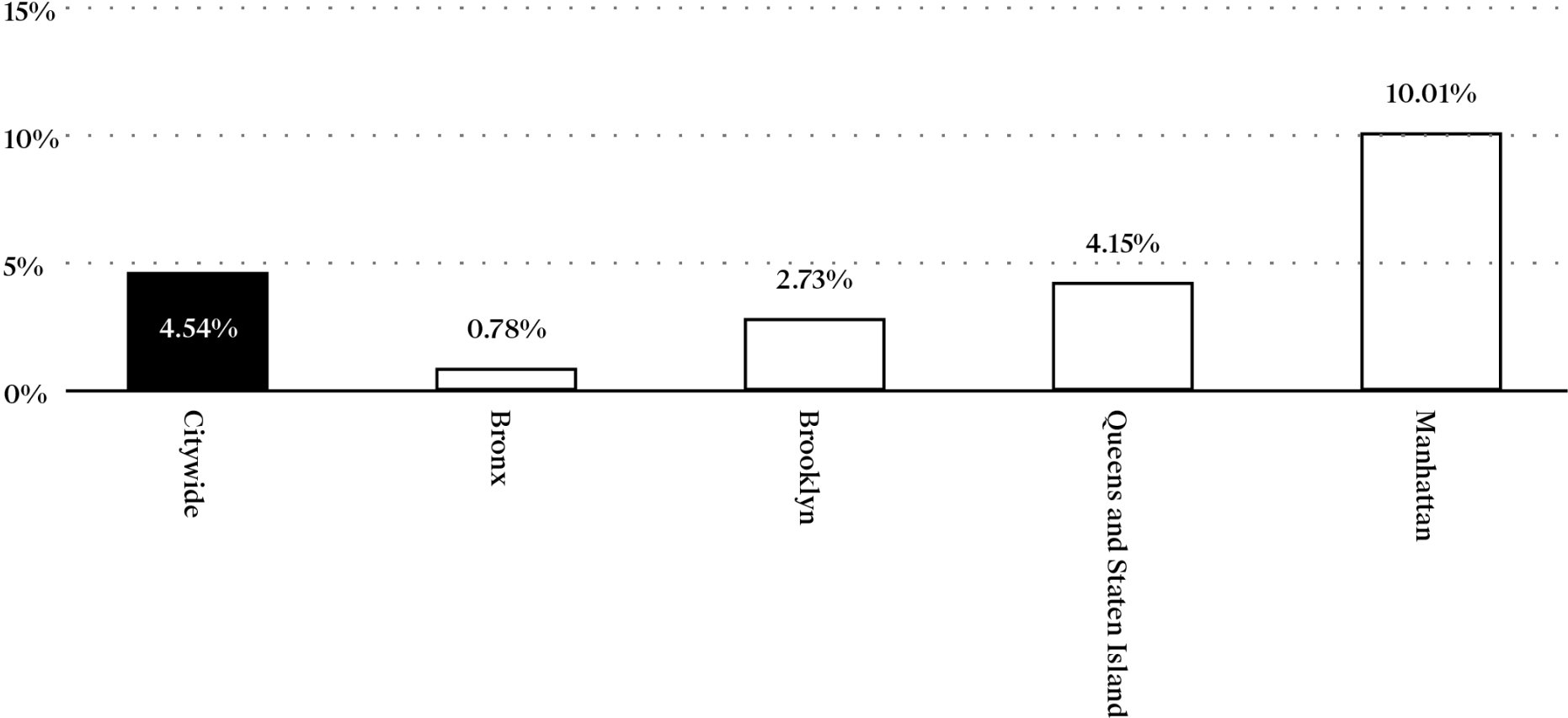
New York City Housing and Vacancy Survey

Adapted from Figure 1, 2021 New York City Housing and Vacancy Survey Selected Initial Findings



# The citywide net rental vacancy rate of 4.54% varied by borough

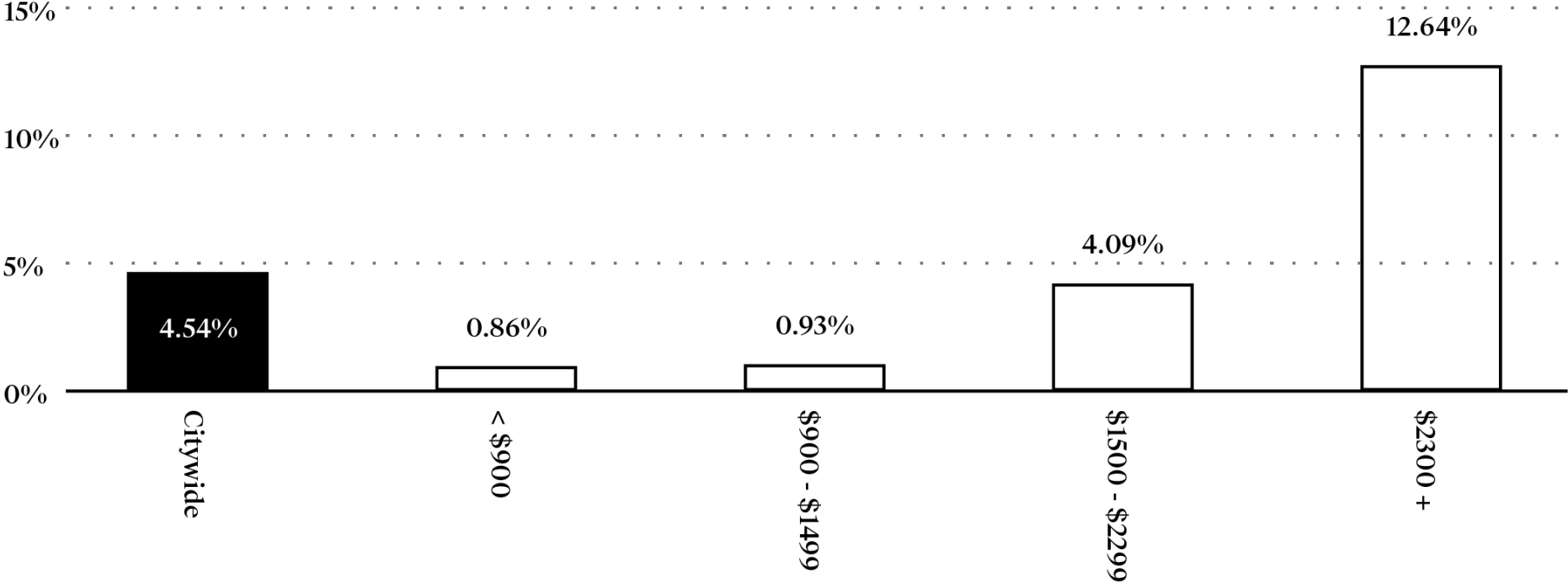
Net Rental Vacancy Rate by Borough



See Table 9, 2021 New York City Housing and Vacancy Survey Selected Initial Findings

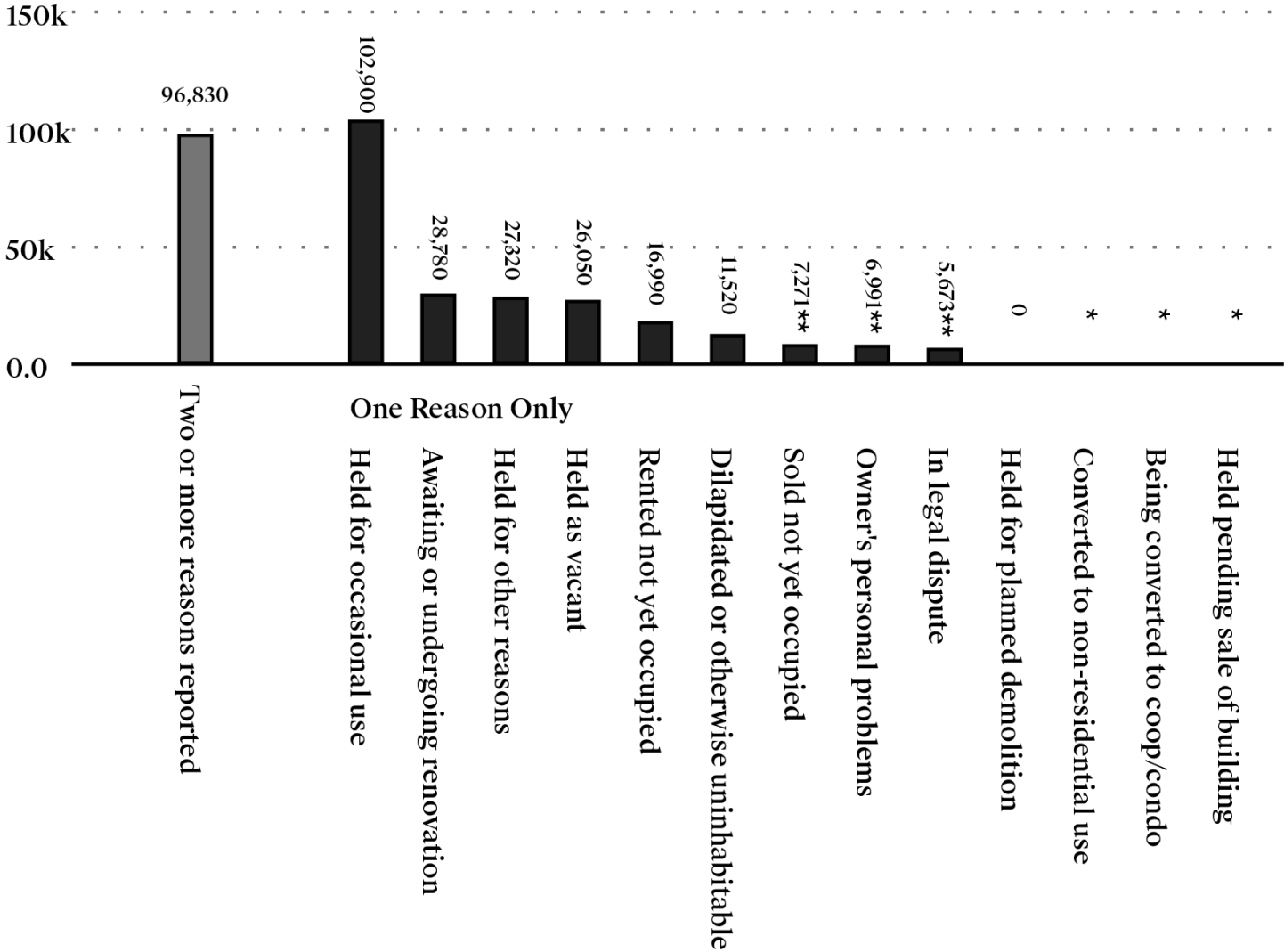
# There was a severe shortage of lower-cost units

Net Rental Vacancy Rate by Asking Rent



Adapted from Figure 7, 2021 New York City Housing and Vacancy Survey Selected Initial Findings

# A large number of units were vacant but not available for rent or sale

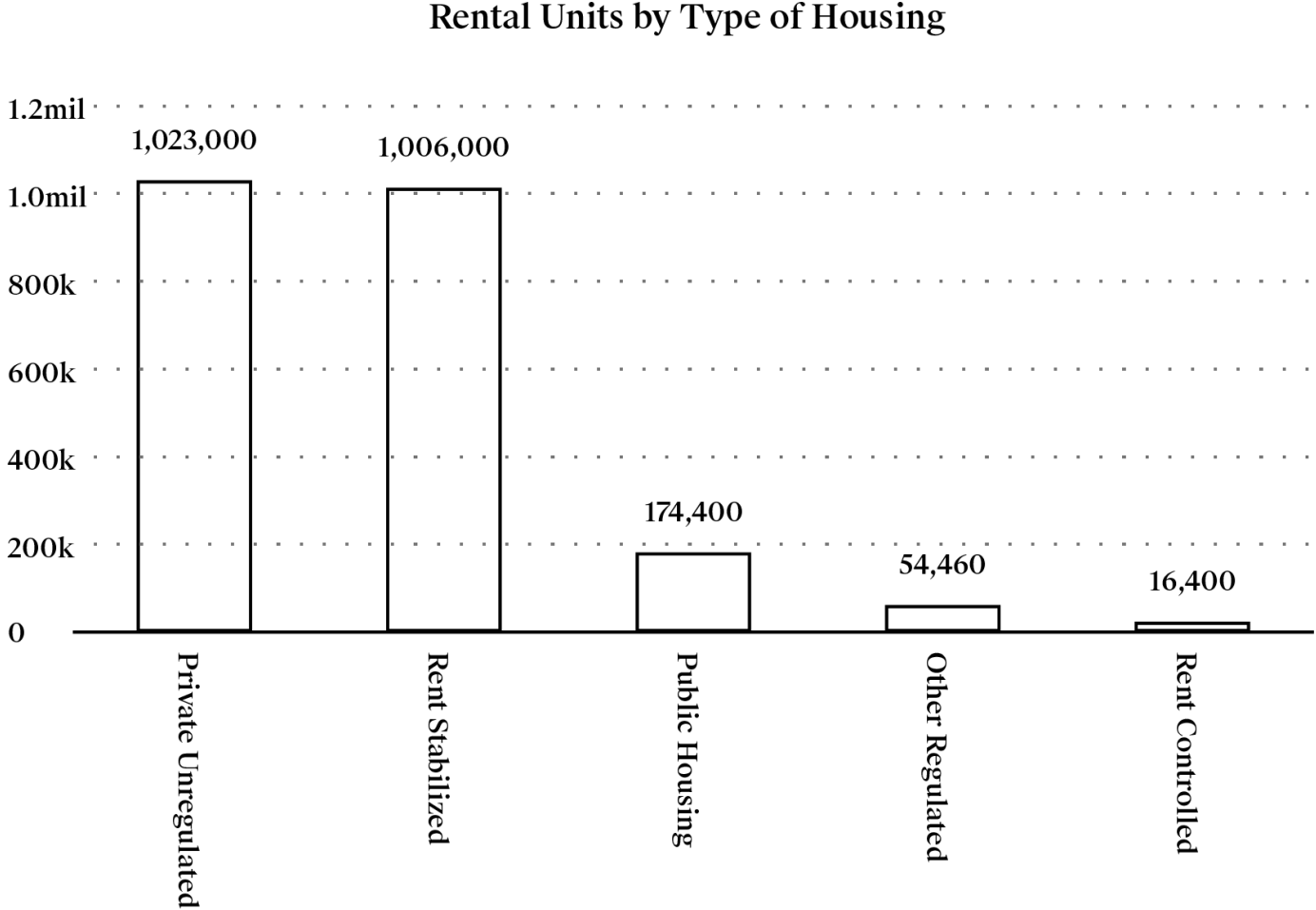


## New York City Housing and Vacancy Survey

Adapted from Figure 11, 2021 New York City Housing and Vacancy Survey Selected Initial Findings

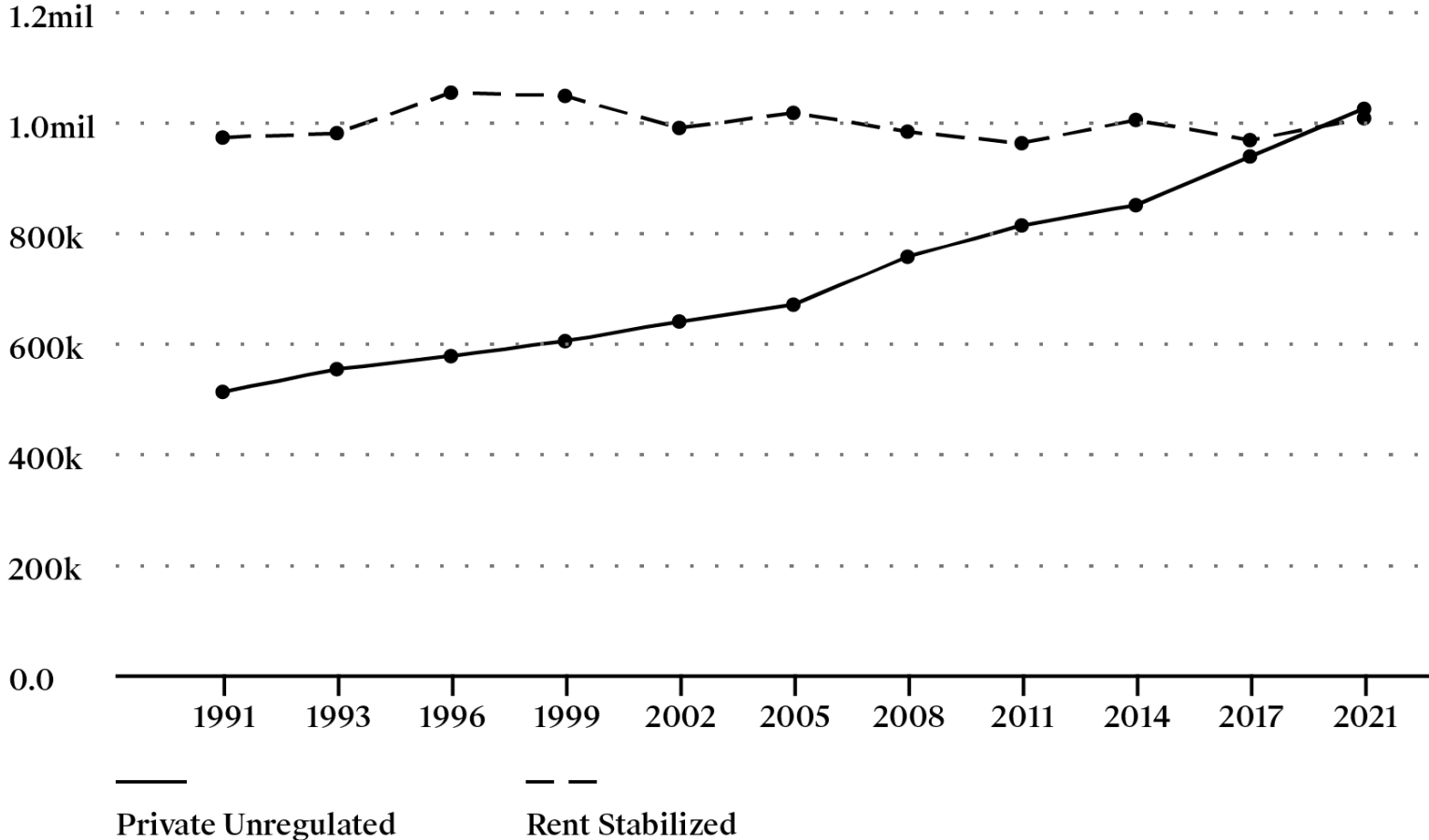
\* Estimate is suppressed following US Census Bureau disclosure avoidance practices.  
 \*\* Estimate is subject to a large amount of sampling variation and therefore should be interpreted with caution

# There were about 1 million rent stabilized units that were part of the active supply of housing



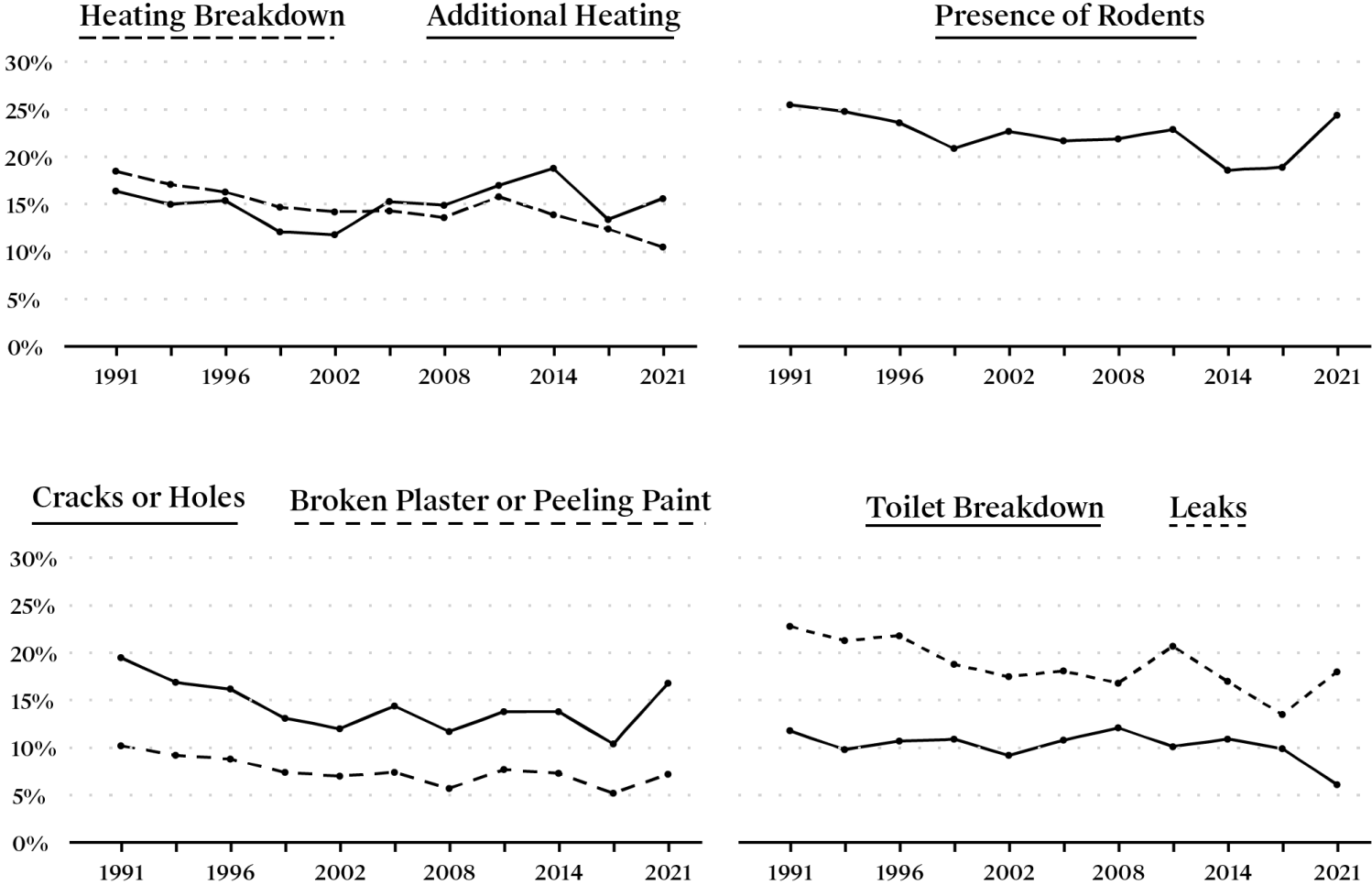
# Over 30 years, the number of private, unregulated units has doubled

Rent Stabilized vs Private Unregulated Rental Units: 1991-2021



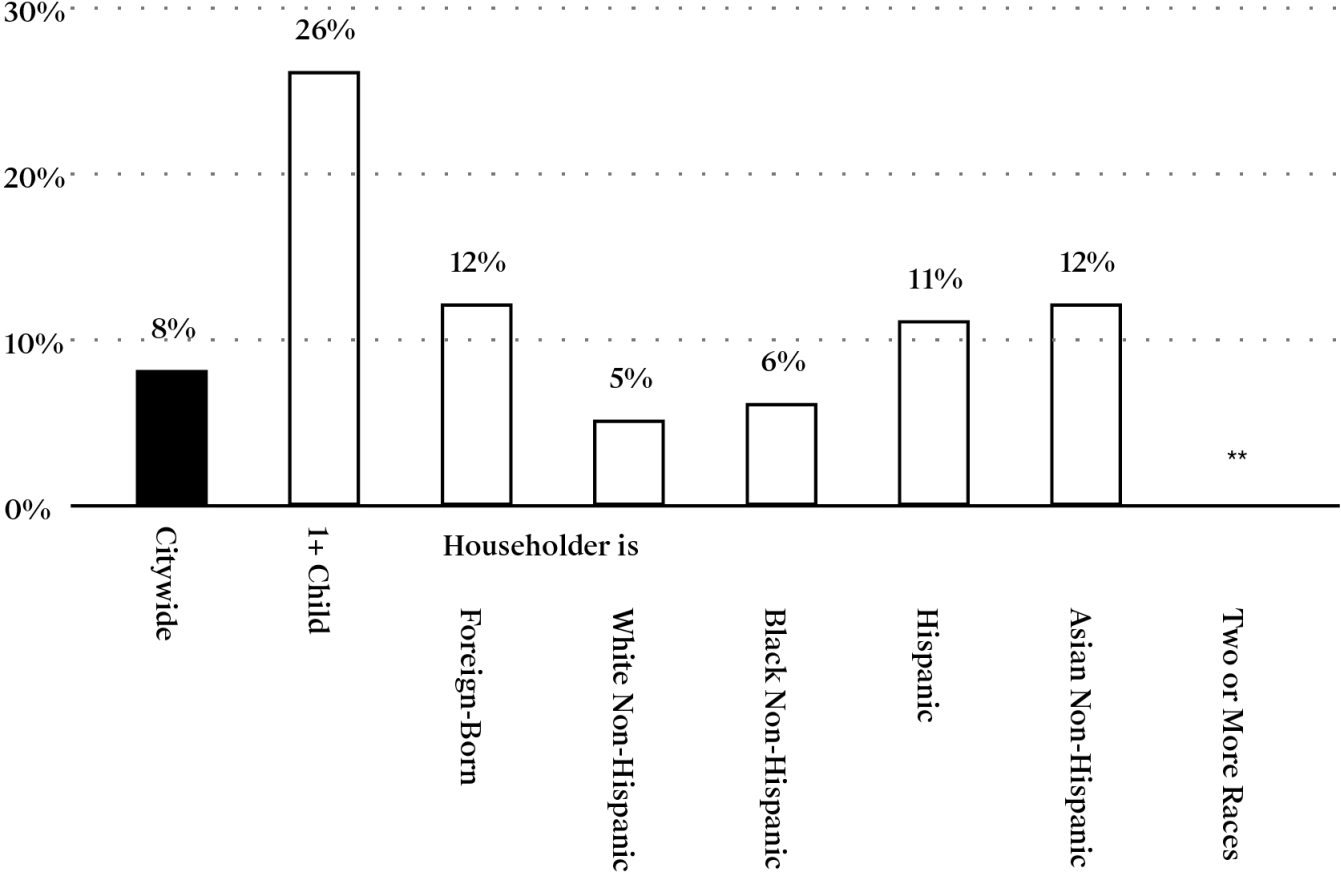
# In 2021, the prevalence of maintenance deficiencies increased across all housing types

Prevalence of Maintenance Deficiencies: 1991 - 2021



# The prevalence of crowding was highest among families with children

Crowding by Household Composition



# There is a continued mismatch between incomes and rents

The typical renter household in NYC earns...

\$50,000

That means their monthly income is...

\$4,167



# There is a continued mismatch between incomes and rents

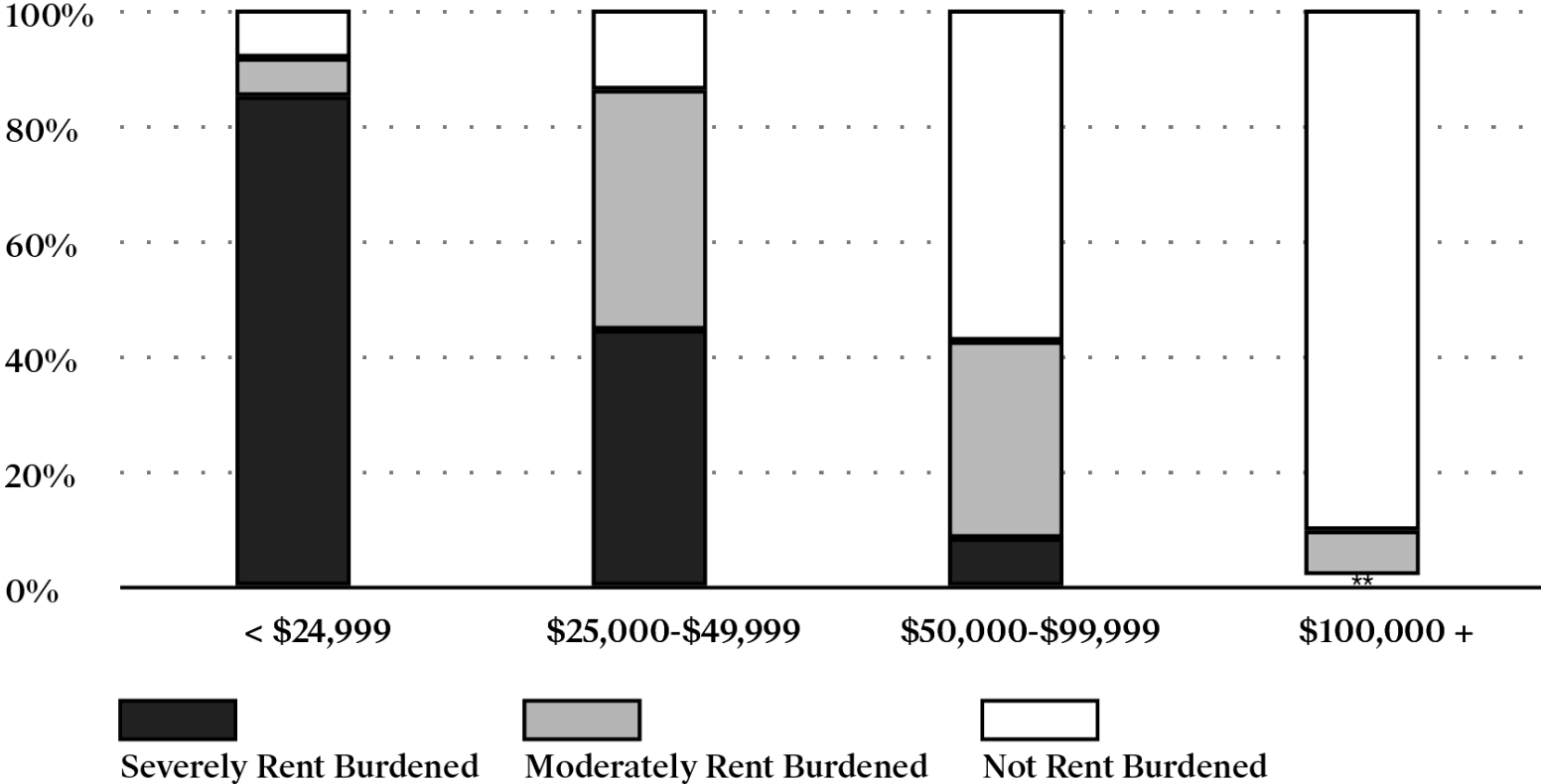
The typical renter household in NYC earns...	\$50,000
That means their monthly income is...	\$4,167
Maximum rent that is considered affordable, according to federal guidelines...	\$1,250

# There is a continued mismatch between incomes and rents

The typical renter household in NYC earns...	\$50,000
That means their monthly income is...	\$4,167
Maximum rent that is considered affordable, according to federal guidelines...	\$1,250
Median contract rent in 2021:	\$1,500
Median gross rent (factoring in utility costs):	\$1,650
Asking rent of units available for rent	\$2,750

# In 2021, one half of New Yorkers were rent burdened; one in three were severely burdened

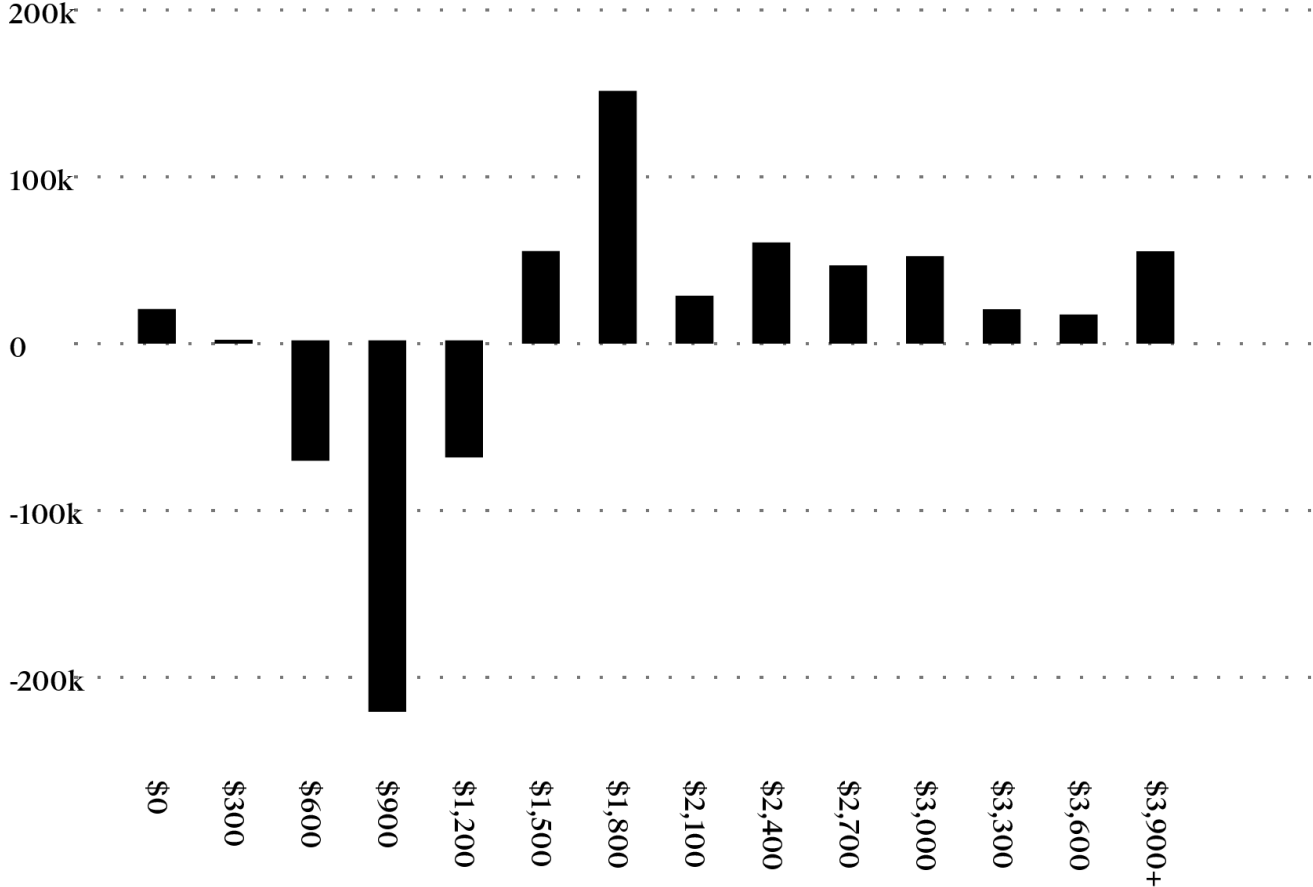
Rent Burden by Household Income



\* Estimate is suppressed following US Census Bureau disclosure avoidance practices.  
 \*\* Estimate is subject to a large amount of sampling variation and is therefore not reported

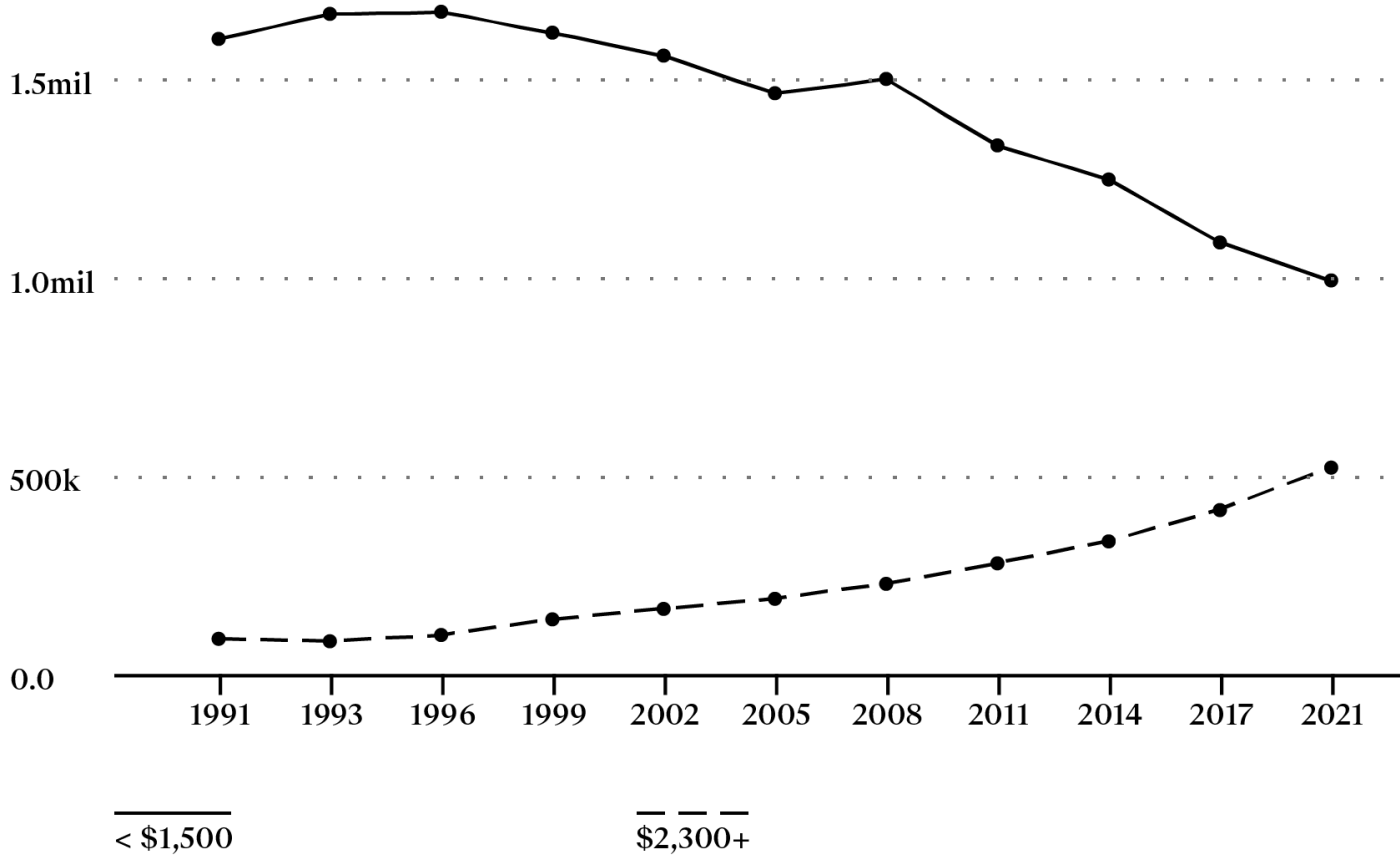
# In the past decade, New York City has seen a net loss of lower-cost units

Net Change in Monthly Rents: 2011 - 2021  
Inflation-Adjusted and Shown in 2021 Dollars



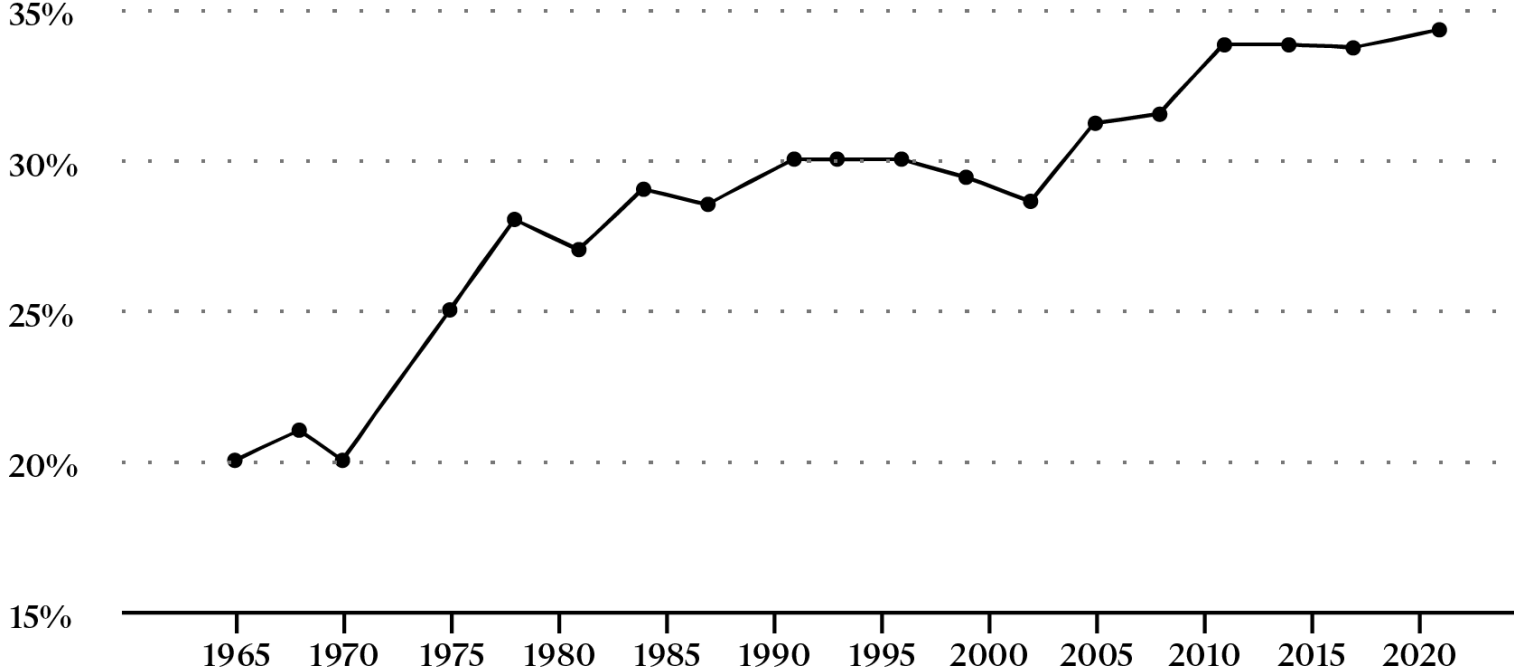
# In the last 30 years, New York City has lost more than 600,000 units renting for less than \$1,500

Number of High- and Low-Cost Units Over Time: 1991-2021  
 Inflation-Adjusted and Shown in 2021 Dollars



# The share of income the typical New Yorker pays for rent remains at historically high levels

Median Gross Rent-to-Income Ratio: 1965-2021



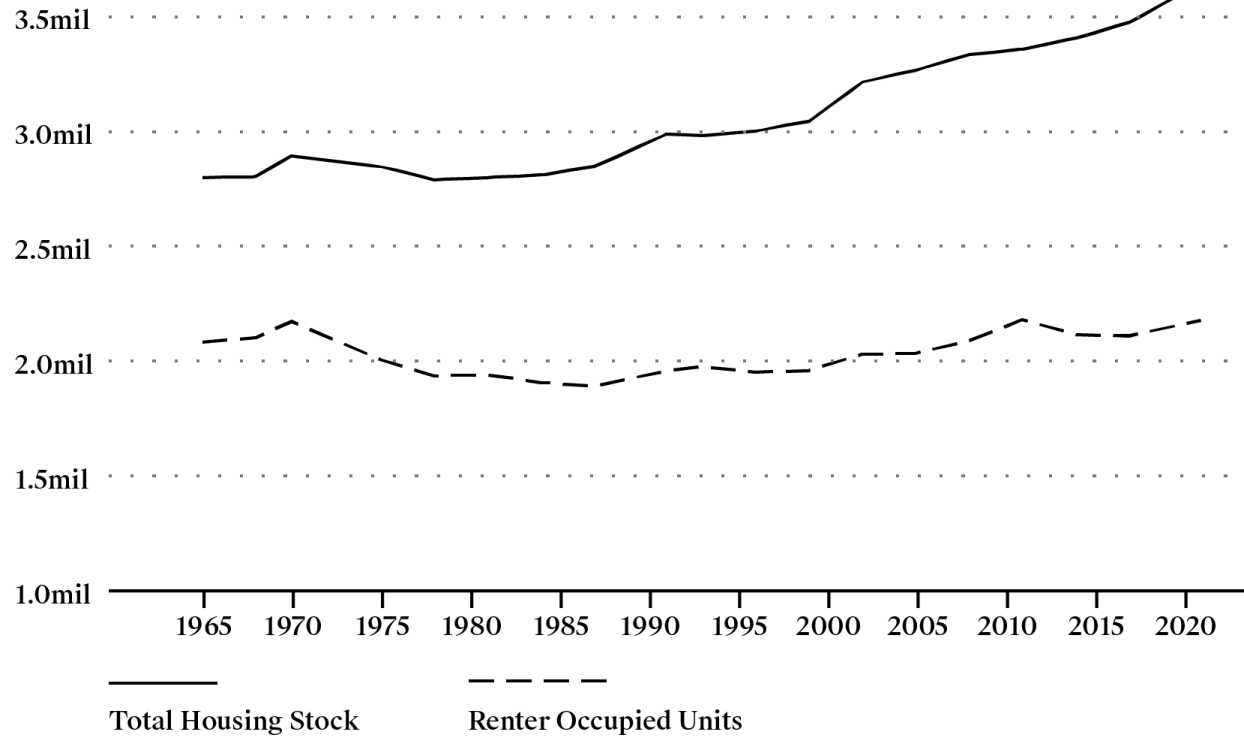
—  
Gross Rent to Income Ratio



# **Appendix A: Figures from 2021 NYCHVS Selected Initial Findings**

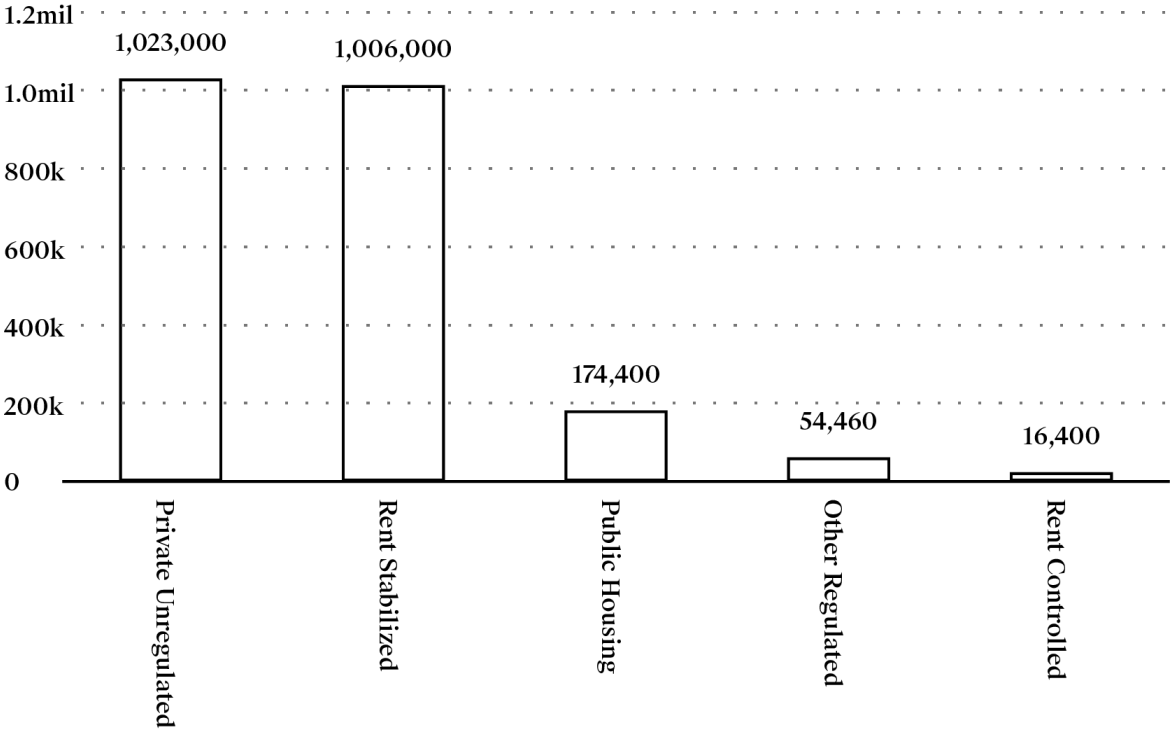


Figure 1. Total Number of Housing Units and Renter Households: 1965 - 2021



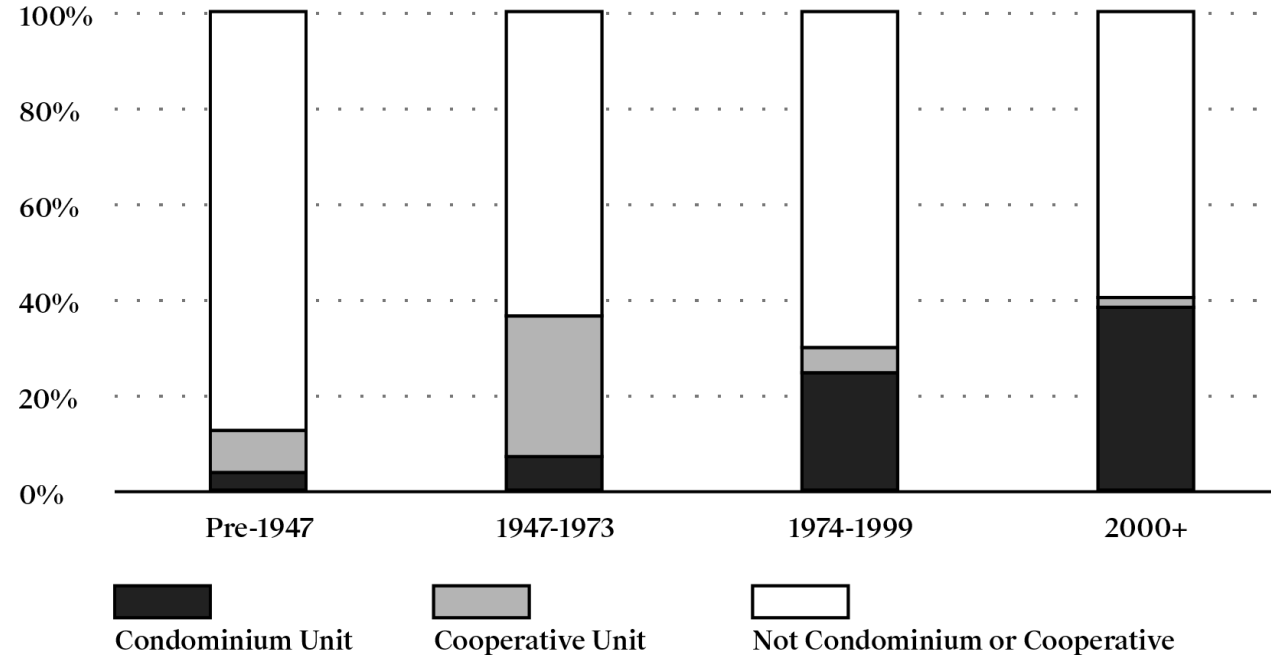
Source: New York City Housing and Vacancy Survey (NYCHVS), 1965 - 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 2. Rental Units by Type of Housing



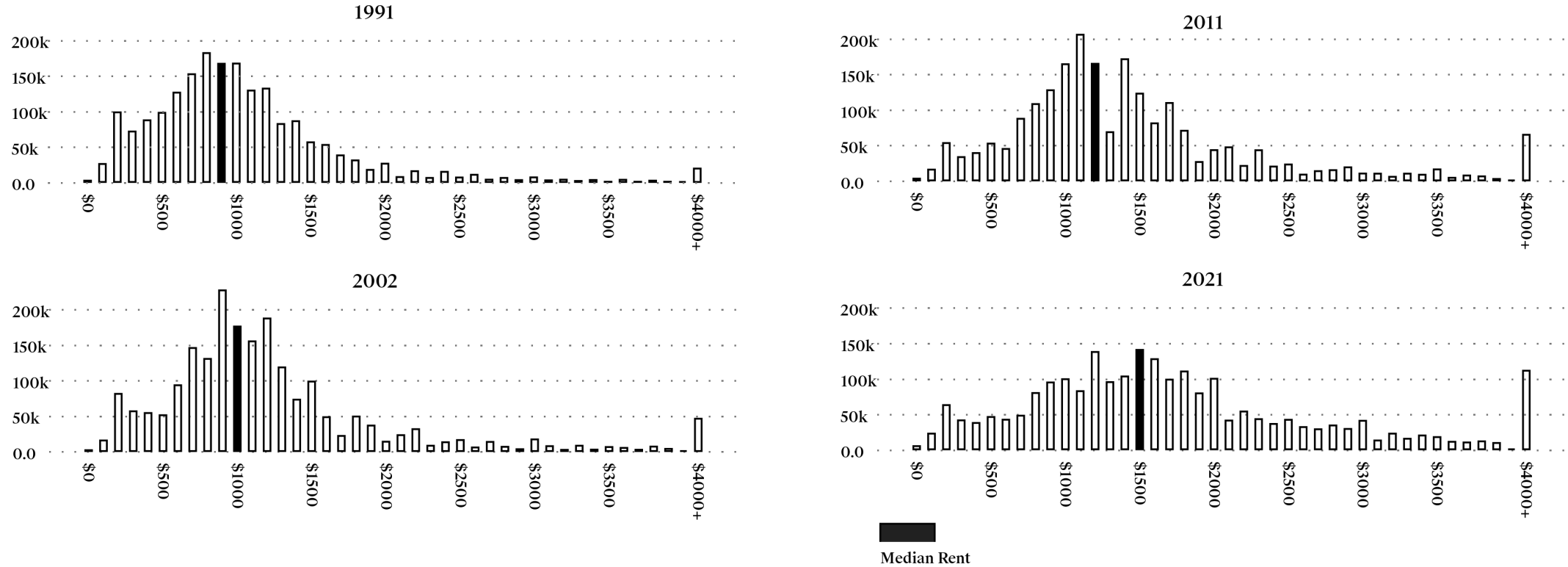
Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 3. Share of Units in Condo and Coop Buildings by Year Built



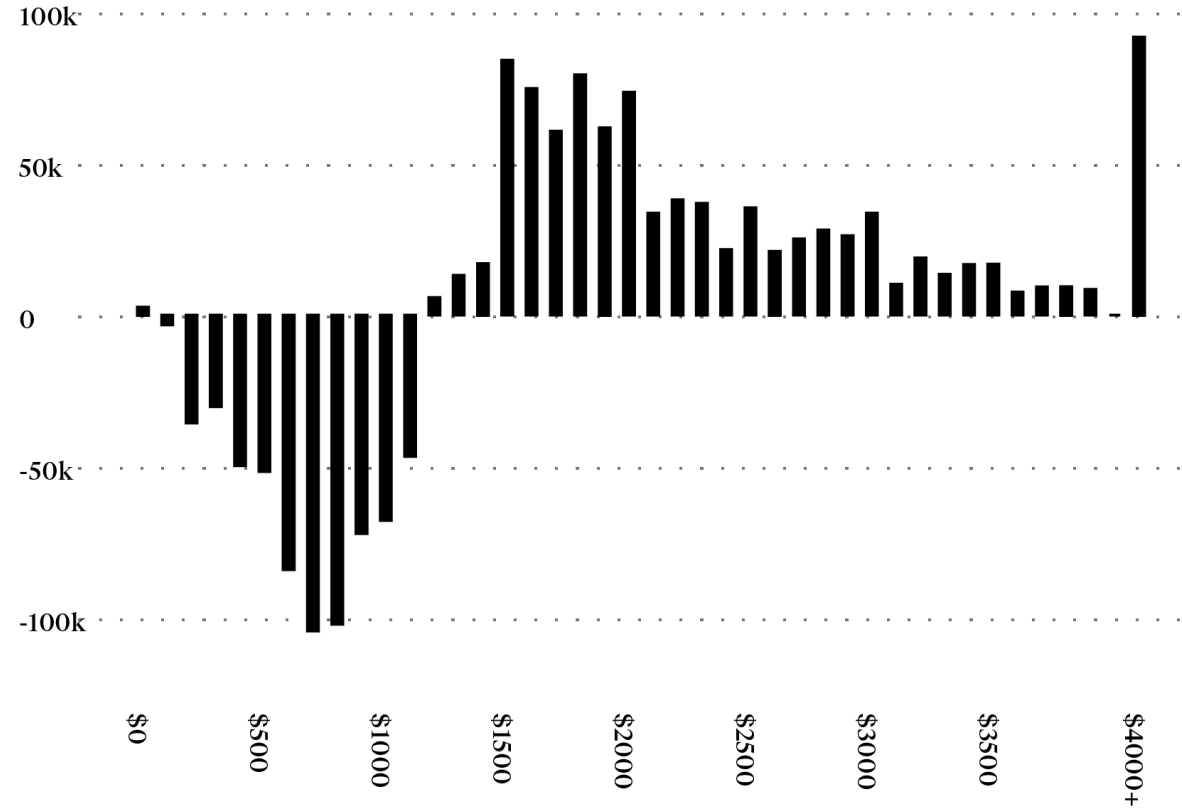
Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 4. Distribution of Monthly Rent by Decade: 1991 - 2021  
Inflation-Adjusted and Shown in 2021 Dollars



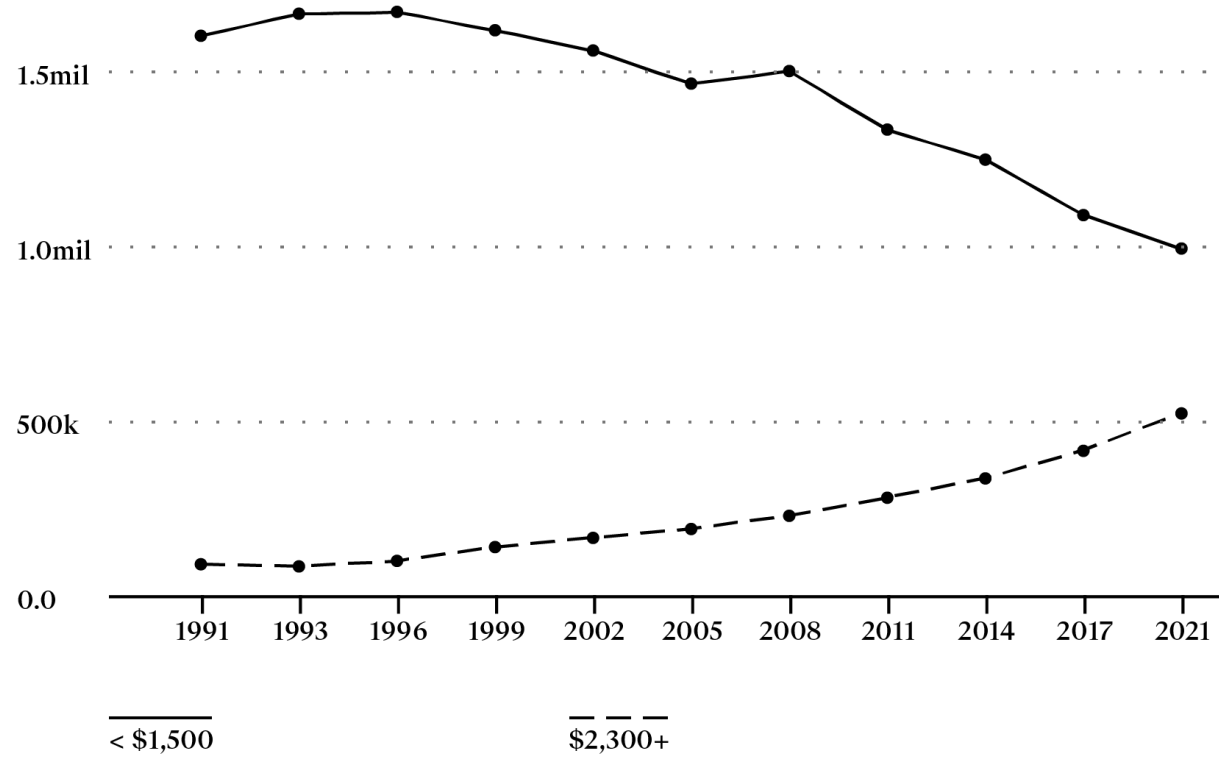
Source: New York City Housing and Vacancy Survey (NYCHVS), 1991, 2002, 2011, 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 5. Net Change in Monthly Rents: 1991 - 2021  
Inflation-Adjusted and Shown in 2021 Dollars



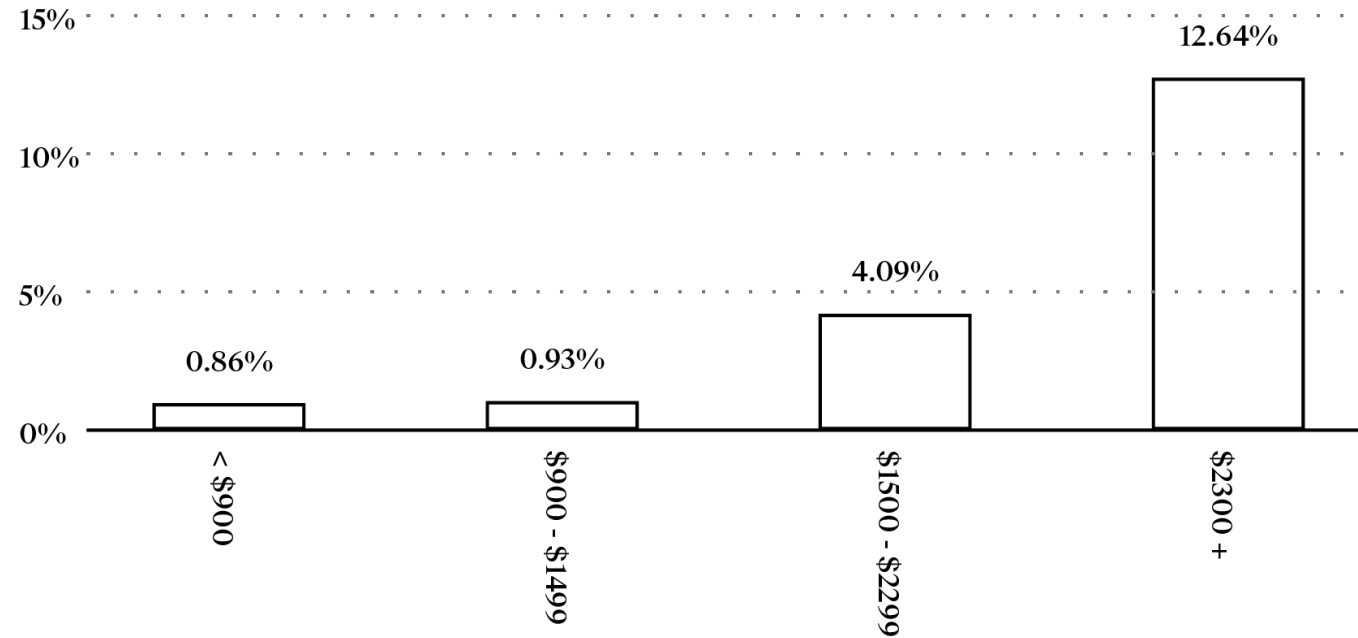
Source: New York City Housing and Vacancy Survey (NYCHVS), 1991, 2021. US Census Bureau / NYC Dept of Housing Preservation and Development.  
Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 6. Number of High- and Low-Cost Units Over Time: 1991-2021  
Inflation-Adjusted and Shown in 2021 Dollars



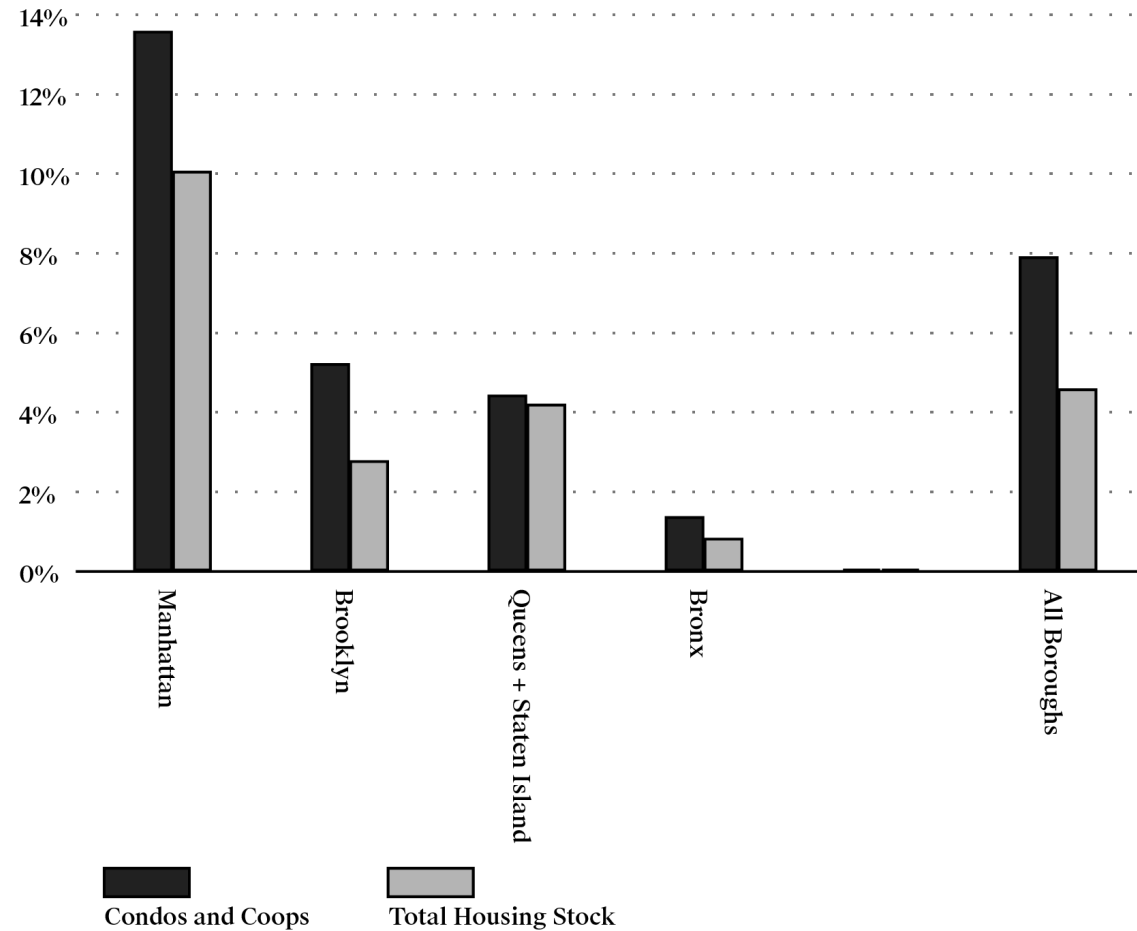
Source: New York City Housing and Vacancy Survey (NYCHVS), 1991 - 2021. US Census Bureau / NYC Dept of Housing Preservation and Development.  
Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 7. Net Rental Vacancy Rate by Asking Rent



Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

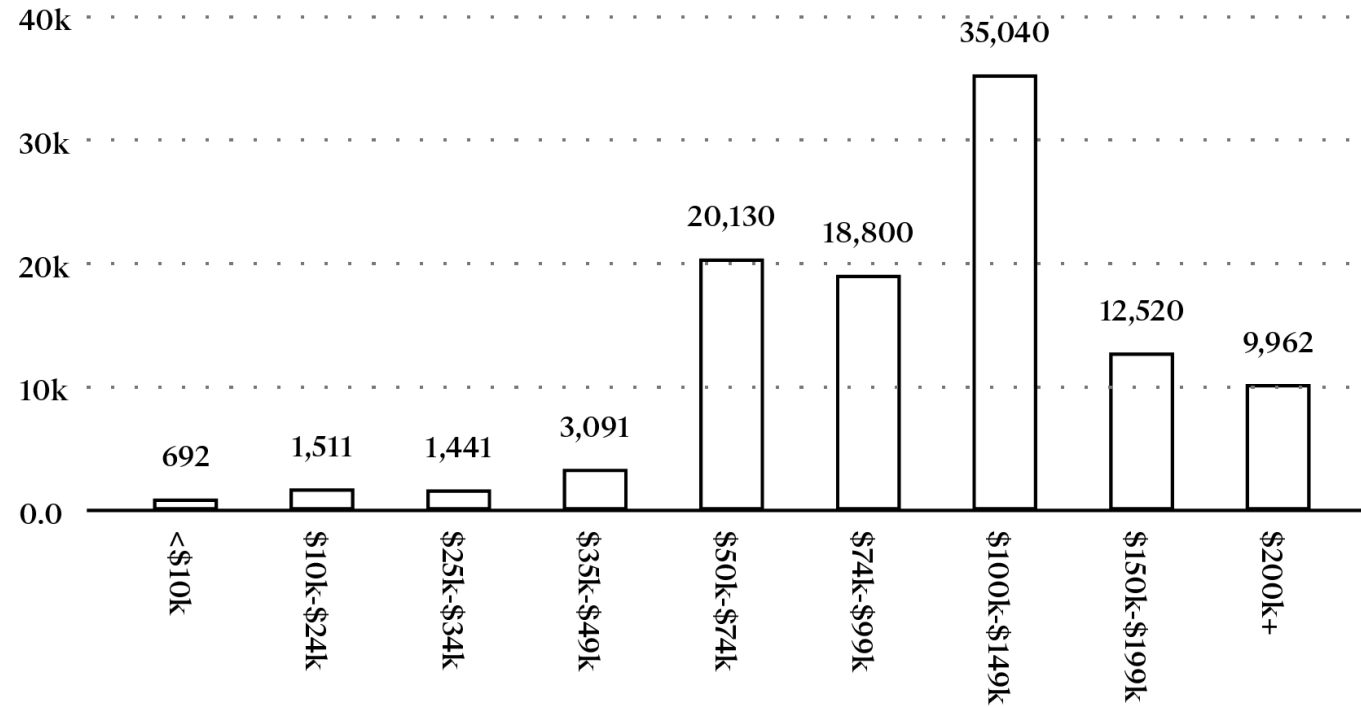
Figure 8. Net Rental Vacancy Rate in Condos and Coops by Borough



Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

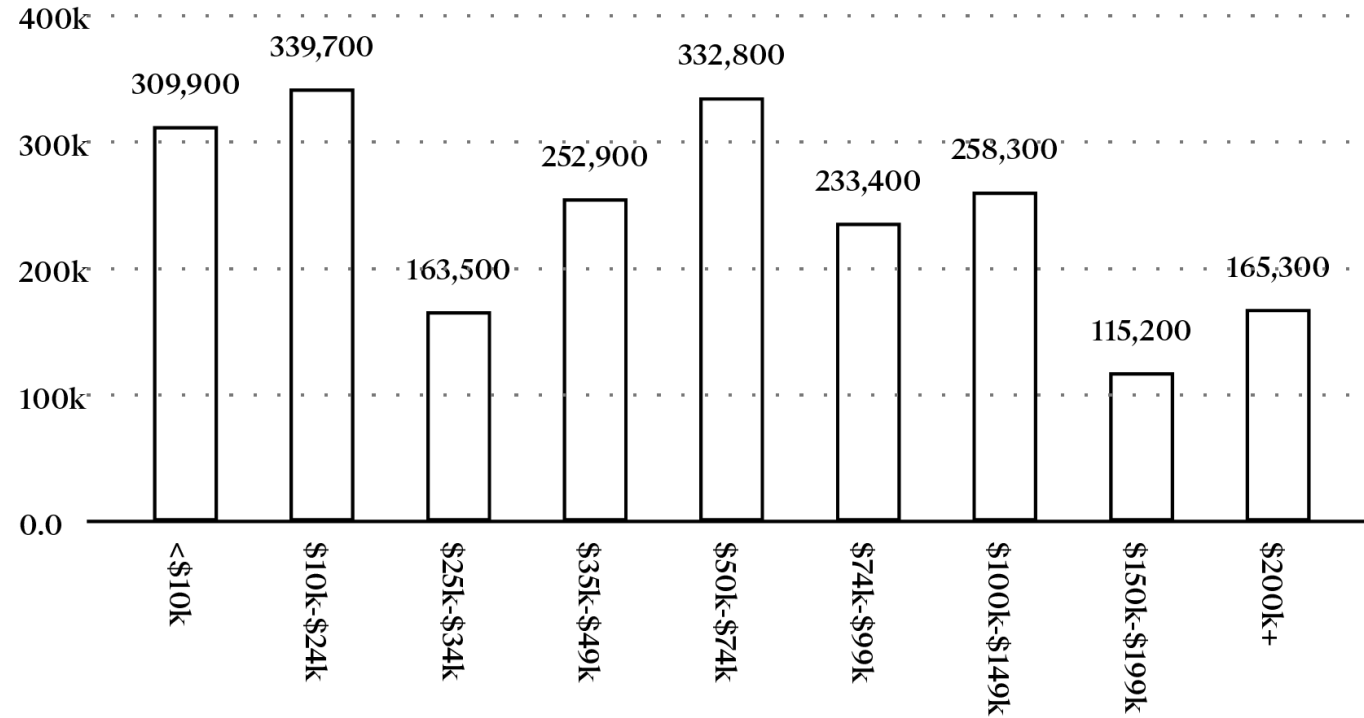


Figure 9. Incomes Needed to Afford Vacant Units Available for Rent



Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 10. Household Income of Renters



Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 11. Units Not Available for Rent or Sale by Reason

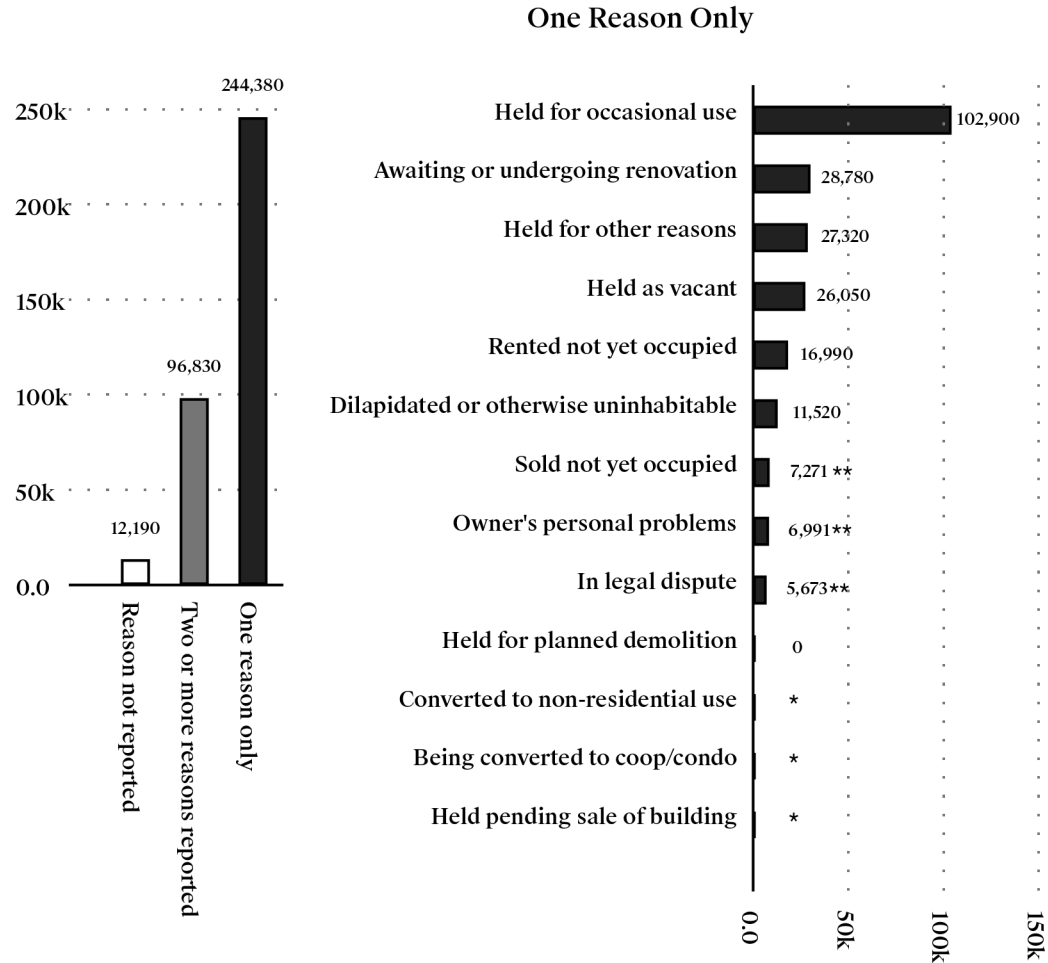
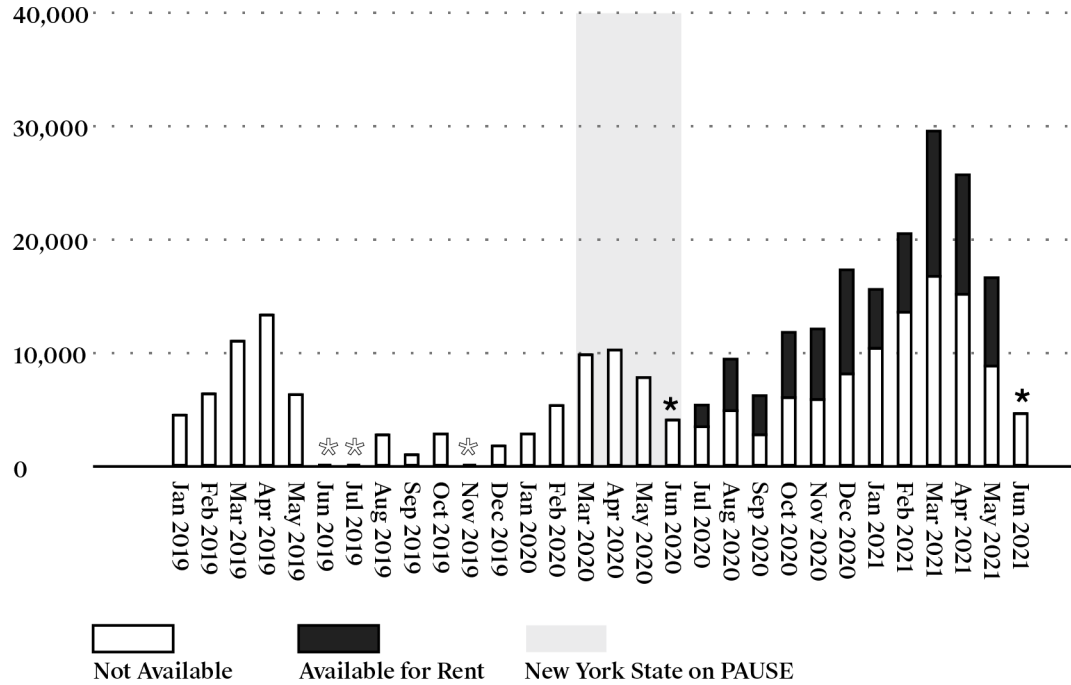
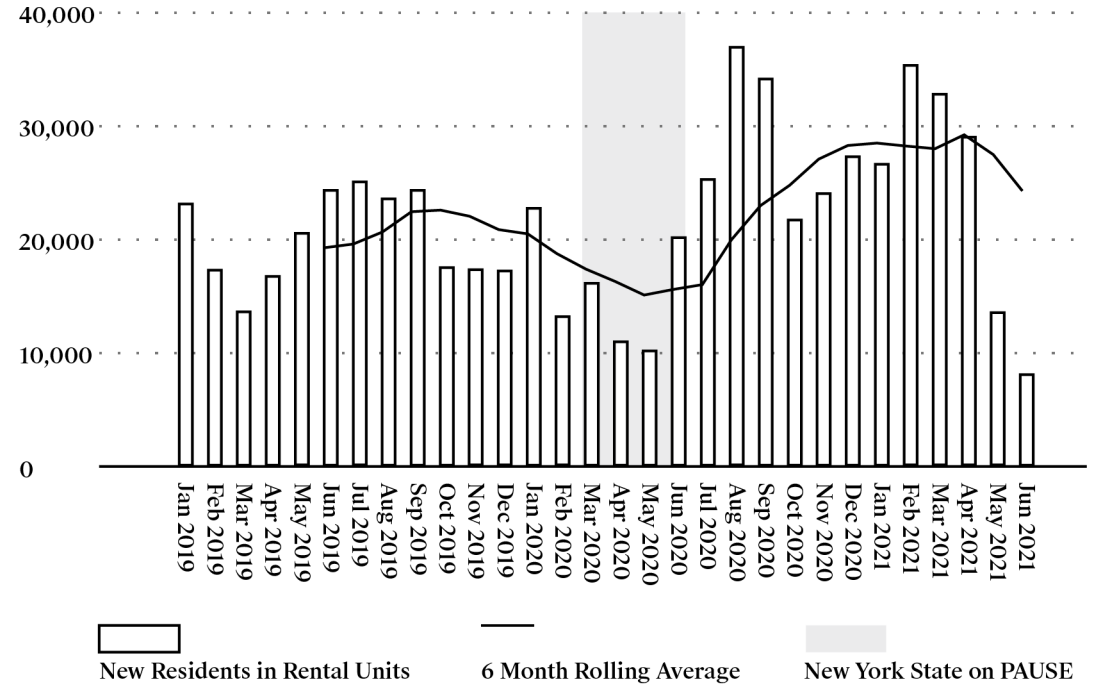


Figure 12. Timing of Vacancy by Availability

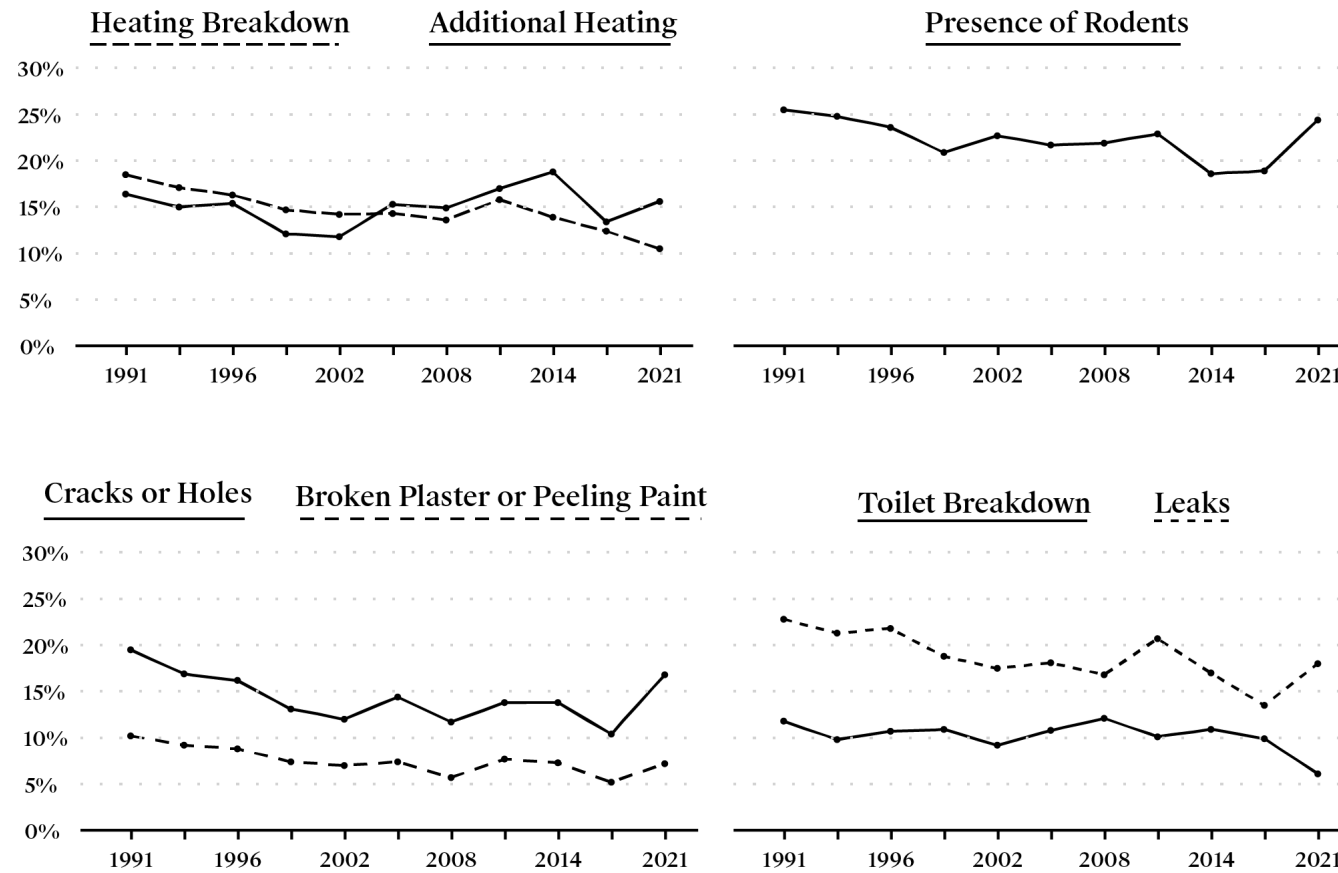


Rental Turnover



Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development.  
 Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.  
 \*Estimate is suppressed following US Census Bureau disclosure avoidance practices.

Figure 13. Prevalence of Maintenance Deficiencies: 1991 - 2021



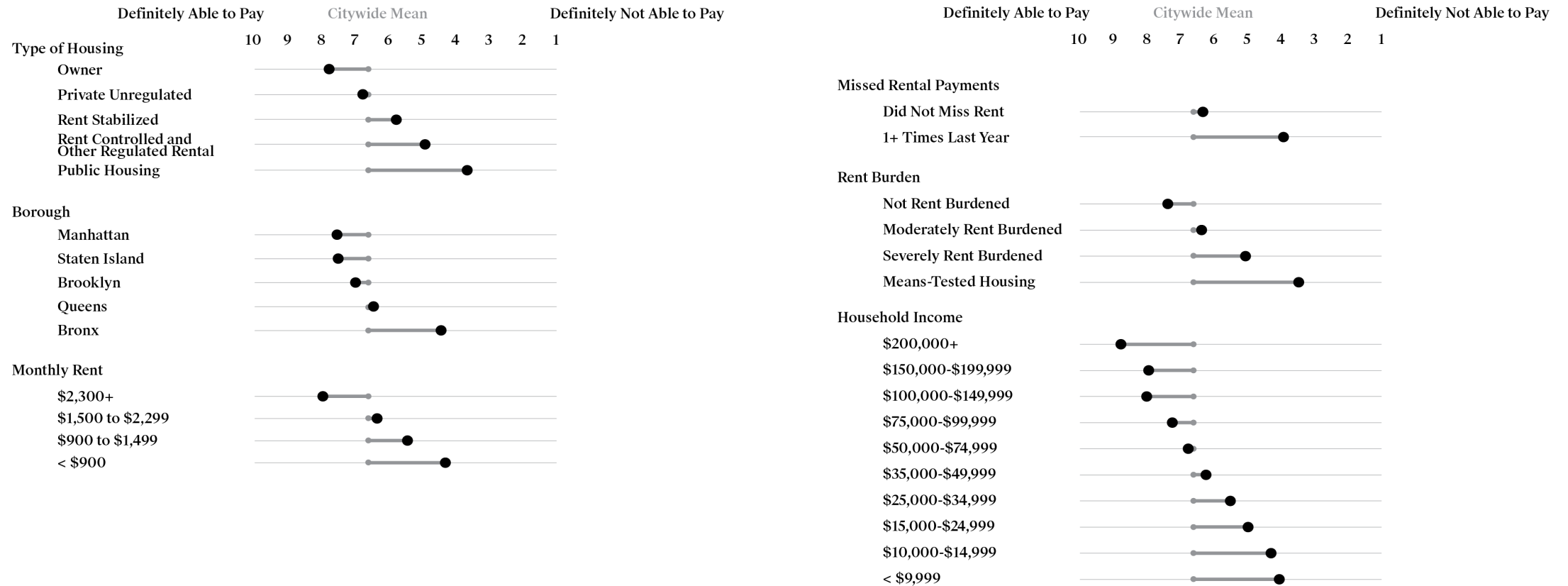
Source: New York City Housing and Vacancy Survey (NYCHVS), 1991-2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 14. Median Gross Rent-to-Income Ratio: 1965-2021



Source: New York City Housing and Vacancy Survey (NYCHVS), 1965 - 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.

Figure 15. Confidence in Ability to Pay a \$400 Emergency Expense



Source: New York City Housing and Vacancy Survey (NYCHVS), 2021. US Census Bureau / NYC Dept of Housing Preservation and Development. Please refer to the technical appendices at the end of this report for details on the NYCHVS design, definitions, and methodology.