

# 2014 Income and Affordability Study

April 10, 2014

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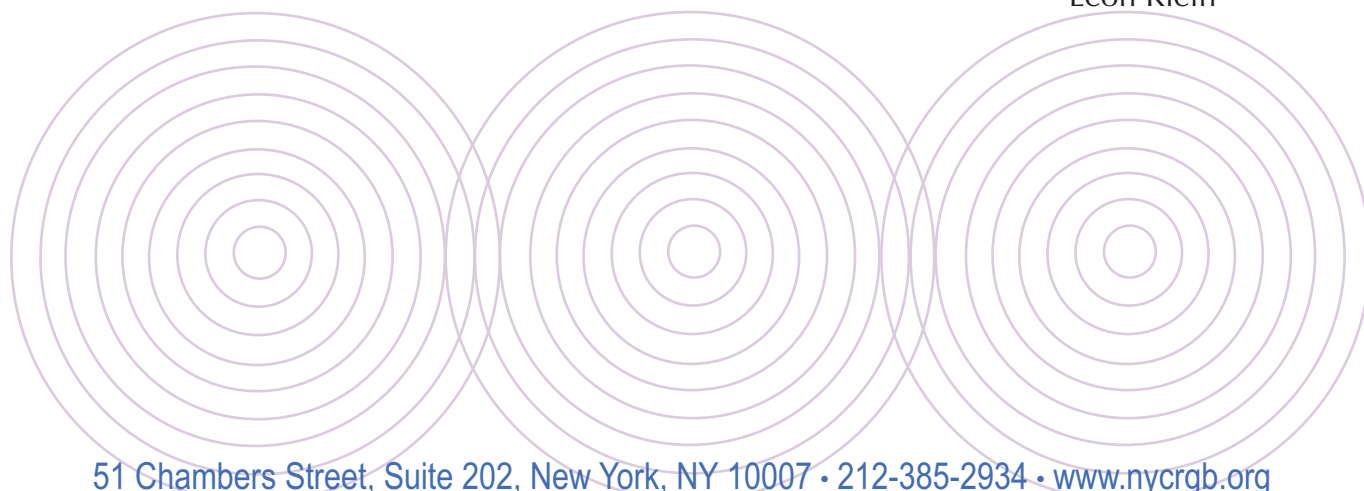
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# 2014 Income and Affordability Study

## What's New

- ✓ Results from the 2012 *American Community Survey* show that median renter income is \$40,209, median gross rent is \$1,196, and the median gross rent-to-income ratio is 32.2%.
- ✓ New York City's economy grew by 2.7% in 2013, compared to a 0.8% increase during 2012.
- ✓ The City gained 83,100 jobs in 2013, resulting in a 2.1% increase from 2012 in total employment levels.
- ✓ The unemployment rate fell in 2013, to an average of 8.7%, down from 9.3% in 2012.
- ✓ Inflation averaged 1.7% in the metro area in 2013, down from 2.0% in the prior year.
- ✓ Inflation-adjusted wages increased 1.2% during the most recent 12-month period, following a 4.4% decrease in the preceding 12 months.
- ✓ In 2013, an average of 49,408 people were staying in Dept. of Homeless Services shelters each night, up 14.1% from 2012.
- ✓ The number of non-payment filings decreased 1.1% in 2013, while those actually heard in Housing Court decreased 7.8%, and the number of evictions increased 0.4%.

## Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider “relevant data from the current and projected cost of living indices” and permits consideration of other measures of housing affordability in its deliberations. To assist the Board in meeting this obligation, the RGB research staff produces an annual *Income and Affordability Study*, which reports on housing affordability and tenant income in New York City's rental market. The study highlights year-to-year changes in many of the major economic factors affecting New York City's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability. Such factors include New York City's overall economic condition — unemployment rate, wages, Consumer Price Index and Gross City Product — as well as the number of eviction proceedings and the impact of welfare reform and federal housing policies on rents and incomes.

## Overview

Looking at New York City's economy during 2013, it showed many strengths as compared with the preceding year. Positive indicators include growing employment levels, which rose for the fourth consecutive year, increasing 2.1% in 2013. The unemployment rate also fell, declining by 0.6 percentage points, to 8.7%. Gross City Product (GCP) also increased for the fourth consecutive year, rising in real terms by 2.7% in 2013. In addition, inflation slowed slightly, inflation-adjusted wages rose by 1.2% during the most recent 12-month period (the fourth quarter of 2012 through the third quarter of 2013), and the number of non-payment filings in Housing Court fell by 1.1%, while “calendared” non-payment cases fell by 7.8%.

Negative indicators include a 0.4% increase in evictions, despite the number of non-payment filings in Housing Court declining. In addition, cash assistance levels increased for the fifth consecutive year, increasing by 0.6% between 2012 and 2013. The number of Supplemental Nutrition Assistance Program (SNAP) recipients rose by 1.4% in 2013, increasing for the eleventh consecutive year. Homelessness also rose over 2012 levels, increasing to an average of more than 49,000 persons a night, a 14.1% increase.

The most recent numbers, from the fourth quarter of 2013 (as compared to the fourth quarter of 2012), show that homeless levels were up 8.7%, and non-payment filings in Housing Court were up 1.1%.<sup>1</sup> However, most indicators were positive, with employment levels up 2.1%, unemployment down 0.8 percentage points, SNAP recipients down 1.5%, and cash assistance levels down 2.8%. Fourth quarter GCP also rose, by 2.6% in real terms, and inflation was lower than that of the last quarter of 2012,

rising by 1.3%, as compared to 1.9%. And while non-payment filings rose, the number of calendared court cases fell 9.5%.

## Economic Conditions

### Economic Output and Consumer Prices

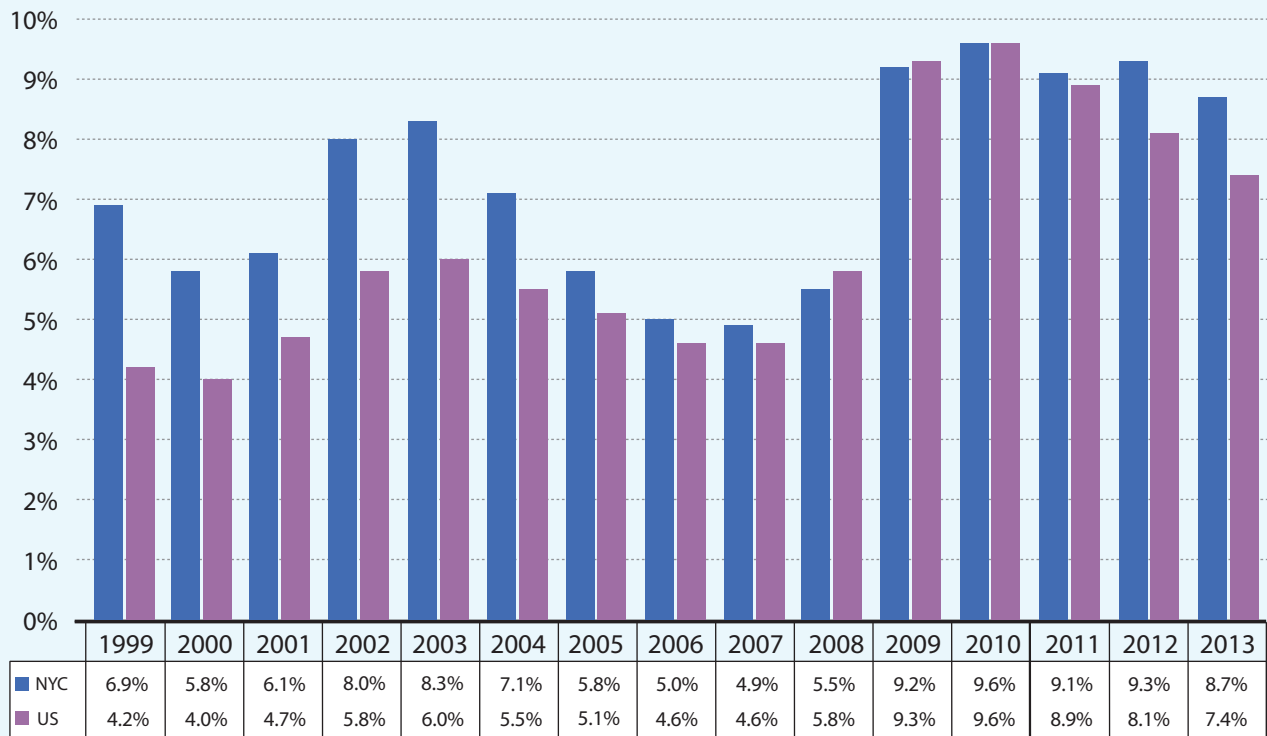
New York City's economy expanded during 2013, rising for the fourth consecutive year. New York City's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 2.7% during 2013, following an increase of 0.8% in 2012.<sup>2</sup> There has been positive economic growth in all but two quarters since the first of 2010, reaching a 2013 high of 3.1% growth during the second quarter. Prior to the

growth in the first quarter of 2010, GCP had decreased in each of the preceding eight quarters, and also fell slightly during the second quarter of 2011 and the first of 2012. For comparison, GCP increased by an annualized average of 1.9% per year between 2000 and 2009 and 3.6% in the 1990s. The analogous national number, United States Gross Domestic Product (GDP), increased 1.9% during 2013, following a 2.8% increase during 2012. On a quarterly basis, GDP has increased every quarter but one since the third of 2009, including a 2013 high of 4.1% during the third quarter.<sup>3</sup>

The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 1.7% in the NYC metropolitan area during 2013, a lower rate of inflation than seen in the previous year, when prices rose on average 2.0%.<sup>4</sup> The U.S. CPI for urban consumers rose at a slightly

### NYC and U.S. Unemployment Rates, 1999-2013

#### NYC & U.S. Unemployment Rates Fall in 2013



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

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slower rate than the metropolitan area between 2012 and 2013, increasing 1.5%, following an increase of 2.1% during 2012.

## Unemployment Statistics

Following a 0.2 percentage point increase in 2012, unemployment rates fell in 2013, declining 0.6 percentage points, to 8.7%.<sup>5</sup> This is the second rate decrease since 2007. The U.S. unemployment rate declined by a similar proportion, falling from 8.1% in 2012 to 7.4% in 2013, a 0.7 percentage point drop.<sup>6</sup> (See graph on previous page and Appendix 1) The 1.3 percentage point difference between the NYC and U.S. rates is the largest gap between the two figures since 2004.

In January and February of 2014, the most recently available data, the unemployment rate for New York City was 8.1% and 8.6%, respectively. These rates are 1.6 percentage points lower than the previous January and 0.6 percentage points lower than the previous February. The analogous national figure was 7.0% in both January and February of 2014, 1.5 percentage points lower than January of 2013 and 1.1 percentage points lower than the previous February.

For all of 2013, Manhattan had the lowest unemployment rate of the boroughs, 7.2%, while Queens and Staten Island had identical unemployment rates in 2013, at 7.8%. Brooklyn had the second-highest unemployment rate, at 9.4%, while the Bronx once again had the highest rate of the boroughs, 11.8%. Unemployment rates fell in every borough during 2013, from between 0.5 and 0.9 percentage points. The Citywide unemployment rate is now lower than any point since 2008, when it stood at 5.5%.

## Employment Statistics

Two other employment indices are tracked in the *I&A Study*. The New York City labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased slightly in 2013, to 60.1%, up from 60.0% in 2012.<sup>7</sup> This remained lower than the U.S. rate, which decreased to 63.2% from 63.7% in 2012.<sup>8</sup> A related statistic, the

New York City employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. After remaining virtually unchanged between 2009 and 2012, the rate rose 0.5 percentage points in 2013, from 54.4% in 2012 to 54.9%. For comparison, the U.S. employment/population ratio remained at 58.6% between 2012 and 2013.

For the fourth consecutive year, the number of people employed in New York City increased, following gains in all but one year since 2003 (see graph on next page). Overall, among both city residents as well as those commuting into the city, New York City gained 83,100 jobs in 2013, a 2.1% increase from 2012.<sup>9</sup>

Employment levels rose in almost every industry, rising by the greatest proportion in the Construction sector, which grew by 4.2% (4,900 jobs) during 2013. Leisure and Hospitality also grew significantly, rising by 4.0% (14,600 jobs) during 2013, and the Professional and Business Services sector grew by 3.7% (23,200 jobs). All other sectors that experienced growth rose from between 1.6% and 3.1%. See Appendix 2 for more detailed employment information.

In 2013, the largest proportional drops in employment were in the Government and Financial Activities sectors, each falling 0.4%, and shedding 2,300 and 1,800 jobs, respectively. Manufacturing employment remained at the same level, but has fallen in all but two years since 1990 (the first year data is available for). Over the 23-year period, employment in this sector is down 71.2% and 188,900 jobs.

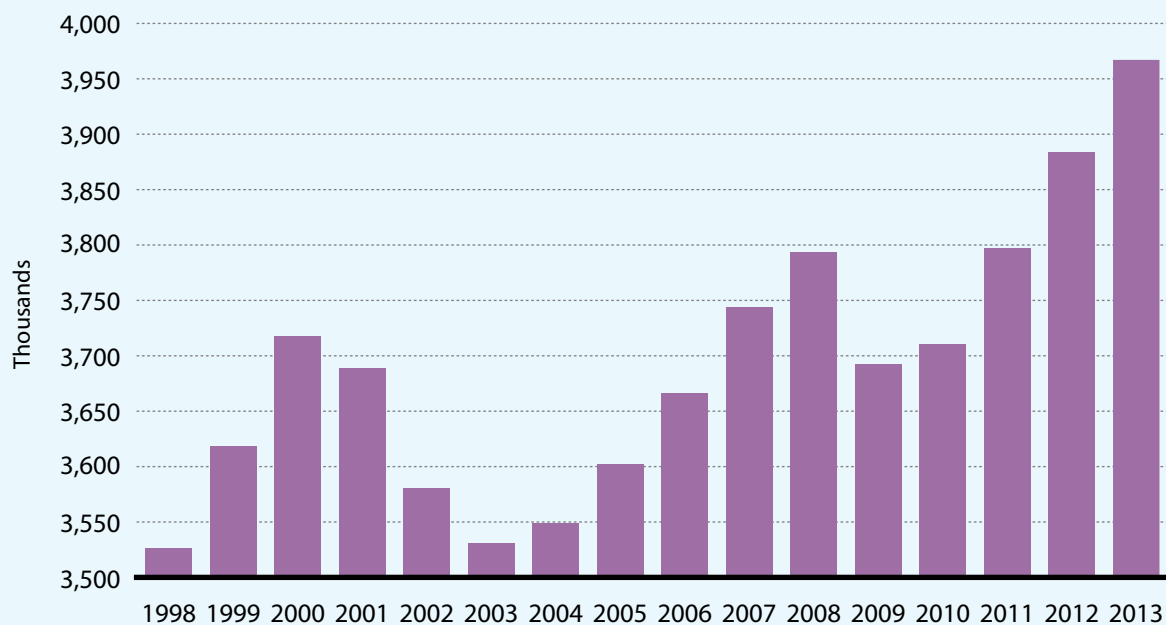
During the first two months of 2014, total employment levels were up as compared to the same months of 2013, with levels 2.4% higher in January 2014 and 2.2% higher in February, as compared with the same months of the prior year. Employment levels in January were up in every sector except Government and Construction, while Government was the only sector to see employment levels drop in February.

## Wage Data

This report also examines wage data of employees working in New York City (regardless of where they live), though the analysis is limited by the fact that

## Average Annual Payroll Employment, NYC, 1998-2013

### NYC Employment Levels Rise for Fourth Consecutive Year



Source: NYS Dept. of Labor

there is a significant lag time in the reporting of income data. Based on data derived from the Quarterly Census of Employment and Wages (QCEW), the most recent annual numbers cover the 2012 calendar year. The data for this time period shows an overall increase in nominal wages, but a decrease in “real” wages (wages adjusted for inflation). Real wages for all sectors declined for the second consecutive year, by 1.2% in 2012, falling from \$81,540 (in 2012 dollars) to \$80,565.<sup>10</sup> Nominal wages (wages in current dollars) increased by 0.7% over the same time period, following a 2.5% increase in the prior year.

Due to the six-month lag time in reporting of wage data, in order to present the most recent statistics possible, staff has formulated a “year” that comprises the most recent 12-month period (in this case, the fourth quarter of 2012 through the third quarter of 2013). This “year” was then compared with the equivalent period of the preceding “year,” which in this most recent time period showed that overall wages increased by 1.2% in real terms and by 3.0% in

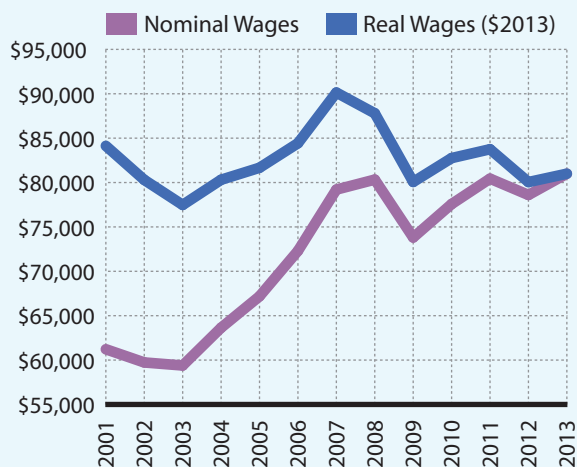
nominal terms (note that 2013 data is preliminary). This compares to declines in the preceding 12-month period of 4.4% in real terms and 2.3% in nominal terms. (See graph on next page)

Real wages in the Finance and Insurance sector, which accounts for more than a quarter of all wages in New York City (and therefore carries more weight than any other single sector), rose by a real 6.5% during the most recent 12-month time period, the largest proportional rise of any sector. This compares to a 9.3% drop and a 0.8% rise in the prior two 12-month periods. The sector with the second greatest weight, Administrative, Waste, Educational, and Health Services (accounting for almost 16% of all wages), fell by a real 0.1% during this time period. Professional and Technical Services (accounting for 13% of all wages) rose by a real 0.4%. The Government sector, with 10% of all wages, also fell, by 0.9% in real terms.

Looking at 2013 wage data on a quarterly basis, compared to the same quarters of 2012, wages fell in real terms in the first and second quarters, by 2.6% and

## Real and Nominal Wages, 2001-2013

### Both Real and Nominal Wages Increase in 2013



Source: NYS Dept. of Labor

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

0.1% respectively, while they rose by 0.2% in the third quarter. "Yearly" wages rose because of the impact of the fourth quarter of 2012, when wages rose 7.7% in real terms. Also impacting the relatively modest increase in overall wage was the effect of wages in the Finance and Insurance sector. While wages in this sector often rise and fall by double digit percentages, they rose a relatively more modest 6.5% in real terms during the most recent calendar period, causing overall wages to rise 1.2%, rather than the 0.3% they would have if Finance and Insurance wages had been taken out the analysis.

The U.S. Bureau of Labor Statistics also tracks wage data, as part of their Current Employment Statistics (CES) survey.<sup>11</sup> Unlike the QCEW, this data cannot be analyzed for specific industries, and while more current than that of the QCEW, is based on a much smaller sample size. In addition, this data does not include certain monetary compensations that are included in the QCEW, such as bonuses and sums received when exercising stock options, and is therefore less variable on a month-to-month basis than data from the QCEW. Per this survey, weekly wages rose by a nominal 1.5% in New York City during

calendar year 2013, faster than the rate of growth during 2012 (1.3%), but slower than that of the nation as a whole (1.8%). In real dollars, weekly wages fell by 0.5% in New York City and 0.3% for the nation as a whole between 2012 and 2013. On a quarterly basis, the CES data shows that wages fell by an inflation-adjusted 1.3% during the fourth quarter of 2013, with the only positive quarterly growth in the second quarter, rising a real 0.4%.

## Bankruptcy Statistics

Staff also examined bankruptcy filings for New York City residents from 2000-2013. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000 and 2004, before surging to 42,852 in 2005 as bankruptcy laws were set to change. In the following year, with new laws in place making it more difficult to file for bankruptcy, only 7,961 persons filed for personal bankruptcy, an 81.4% decline. Filings then increased every year through 2010, reaching a high of 17,685. Rates dropped for both New York City and the nation as a whole for the third consecutive year, by 11.0% (to 11,231) and 12.0%, respectively.<sup>12</sup>

## Poverty Statistics

The Census Bureau reports that the New York City poverty rate for all individuals was 21.2% in 2012, an increase from 20.9% in 2011, and the fourth consecutive year of increase in this rate. This compares to 15.9% for the nation as a whole in both 2011 and 2012.<sup>13</sup> Poverty rates vary widely depending on borough. Rates range from a low of 11.6% in Staten Island, to 16.2% in Queens, 17.8% in Manhattan, 24.3% in Brooklyn, and 31.0% in the Bronx, consistently the highest rate of the boroughs. As compared to the prior year, rates decreased in both Manhattan and Staten Island and rose in the other boroughs.

Also reported is the poverty rate for persons under the age of 18 in New York City, which was 31.4% in 2012. The rate was 18.4% for individuals 18 to 64 and 19.1% for persons 65 years and over. Furthermore, 18.2% of all families were living under the poverty line in 2012. For families containing related children under the age of 18, this figure rises to 26.0%. For married-

couple families, the overall poverty rate was 11.1% in 2012, while for female- and male-headed families (i.e., no spouse present) it was 32.2% and 18.7%, respectively. Each of these statistics rose as compared with the prior year, with the exception of individuals aged 18 to 64, which remained the same.

For comparison, overall rates were as high as 26.4% in the mid-nineties.<sup>14</sup> The Census Bureau has also begun work on a “Supplemental Poverty Measure,” an additional measure of poverty that will include more factors in estimating income resources.<sup>15</sup> Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for New York City residents from 2005-2011 and found poverty rates higher than those officially released by the Census Bureau.<sup>16</sup> For instance, the official household poverty rate in 2011 was 19.3% and the CEO estimate was 21.3%. The gap between official and CEO estimates has been as high as 3.0 percentage points over the seven years studied by this City agency.

## **2011 Housing & Vacancy Survey**

### **Vacancy Rates, Income, Rent and Affordability of Rental Housing**

Results from the *2011 Housing and Vacancy Survey (HVS)* were released in 2012, and they revealed the continuation of a very tight New York City housing market.<sup>17</sup> This triennial survey of the housing and demographic characteristics of the City’s residents found that the citywide vacancy rate was 3.12% in 2011, well below the 5% threshold required for rent regulation to continue under state law.<sup>18</sup>

According to the *2011 HVS*, which reflects household income for 2010, the median income for all rental households was \$38,447.<sup>19</sup> Stabilized tenants on the whole had a median income of \$37,000. Tenants living in stabilized buildings built prior to 1947 (“pre-war”) had a median income of \$36,000, and post-46 (“post-war”) tenants earned a median income level of \$40,000.

The *HVS* also examines rent levels, and it revealed that in 2011 the median monthly contract rent, which excludes any additional tenant payments for fuel and

utilities, for all rental units was \$1,100 a month. Rent stabilized tenants paid, on average, slightly less than the typical rental tenant, with a median contract rent of \$1,050 for all rent stabilized tenants in 2011, \$1,030 for pre-war rent stabilized apartments, and \$1,100 for post-war rent stabilized apartments. Median gross rent, which includes fuel and utility payments, was \$1,204 a month for all renters. Rent stabilized tenants on the whole paid a median gross rent of \$1,160 in 2011, including \$1,150 for pre-war rent stabilized apartments, and \$1,200 for post-war rent stabilized apartments.

Examining affordability of rental housing, the *2011 HVS* reported that the median gross rent-to-income ratio for all renters was 33.6%, meaning that half of all households residing in rental housing pay more than 33.6% of their income in gross rent, and half pay less. This is the highest ratio in the history of the *HVS*. Rent stabilized tenants are facing a higher financial burden than tenants on the whole, with a median gross rent-to-income ratio of 34.9%, meaning a majority of rent stabilized tenants are not able to afford their apartments, based on the HUD benchmark for housing affordability. Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.<sup>20</sup> Looking at these figures more closely, rent stabilized tenants in pre-war apartments are facing a median rent burden of 35.5%, while tenants in post-war units had a median ratio of 33.8% in 2011.

Furthermore, a third (32.5%) of rental households pay 50% or more of their household income in gross rent. For rent stabilized tenants on the whole, 34.8% pay more than 50% of their income towards gross rent, with ratios of 35.6% for tenants in pre-war apartments and 32.3% for post-war apartments.

More detailed *HVS* data can be found in the prior two *I&A Studies*, or in Appendix D of the *Housing NYC* books published annually by the Rent Guidelines Board. Preliminary data from the *2014 HVS* should be released early next year.

## **Other Measures of Affordability**

### **American Community Survey**

Despite ongoing efforts by a number of government agencies and non-profit groups, housing affordability



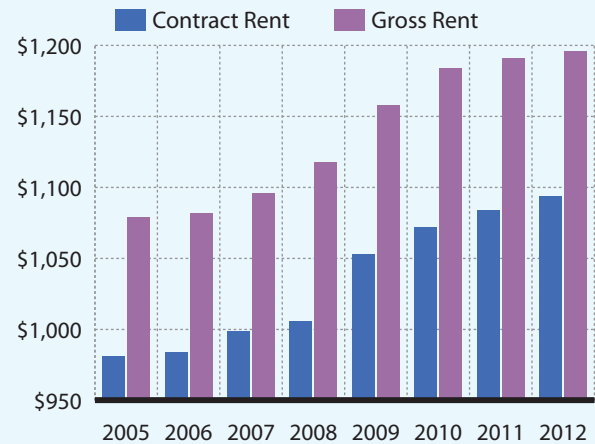
remains an issue in a city ranked 31st highest among 76 big cities in the Census Bureau's nationwide 2012 *American Community Survey* of gross rent-to-income ratios.<sup>21</sup> At 32.2%, the median gross rent-to-income ratio in New York City decreased 0.3 percentage points, as compared to 2011. This decrease follows four consecutive years of increase in the gross rent-to-income ratio. By borough, rates ranged from a low of 28.6% in Manhattan, to 32.4% in Staten Island, 32.7% in Brooklyn, 33.8% in Queens, and 36.0% in the Bronx. Notably, the only borough to vary by more than one percentage point as compared to the prior year was Staten Island, which rose 2.7 percentage points, but contains very few rent stabilized units.

The percentage of households Citywide paying 50% or more of their income towards gross rent in 2012 also fell, down to 30.0% from 30.6% in 2011. At the borough level, rates ranged from a low of 23.4% paying at least 50% of their income towards gross rent in Manhattan, to a high of 35.5% in the Bronx.

This survey also reports that between 2011 and 2012, median monthly contract rents for all apartments in New York City increased a nominal 2.9% and median gross rents increased by 2.4% (and by 0.9% and 0.4%, respectively, in real terms). Inflation-adjusted gross rents fell by 1.2% in the Bronx and 1.7% in Staten Island, and rose 0.3% in Queens and

### Rent in Constant 2012 Dollars, 2005-2012

#### Inflation-Adjusted Contract and Gross Rents Climb Annually



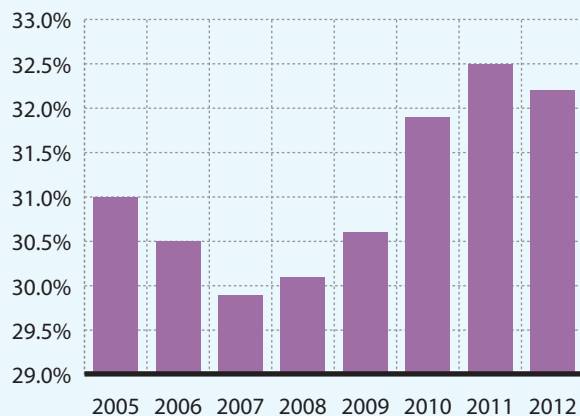
Source: American Community Survey, 2005-2012

1.4% in both Brooklyn and Manhattan. In addition, during 2012 median household income for renters rose both nominally and in real terms, by 6.1% and 4.1% respectively, to \$40,209. Notably, income for owner-occupied households fell in nominal terms by 0.3% and 2.2% in real terms. Since the inception of this survey in 2005, renter income has fluctuated in "real" 2012 dollars from a low of \$38,636 in 2011 to a high of \$42,231 in 2008. For renters, 2012 marks the first year that income has risen since that 2008 high.

The survey also provides mean household income for cities in quintiles. In New York City the top quintile (i.e., the top 20%) in mean household income makes 24.95 times more than the lowest quintile (i.e., the lowest 20%), the ninth highest ratio among big cities, and a decrease from 25.25 in 2011. While New York's income disparity ratio does rank near the top nationwide, it lags notably behind Atlanta, with a ratio of 35.72, the highest disparity among big cities. Other major cities, such as Los Angeles (21.53), Chicago (24.10), Houston (20.71), and Philadelphia (21.58), all have smaller differentials between income levels than New York City. Among the cities ranking higher than New York City are Boston (32.41) and Washington, DC (28.76). The smallest disparity among big cities is in Virginia Beach, Virginia, with a ratio of 10.37. While the ratio

### Gross Rent-to-Income Ratio, 2005-2012

#### Gross Rent-to-Income Ratio Falls for First Time Since 2007



Source: American Community Survey, 2005-2012

between the upper and lower quintiles was 24.95 for all of New York City, it was 40.37 in Manhattan, where the top quintile makes an average of almost \$380,000 more annually than the lowest quintile.

## Consumer Price Index

One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to New York City (the local CPI area extends into the suburbs of New York City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.<sup>22</sup> For the 45-year period since the inception of rent stabilization (from 1968 to 2013) the cost of rental housing in the New York area rose 700% and overall prices rose more slowly, at 611%. This is the converse of nationwide averages, where the cost of rental housing rose at a slower pace than overall costs (518% and 569%, respectively).

Between 2012 and 2013, rental costs rose 3.1% in the NYC area, versus an overall increase in prices of 1.7%. This is higher than the 2012 rent increase of 2.4%. While the rate of inflation of rents did increase during 2013, it was still lower than many other recent years, including rates of 4.5% in 2007, 5.1% in 2008, and 3.9% in 2009.

In the U.S. as a whole, rental costs rose at a slightly slower pace than the New York City area, rising by 2.8% in 2013. Rental costs in the area also rose faster than six of the seven cities selected for comparison, including the metropolitan areas of Philadelphia, Boston, Chicago, Atlanta, Los Angeles, and Washington, DC, which rose at rates of between 2.0% to 2.6% in 2013. But rental rates in the NYC metropolitan area did rise slower than those in San Francisco, which saw rents rise 4.5%.

## Section 8 Housing Availability

Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the New York City Housing Authority (NYCHA) opened the waiting list for the first time since 1994.<sup>23</sup> These expanded funding levels led

to significant increases in the number of Section 8 occupied units funded by NYCHA (which increased from 82,801 in FY 2007 to a recent high of 100,570 in FY 2010, a 21.5% increase), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The number of Section 8 apartments has since fallen, to less than 91,000 units.<sup>24</sup> NYCHA also tracks the number of applicants newly placed through the Section 8 program. Placements rose between FY 2012 and FY 2013, more than doubling, from 421 to 933. But in the first four months of FY 2013 and 2014, respectively, placements fell, from 249 to 155. There are approximately 123,000 people currently on the NYCHA Section 8 waiting list.

The NYC Dept. of Housing Preservation and Development (HPD) also maintains a Section 8 program, although as opposed to NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.<sup>25</sup> As of March of 2014, HPD was funding just less than 37,000 Section 8 vouchers, approximately the same number as the previous year. Notably, 45% of HPD's Section 8 vouchers are utilized by tenants with disabilities. And among all HPD Section 8 rentals, the average tenant share of rent is \$358, with an average income level of \$15,602.<sup>26</sup>

## Non-Government Sources of Affordability Data

Staff also calculated electricity costs for a typical rental household. Assuming usage of 300 kWh and supply via Con Edison, the average renter's bill would have increased by 5.1% during 2013, following a 1.3% increase during 2012. During the most recent 12-month period (April of 2013 through March of 2014), due to double-digit increases during January and March of 2014, costs rose 7.6% as compared to the prior "year." For comparison, during the previous 12-month period, costs increased 3.7%.<sup>27</sup> In addition, New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2012 more than double that of the nation as a whole.<sup>28</sup>

Another measure of affordability is the Council for

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Community and Economic Research's Cost of Living Index (COLI), which tracks the cost of living in more than 300 urban areas, including Manhattan, Brooklyn, and Queens (the Bronx and Staten Island were not included in this survey). Based on 60 different items, the survey collects more than 90,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services. In each of the first three quarters of 2013, Manhattan, Brooklyn, and Queens ranked as numbers one, two/three, and five respectively on the list of most expensive urban areas.<sup>29</sup> The study calculated that Manhattan was approximately 2.2 times as expensive to live in as the national average, while Brooklyn was approximately 1.7 times more expensive, and Queens was roughly 1.5 times more expensive.

This same study found that someone moving from Boston who makes \$51,642 a year (the 2012 median household income in Boston) would need to make \$81,978 to achieve the same standard of living in Manhattan, while paying 9% more for groceries, 19% more for transportation, and 154% more for housing (including 108% more for renters).<sup>30</sup> Moving to either Brooklyn or Queens would be somewhat more economical, requiring a salary of \$63,953 in Brooklyn and \$55,917 in Queens to achieve the same standard of living. As with Manhattan, the most inflated component in these outer boroughs is housing, which is approximately 84% more expensive in Brooklyn than in Boston (with rental apartments 32% more expensive), and 30% more expensive in Queens (with rental apartments 28% more expensive).

While the study found that significantly more income is required to live in New York City with the same standard of living as in Boston (see prior paragraph), actual incomes fell short of what the study determined was required in Manhattan, Brooklyn, and Queens. Actual 2012 median household incomes were \$67,099 in Manhattan, \$45,230 in Brooklyn, and \$54,713 in Queens, a difference of 18.1%, 29.2%, and 2.2% respectively.<sup>31</sup>

Per this survey, housing costs rose at a faster pace in Boston, 4.0%, than in New York City during 2013, including a decline of housing costs in both Brooklyn and Queens, of 5.6% and 1.2% respectively, and stagnant housing costs in Manhattan, rising just 0.1%.

However, the survey found that apartment rents did rise in each of the boroughs over the past year, ranging from 1.5% in Manhattan, to 2.1% in Brooklyn, and 12.7% in Queens, as compared to a rise of 6.8% in Boston apartment rents over the same time period.

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2013 the New York metropolitan area was the fifth least affordable area to buy a home. This follows eighteen straight quarters between 2008 and 2012 when the New York area ranked as least affordable. The survey found that 23.4% of owner-occupied housing in the metropolitan area was affordable to households earning the median income. Although it was one of the least affordable buyer's markets, substantially more homes were affordable than in recent years, such as in the fourth quarter of 2006, when only 5.1% of homes were considered affordable. However, it is a lower proportion of affordability as compared to the same quarter of the previous year, when 29.6% of homes were considered affordable.<sup>32</sup>

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners.<sup>33</sup> Per their 2014 study, in order to afford a two-bedroom apartment at the City's Fair Market Rent, (\$1,440 a month, as determined by the U.S. Department of Housing and Urban Development) a full-time worker must earn \$27.69 per hour, or \$57,600 a year. Alternately, those who earn minimum wage would have to work 138 hours a week (or two persons would each have to work 69 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent. Because the Fair Market Rent decreased between 2013 and 2014 (by \$34 a month) and the minimum wage increased by \$0.75 an hour, the amount of annual wages necessary to afford this apartment went down by 2.3% and the number of hours working at minimum wage in order to afford this apartment went down by 11.5%. The minimum wage in New York State will rise to \$9 an hour by 2016.<sup>34</sup>

The Center for an Urban Future published data in April of 2013 that showed that the proportion of jobs in New York City that are "low-wage" is increasing. Defined as a job that pays less than \$12.89 an hour, the report found that the proportion of low-wage jobs

in New York City rose from 31% in 2007 to 35% in 2012. This proportion rose between 2007 and 2012 in every borough but Queens (where it fell slightly, from 34.4% to 34.0%), rising from 32% to 40% in Brooklyn, 42% to 47% in the Bronx, 22% to 26% in Manhattan, and 23% to 27% in Staten Island.<sup>35</sup>

Late last year, thousands of New Yorkers participated in “Talking Transition” forums, answering survey questions about all aspects of City life and their desires from the new administration. One of these questions, answered by approximately 50,000 residents, asked New Yorkers to rank housing affordability in their neighborhood on a scale of -100 to +100 (with negative numbers being “bad” and positive numbers being “good.” While 14% ranked it as being in the “good” range, 18% felt it was “okay,” and 68% felt it was “bad.” Respondents were also asked if they felt housing affordability was getting better or getting worse (on the same sliding scale) and 68% reported it was “getting worse,” while 14% reported it was “getting better.” When asked about their ability to find a good job, 57% reported it being “bad,” while 22% said it was “okay” and 21% said it was “good.” A majority of respondents, 53% felt their ability to find a good job was “getting worse,” while 25% felt it was “getting better.”<sup>36</sup> And when asked which of nine items should be a high priority for the mayor, more than three quarters of respondents answered either “Jobs & Economy,” “Housing,” or “Education,” with “Jobs & Economy” as the most popular response (33% of respondents) and “Housing” as the second most popular response (23% of respondents).<sup>37</sup>

## Cash Assistance Programs

For the fifth consecutive year, the total number of cash assistance cases in New York City increased, rising by

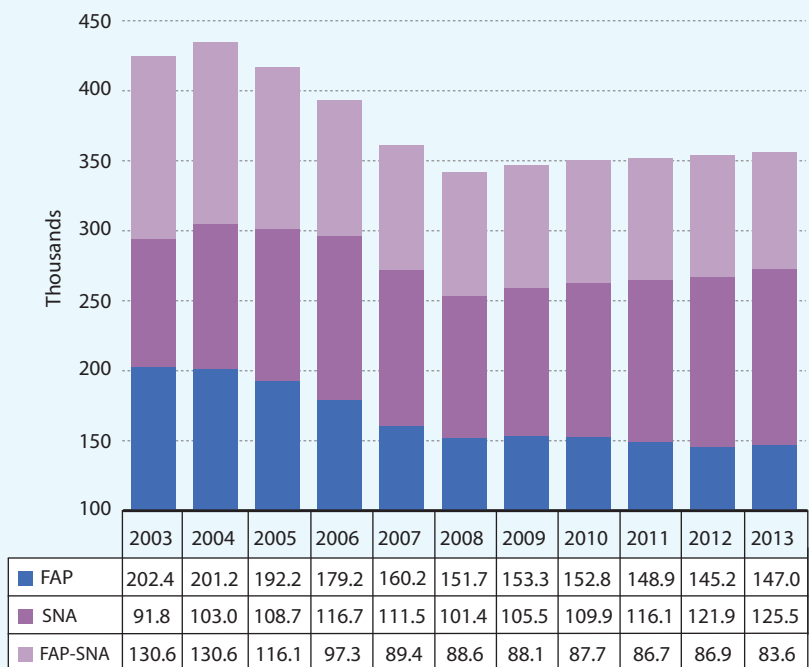
0.6% between 2012 and 2013.<sup>38</sup> This follows an increase of 0.6%<sup>39</sup> in the prior year (see graph on this page). Despite increases in the past five years, over the last 18 years the number of cash assistance recipients has dropped significantly, falling 70.2% since March 1995, when the City’s welfare reform initiative began and 1,161,000 recipients were on the rolls.

While the number of cash assistance cases rose slightly in 2013, the number of applications for cash assistance fell, declining 3.7% over 2012 levels, including a decrease of 1.5% in denied applications, and 5.1% in approved applications.<sup>40</sup> At the same time, the number of reported job placements among cash assistance recipients increased during 2013, rising by 10.2%, or 7,904 jobs.<sup>41</sup>

The number of Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) recipients increased for the eleventh straight year, rising 1.4%, to an average of 1.86 million in 2013.

Cash Assistance Programs, 2003-2013, in Thousands

### Cash Assistance Caseloads Rise Slightly



Source: NYC Human Resources Administration

Note: FAP-SNA refers to welfare recipients who were converted from the Family Assistance Program (FAP) to the Safety Net Assistance Program (SNA)

This rate of growth was almost double that seen in the previous year, and levels have more than doubled over the past ten years, rising from an average of close to 900,000 in 2003 to almost 1.9 million in 2013.<sup>42</sup> Effective November 1, 2013, a temporary increase in SNAP benefits that went into effect as part of the 2009 federal Recovery Act expired, lowering benefits by an average of approximately \$19 a month in New York City.<sup>43</sup> The number of Medicaid enrollees also increased, rising 2.5% during 2013, to more than three million recipients.<sup>44</sup>

## **Housing Policy**

New York City receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). In the 2013 fiscal year, New York City received \$720.0 million from federally funded programs.<sup>45</sup> These programs included \$221.1 million in a Community Development Block Grant (CDBG) which funds housing and community development programs; \$57.8 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; \$10.9 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; and \$51.1 million for Housing Opportunities for Persons with AIDS (HOPWA). NYCHA also received \$258.9 million for its capital modernization program.

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

Overall funding rose because HUD Competitive Funds, the bulk of which (as part of a Homeless Continuum of Care grant) are used for homeless housing services, increased substantially during FY 2013. Funding for this program rose by \$104 million

between FY 2012 and FY 2013, an 873.3% real increase. Overall federal funding, not including these competitive funds, fell by 4.3% in real terms during FY 2013.

## **Homelessness & Evictions**

### **Homelessness**

Homelessness in the City, based on data from the Dept. of Homeless Services (DHS), increased for the fifth consecutive year during 2013, rising by 14.1%.<sup>46</sup> Each night, an average of 49,408 persons stayed in DHS shelters during 2013, up 6,113 persons from a year earlier, and up considerably from the average of 20,000-25,000 found in the 1990s (see graph on next page and Appendix 7). While levels rose on the whole, so did the subcategory of the number of families sheltered each day, by an average of 12.7%.<sup>47</sup> The figure for families includes the number of families with children sheltered each night, which rose 12.8% during 2013 (to reach an average of 10,256), and the number of adult families sheltered each night, which increased 12.1% over the year (to an average of 1,806). The number of single adults sheltered also rose during 2013, increasing 9.0%, to an average of 9,862 persons.

While overall homeless rates increased more than 14% during 2013, looking at the data on a quarterly level shows that rates increased at a slower pace as the year went on. Rates rose by 19.5%, 17.6%, 11.8%, and 8.7% in the first, second, third and fourth quarters respectively, as compared to the same quarters of the previous year. On a monthly basis, the greatest increase was seen in February of 2013, when 8,170 more persons stayed in City shelters than the previous February, an increase of 20.2%.

While more people were staying in homeless shelters during 2013, more were also being relocated to permanent housing during the year. Permanent housing placements for families with children, adult families, and single adults all rose substantially over 2012 figures. For families with children, placements rose by 47.0%, to 6,682 placements. For adult families, rates rose by 36.8%, to 572 placements. And for single adults, placements rose by approximately 29.1%<sup>48</sup> during 2013, to 9,829 placements. Most of

these placements are to private housing, including family members or friends of those being sheltered, and include only those individuals or households who are out of DHS facilities for at least 30 days. A small number of placements were also to subsidized housing; with the aid of Section 8 benefits; or were aided by other rental assistance programs.

Other homeless indicators include the average amount of time spent in temporary housing, which increased among all categories for the third consecutive year, rising by 46 days for families with children (to 403 days), by 51 days for adult families (to 494 days), and by approximately 24 days<sup>49</sup> for single adults (to 299 days). While homeless individuals were spending more time in temporary housing during 2013, those placed in permanent housing were also returning to the system in greater numbers, with 11.3% of families with children returning to DHS within one year (up from approximately 7.5%<sup>50</sup> the previous year) and 14.5% returning within two years (up from approximately 9.3%<sup>51</sup> the previous year). In addition,

the number individuals or families who have never before utilized a City shelter increased during 2013, rising approximately 5.8%,<sup>52</sup> to an average of 1,277 per month.

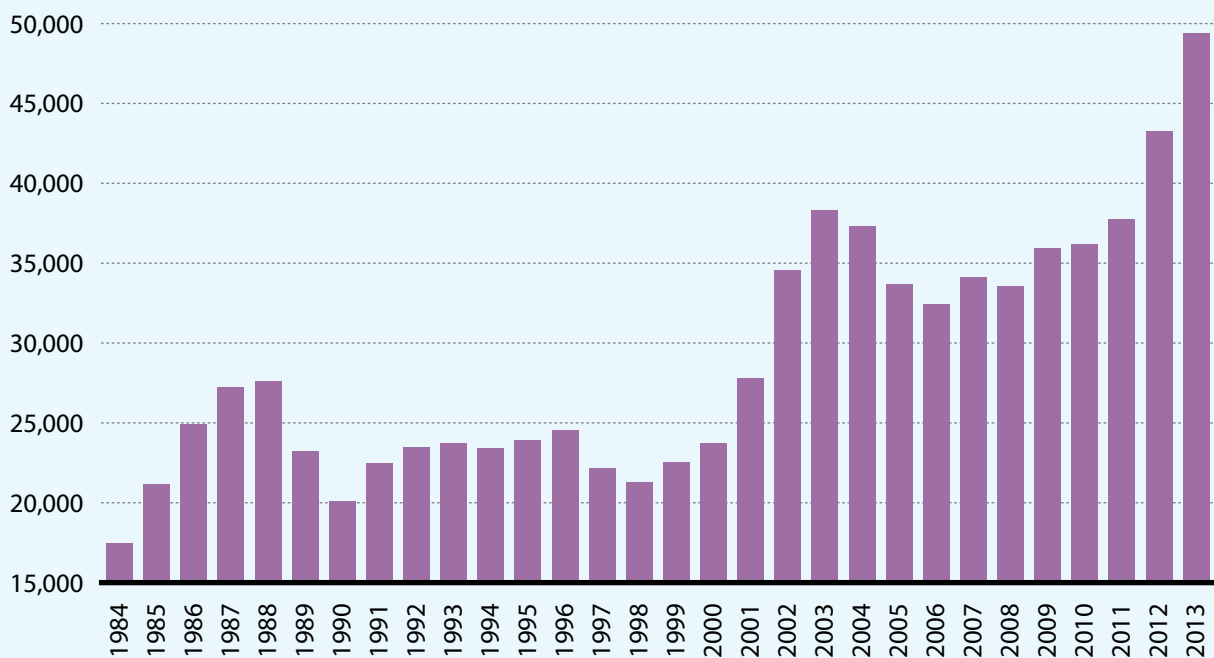
Data from the U.S. Department of Housing and Urban Development, which asks municipalities to submit homeless counts on a single day of January of each year, shows that New York City has the largest number of homeless people of any city in the nation. NYC reported a total of 64,060 sheltered and unsheltered persons in January of 2013, followed by Los Angeles, with 53,798 persons, and Seattle, with 9,106. At the local level, rates rose 13.0% between January 2012 and January 2013, and at the national level, homeless levels declined by 3.7%.<sup>53</sup>

## Housing Court

Another useful way to assess the impact of economic conditions on New York City's renters is to examine housing court data. Specifically, Housing Court

### Average Homeless Shelter Census, NYC, 1984-2013

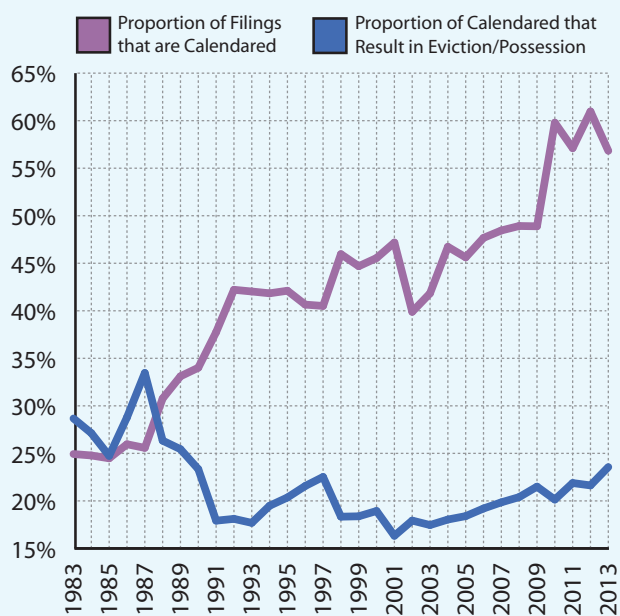
#### NYC Homeless Levels Rise for Fifth Consecutive Year



Source: NYC Dept. of Homeless Services

## Housing Court Statistics, 1983-2013

### Proportion of Non-Payment Cases Heard Falls, but Proportion of Evictions Increases



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

actions are reviewed to determine the proportion of tenants who are unable to meet their rental payments. To measure the number of households experiencing the most severe affordability problems, evictions are also tracked.

For the second consecutive year, non-payment filings in Housing Court decreased, falling 1.1%, to 215,497.<sup>54</sup> While the number of non-payment filings decreased, the number of cases resulting in an actual court appearance (“calendared”) fell by an even greater proportion, 7.8%, so the proportion of cases which resulted in an appearance decreased by 4.1 percentage points. At 56.8%, this proportion is still among the highest the RGB has ever recorded (see graph on this page and Appendix 6). During the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

If non-payment cases against public housing (NYCHA) tenants were taken out of the analysis, filings

would have gone down 2.2%, and calendared cases by 10.1%. However, the overall percentage of calendared cases to non-payment filings would have remained essentially the same, falling just 0.5 percentage points, to 56.3%.

The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2013 increased by almost two percentage points, rising from 21.6% to 23.6%. This translates to 28,849 court decisions ruled for the tenant’s eviction from a total of 122,463 non-payment proceedings calendared.<sup>55</sup> The increase was due to the fact that the number of cases calendared decreased at a relatively fast pace, down 7.8%, while evictions rose slightly, by 0.4% (to the highest level in the history of the *I&A Study*). The proportion of evictions to calendared cases is now at its highest level since 1989 (see graph on this page).

## Conclusion

In 2013, economic indicators for New York City were mostly positive, including rising employment levels, declining unemployment, increased Gross City Product, a slowing of non-payment housing court filings, and rising wages. However, homelessness continues to increase, as do cash assistance and SNAP caseloads.

Looking forward, various City agencies have made predictions about the future health of the New York City economy. Among their predictions, they estimate that in 2014 the City will gain anywhere between 57,000 and 71,000 jobs, unemployment will fall to 7.6%, GCP growth will potentially grow anywhere from 1.2% to 2.8%, and wages will rise from 1.9% to 2.3%. They also see the economy brightening even more during the next few years, with decreasing unemployment rates (to as low as 4.4% by 2018), job gains, and a rise in both wage growth and GCP.<sup>56</sup> □

## Endnotes

1. This data is obtained from the Civil Court of the City of New York, which cannot provide exact “quarterly” data. The Court has 13 terms in a year, each a little less than a month long. This data is for terms 10-13, which is from approximately the middle of September through the end of the year. It is compared to the same period of the prior year.

2. Data from the NYC Comptroller's Office as of March, 2014. GCP figures are adjusted annually by the New York City Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2009 chained dollars.
3. US Bureau of Economic Analysis. <http://www.bea.gov/national/index.htm#gdp>; Data accessed March, 2014.
4. US Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed February, 2014.
5. NYS Dept. of Labor; <http://www.labor.state.ny.us>; Data accessed March 2014. Data is revised annually and may not match data reported in prior years.
6. US Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2014.
7. The NYC labor force participation rate and employment/population ratio are derived from unpublished data from the U.S. Bureau of Labor Statistics, obtained from the NYC Comptroller's Office. Note that prior years' data are annually revised, and may differ from figures reported in prior years' *Income and Affordability Studies*.
8. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2014.
9. New York State Dept. of Labor; <http://www.labor.state.ny.us>; Data accessed March 2014. Data is revised annually and may not match data reported in prior years.
10. New York State Dept. of Labor; <http://www.labor.state.ny.us>; Data accessed March 2014.
11. Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed March, 2014.
12. Data obtained from The Administrative Office of the U.S. Courts. <http://www.uscourts.gov/Statistics/BankruptcyStatistics.aspx>
13. Poverty statistics were researched on the US Census Bureau's Factfinder Site: <http://factfinder2.census.gov> in February of 2014.
14. Data is from prior reports of the Community Service Society of New York, which uses Census Data to compute their own poverty statistics. Studies average two consecutive years of census data in calculating poverty rates.
15. "Census Bureau to Develop a Supplemental Poverty Measure." March 2, 2010. U.S. Dept. of Commerce Press Release.
16. "The CEO Poverty Measure, 2005-2011." April, 2013. New York City Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.
17. The *New York City Housing and Vacancy Survey (HVS)* is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. All HVS data reported herein is either taken directly from the tables on the HVS website or derived from the raw data posted there: [www.census.gov/hhes/www/housing/nychvs/2011/nychvs11.html](http://www.census.gov/hhes/www/housing/nychvs/2011/nychvs11.html).
18. State law requires the City to formally extend rent stabilization every three years, after publication of vacancy rates from the triennial *Housing and Vacancy Survey*. Local Law 16 of 2012 was signed into law by Mayor Bloomberg on March 26, 2012, extending rent stabilization until April 1, 2015.
19. Total household income in the HVS includes wages, salaries, and tips; self-employment income; interest dividends; pensions; and other transfers and in-kind payments.
20. The HUD benchmark for housing affordability is a 30% rent-to-income ratio. Source: Basic Laws on Housing and Community Development, Subcommittee on Housing and Community Development of the Committee on Banking Finance and Urban Affairs, revised through December 31, 1994, Section 3.(a)(2).
21. 2012 American Community Survey, U.S. Census Bureau. <http://factfinder2.census.gov>
22. US Bureau of Labor Statistics; <http://www.bls.gov>; Data accessed February, 2014.
23. Press Release, Mayor's Office. "Mayor Bloomberg and NYCHA Chairman Hernandez Announce that Section 8 Voucher List Will Open For First Time in Twelve Years," January 29, 2007.
24. Preliminary FY 2014 Mayor's Management Report, NYC Housing Authority section.
25. Eligibility guidelines per the NYC Housing Preservation and Development website: <http://www.nyc.gov/html/hpd/html/section8/section8-intro.shtml>.
26. DTR Section 8 General Program Indicators, HPD website: <http://www.nyc.gov/html/hpd/downloads/pdf/Section8-Program-Statistics.pdf> (dated 3/3/2014).
27. A typical bill was calculated using rate schedules published on the Con Edison website at <http://www.coned.com/rates>. The rates used were for Service Classification #1, Residential and Religious, at a usage rate of 300kWh, per averages stated by a representative from ConEd.
28. AARP Press Release. "ConEd Electric Customers Get Rate Shock -- Pay More Than Double U.S. City Average." May 21, 2103.
29. ACCRA Cost of Living Index Press Release. First, Second, and Third Quarters of 2013. The Council for Community and Economic Research. <http://www.coli.org/PressClippings.asp>
30. ACCRA cost of living report. The Council for Community and Economic Research. <https://www.coli.org/compare.asp>
31. 2012 American Community Survey, U.S. Census Bureau. <http://factfinder2.census.gov>
32. National Association of Home Builders. Various tables on website: [http://www.nahb.com/reference\\_list.aspx?sectionID=135](http://www.nahb.com/reference_list.aspx?sectionID=135); Data accessed March 2014
33. "Out of Reach 2013," National Low Income Housing Coalition. <http://nlhc.org/oor/2014/NY>
34. "NY Increasing Minimum Wage to \$8 an Hour in 2014," NY Post. December 27, 2103.
35. "Low-Wage Jobs, 2012." Center for An Urban Future, April 2013.
36. Talking Transitions Project, Written Report. January, 2014. [http://neidonnely.net/temp/TT\\_DataProject\\_v14\\_spreads.pdf](http://neidonnely.net/temp/TT_DataProject_v14_spreads.pdf)
37. Talking Transitions Project, Raw Data. January, 2014. Includes only those respondents who are residents of NYC. <http://nycdata.pediacities.com/dataset/talking-transition-data>
38. New York City Human Resources Administration. HRA Facts report: [http://www.nyc.gov/html/hra/html/facts/hra\\_facts.shtml](http://www.nyc.gov/html/hra/html/facts/hra_facts.shtml)
39. After the publication of last year's *Income and Affordability Study*, HRA revised September, 2012 figures for cash assistance. Therefore, the rate of change fell to 0.6% between 2011 and 2012, down from the 0.9% reported last year.



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40. Data directly from the NYS Office of Temporary and Disability Assistance, March, 2014.
  41. New York City Human Resources Administration. HRA Facts report: [http://www.nyc.gov/html/hra/html/facts/hra\\_facts.shtml](http://www.nyc.gov/html/hra/html/facts/hra_facts.shtml)
  42. New York City Human Resources Administration. HRA Facts report: [http://www.nyc.gov/html/hra/html/facts/hra\\_facts.shtml](http://www.nyc.gov/html/hra/html/facts/hra_facts.shtml)
  43. "Demand for Food Grows in New York City After a Cut." *The Wall Street Journal*, February 17, 2014.
  44. New York City Human Resources Administration. HRA Facts report: [http://www.nyc.gov/html/hra/html/facts/hra\\_facts.shtml](http://www.nyc.gov/html/hra/html/facts/hra_facts.shtml)
  45. Proposed Consolidated Plan Annual Performance Report, 2013. NYC Dept. of City Planning. March 12, 2014.
  46. Figures prior to July, 2011 from the NYC Dept. of Homeless Services Critical Activities Reports: <http://www.nyc.gov/html/dhs/html/communications/car.shtml>. Data from July, 2011 through December, 2013 directly from the Policy & Planning Office of the NYC Dept. of Homeless Services. Note that the NYC Department of Housing Preservation and Development, the NYC Department of Youth and Community Development, and the NYC Human Resources Administration also operate emergency shelters, which house approximately 5,000 persons per night.
  47. Beginning four years ago, the Dept. of Homeless Services (DHS) now splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 85% of "families" are families with children.
  48. In the case where rates of change are noted as being "approximate," this is because certain statistics were not available for January of 2012. In the case of single adult permanent housing placements, the monthly average for February-December of 2012 was used as a proxy for January data. Note that all 2013 figures are complete, and it is only the rate of change between 2012 and 2013 that is approximate.
  49. In the case where rates of change are noted as being "approximate," this is because certain statistics were not available for January of 2012. In the case of average length of stay in temporary housing for single adults, the average for February-December of 2012 was used in place of the full year average. Note that all 2013 figures are complete, and it is only the rate of change between 2012 and 2013 that is approximate.
  50. In the case where rates of change are noted as being "approximate," this is because certain statistics were not available for January of 2012. In the case of the one- and two-year return rates for families with children to DHS shelters, the average for February-December of 2012 was used in place of the full year average. Note that all 2013 figures are complete, and it is only the rate of change between 2012 and 2013 that is approximate.
  51. See Endnote 50.
  52. In the case where rates of change are noted as being "approximate," this is because certain statistics were not available for January of 2012. In the case of the number of individuals who have never before utilized a DHS shelter, the average for February-December of 2012 was used in place of the full year average. Note that all 2013 figures are complete, and it is only the rate of change between 2012 and 2013 that is approximate.
  53. The 2013 Annual Homeless Assessment Report (AHAR) to Congress." U.S. Department of Housing and Urban Development, November 2013 and "The 2012 Point-in-Time Estimates of Homelessness." U.S. Department of Housing and Urban Development, December 2012.
  54. Civil Court of the City of New York data.
  55. Eviction data from the NYC Department of Investigation, Bureau of Auditors data.
  56. "Comment on New York City's Preliminary Budget for FY 2015 and Financial Plan for Fiscal Years 2014-2018." NYC Comptroller's Office, March 5, 2014.

# Appendices

## 1. Average Annual Employment Statistics by Area, 2002-2013

Unemployment Rate	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bronx	9.8%	10.0%	9.2%	7.5%	6.7%	6.7%	7.4%	11.9%	12.8%	12.4%	12.7%	11.8%
Brooklyn	8.7%	9.0%	7.6%	6.2%	5.4%	5.3%	5.9%	9.8%	10.3%	9.8%	9.9%	9.4%
Manhattan	7.7%	7.5%	6.2%	5.0%	4.3%	4.2%	4.8%	8.4%	8.1%	7.5%	7.7%	7.2%
Queens	7.2%	7.4%	6.3%	5.2%	4.5%	4.4%	4.9%	8.3%	8.7%	8.1%	8.3%	7.8%
Staten Island	7.0%	7.4%	6.4%	5.2%	4.5%	4.5%	5.0%	8.1%	8.8%	8.3%	8.5%	7.8%
<b>NYC</b>	<b>8.0%</b>	<b>8.3%</b>	<b>7.1%</b>	<b>5.8%</b>	<b>5.0%</b>	<b>4.9%</b>	<b>5.5%</b>	<b>9.2%</b>	<b>9.6%</b>	<b>9.1%</b>	<b>9.3%</b>	<b>8.7%</b>
<b>U.S.</b>	<b>5.8%</b>	<b>6.0%</b>	<b>5.5%</b>	<b>5.1%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>5.8%</b>	<b>9.3%</b>	<b>9.6%</b>	<b>8.9%</b>	<b>8.1%</b>	<b>7.4%</b>
<b>Labor Force Participation Rate</b>												
NYC Δ	59.4%	58.9%	58.6%	58.5%	59.0%	59.2%	59.5%	60.0%	60.2%	59.7%	60.0%	60.1%
U.S.	66.6%	66.2%	66.0%	66.0%	66.2%	66.0%	66.0%	65.4%	64.7%	64.1%	63.7%	63.2%
<b>Employment-Population Ratio</b>												
NYC Δ	54.6%	54.0%	54.5%	55.2%	56.1%	56.3%	56.3%	54.5%	54.4%	54.3%	54.4%	54.9%
U.S.	62.7%	62.3%	62.3%	62.7%	63.1%	63.0%	62.2%	59.3%	58.5%	58.4%	58.6%	58.6%
<b>Gross City Product (NYC)</b>												
(billions, in 2009 \$)	507.6	501.4	511.9	538.2	570.1	592.4	591.1	569.6	585.2	604.5	609.4	625.8
% Change	-1.20%	-1.21%	2.09%	5.15%	5.92%	3.91%	-0.23%	-3.63%	2.73%	3.31%	0.81%	2.69%
<b>Gross Domestic Product (U.S.)</b>												
(billions, in 2009 \$)	12,909.7	13,270.0	13,774.0	14,235.6	14,615.2	14,876.8	14,833.6	14,417.9	14,779.4	15,052.4	15,470.7	15,759.0
% Change	1.78%	2.79%	3.80%	3.35%	2.67%	1.79%	-0.29%	-2.80%	2.51%	1.85%	2.78%	1.86%

Notes: The New York City Comptroller's Office revises the Gross City Product periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. Note that GCP and GDP figures are preliminary. The NYS Dept. of Labor also periodically revises unemployment rates, and rates reflected here might not match those figures reported in prior years.

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis, U.S. Dept. of Commerce; NYS Dept. of Labor; NYC Comptroller's Office.

Δ Unpublished data from the Bureau of Labor Statistics. These figures are revised periodically.

## 2. Average Payroll Employment by Industry for NYC, 2004-2013 (in thousands)

Industry Employment	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2012-2013 Change
Manufacturing	120.8	113.9	106.1	101.0	95.6	81.6	76.3	75.7	76.3	76.3	0.0%
Construction, Natural Resources & Mining Δ	111.8	113.3	118.5	127.3	132.7	120.8	112.5	112.3	116.1	121.0	4.2%
Trade, Transport & Utilities	539.9	548.2	559.0	570.5	574.5	552.4	559.1	574.7	589.3	602.7	2.3%
Leisure & Hospitality	270.1	276.7	284.9	297.8	310.2	308.5	322.2	342.2	365.7	380.3	4.0%
Financial Activities	435.5	445.1	458.3	467.6	465.0	434.2	428.6	439.5	439.1	437.3	-0.4%
Information	160.2	162.8	164.9	166.9	169.5	165.3	166.0	170.9	175.8	178.7	1.6%
Professional & Business Svcs.	542.0	556.0	571.9	592.3	603.5	569.4	575.8	598.3	620.4	643.6	3.7%
Educational & Health Svcs.	663.9	677.4	693.3	703.7	717.6	733.2	751.4	767.9	784.6	809.3	3.1%
Other Services	150.5	153.2	154.3	157.7	160.8	160.3	160.6	165.2	170.4	174.1	2.2%
<b>Total Private Sector</b>	<b>2,994.6</b>	<b>3,046.6</b>	<b>3,111.2</b>	<b>3,184.7</b>	<b>3,229.4</b>	<b>3,125.6</b>	<b>3,152.4</b>	<b>3,246.6</b>	<b>3,337.8</b>	<b>3,423.3</b>	<b>2.6%</b>
Government ‡	554.4	555.6	555.2	559.0	564.1	567.0	558.0	550.6	546.1	543.8	-0.4%
City of New York	447.9	449.8	450.4	453.9	458.5	462.1	451.4	451.7	450.0	449.2	-0.2%
<b>Total</b>	<b>3,549.0</b>	<b>3,602.3</b>	<b>3,666.4</b>	<b>3,743.7</b>	<b>3,793.4</b>	<b>3,692.6</b>	<b>3,710.4</b>	<b>3,797.2</b>	<b>3,884.0</b>	<b>3,967.1</b>	<b>2.1%</b>

Notes: Totals may not add up due to rounding. Figures may have been revised from prior years by the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

Δ Beginning in 2005, Construction and Natural Resources & Mining are no longer two separate employment sectors. Prior year figures reflect that change.

‡ Government includes federal, state, and local (City of New York) jobs located in New York City. Local government figures have been revised from prior years to include those employed by the City of New York as well as city-based public corporations such as the HHC (Health and Hospitals Corporation) and the MTA.

Source: NYS Department of Labor

### 3. Average Real Wage Rates by Industry for NYC, 2005-2013 (2013 dollars)

Industry	2005	2006	2007	2008	2009	2010	2011	2012	2013	2012-13 % Change
Construction	\$70,350	\$69,650	\$72,079	\$73,665	\$74,566	\$74,919	\$74,424	\$72,579	\$72,513	-0.1%
Manufacturing	\$59,010	\$56,177	\$58,583	\$57,645	\$56,264	\$55,668	\$56,514	\$53,604	\$51,637	-3.7%
Transportation	\$52,291	\$51,222	\$52,927	\$50,490	\$50,727	\$51,246	\$51,328	\$50,525	\$50,557	0.1%
Trade*	\$53,570	\$53,427	\$54,849	\$52,877	\$50,638	\$50,385	\$51,277	\$50,891	\$52,045	2.3%
Finance and Insurance	\$251,465	\$280,825	\$322,868	\$306,919	\$247,303	\$279,522	\$281,856	\$255,643	\$272,251	6.5%
Real Estate	\$63,432	\$64,472	\$69,593	\$67,601	\$63,648	\$63,801	\$65,277	\$65,629	\$67,556	2.9%
Admin/Waste/Edu/Health**	\$50,462	\$50,189	\$50,992	\$50,949	\$51,263	\$51,712	\$51,276	\$50,518	\$50,477	-0.1%
Arts, Entertainment & Rec	\$68,828	\$67,744	\$71,652	\$67,368	\$66,717	\$68,397	\$67,938	\$64,321	\$63,475	-1.3%
Accomm & Food Svcs.	\$31,413	\$31,319	\$31,799	\$31,554	\$30,212	\$30,373	\$30,482	\$30,200	\$30,101	-0.3%
Other Svcs.	\$44,054	\$44,404	\$45,442	\$46,191	\$45,977	\$47,343	\$46,867	\$44,034	\$43,721	-0.7%
Professional & Tech Svcs.	\$113,310	\$112,002	\$115,398	\$117,119	\$114,474	\$114,502	\$118,218	\$115,559	\$116,049	0.4%
Management of Companies	\$187,555	\$190,728	\$209,183	\$195,733	\$168,541	\$194,934	\$199,783	\$189,620	\$188,329	-0.7%
Information	\$111,446	\$113,117	\$116,111	\$115,174	\$110,395	\$113,178	\$115,278	\$116,189	\$120,743	3.9%
Utilities	\$104,161	\$102,430	\$106,422	\$102,104	\$97,131	\$101,681	\$103,286	\$113,793	--Δ	--Δ
Unclassified/Agri/Mining***	\$39,704	\$39,133	\$42,173	\$42,013	\$36,838	\$41,340	\$42,122	\$40,344	\$39,154	-3.0%
Private Sector	\$85,245	\$88,648	\$95,379	\$92,797	\$83,651	\$86,777	\$87,667	\$83,467	\$84,566	1.3%
Government	\$62,347	\$61,165	\$60,632	\$59,359	\$60,203	\$60,603	\$60,980	\$59,503	\$58,993	-0.9%
<b>Total Industries</b>	<b>\$81,666</b>	<b>\$84,428</b>	<b>\$90,138</b>	<b>\$87,801</b>	<b>\$80,068</b>	<b>\$82,755</b>	<b>\$83,753</b>	<b>\$80,053</b>	<b>\$80,995</b>	<b>1.2%</b>

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises the statistics annually. Real wages reflect 2013 dollars and differ from those found in this table in prior years.

\*The Wholesale Trade and Retail Trade sectors have been combined into one category. \*\*The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. \*\*\*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

Δ Wages for the this industry were not reported by the NYS Dept. of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

### 4. Average Nominal Wage Rates by Industry for NYC, 2005-2013

Industry	2005	2006	2007	2008	2009	2010	2011	2012	2013	2012-13 % Change
Construction	\$57,878	\$59,646	\$63,337	\$67,396	\$68,738	\$70,232	\$71,478	\$71,262	\$72,513	1.8%
Manufacturing	\$48,549	\$48,108	\$51,478	\$52,739	\$51,866	\$52,184	\$54,277	\$52,631	\$51,637	-1.9%
Transportation	\$43,021	\$43,865	\$46,508	\$46,193	\$46,762	\$48,040	\$49,296	\$49,608	\$50,557	1.9%
Trade*	\$44,073	\$45,753	\$48,196	\$48,378	\$46,680	\$47,232	\$49,247	\$49,967	\$52,045	4.2%
Finance and Insurance	\$206,885	\$240,490	\$283,707	\$280,801	\$227,972	\$262,032	\$270,698	\$251,002	\$272,251	8.5%
Real Estate	\$52,186	\$55,212	\$61,152	\$61,848	\$58,673	\$59,809	\$62,692	\$64,438	\$67,556	4.8%
Admin/Waste/Edu/Health**	\$41,516	\$42,980	\$44,807	\$46,614	\$47,256	\$48,476	\$49,246	\$49,601	\$50,477	1.8%
Arts, Entertainment & Rec	\$56,626	\$58,014	\$62,961	\$61,635	\$61,502	\$64,117	\$65,249	\$63,153	\$63,475	0.5%
Accomm & Food Svcs.	\$25,844	\$26,821	\$27,942	\$28,869	\$27,850	\$28,472	\$29,275	\$29,652	\$30,101	1.5%
Other Svcs.	\$36,244	\$38,026	\$39,930	\$42,260	\$42,383	\$44,380	\$45,012	\$43,235	\$43,721	1.1%
Professional & Tech Svcs.	\$93,222	\$95,915	\$101,401	\$107,153	\$105,526	\$107,338	\$113,538	\$113,462	\$116,049	2.3%
Management of Companies	\$154,304	\$163,334	\$183,811	\$179,076	\$155,367	\$182,736	\$191,873	\$186,178	\$188,329	1.2%
Information	\$91,689	\$96,870	\$102,027	\$105,373	\$101,766	\$106,097	\$110,714	\$114,080	\$120,743	5.8%
Utilities	\$85,695	\$87,718	\$93,514	\$93,415	\$89,538	\$95,318	\$99,197	\$111,728	--Δ	--Δ
Unclassified/Agri/Mining***	\$32,665	\$33,513	\$37,058	\$38,438	\$33,959	\$38,753	\$40,454	\$39,612	\$39,154	-1.2%
Private Sector	\$70,133	\$75,916	\$83,810	\$84,900	\$77,112	\$81,347	\$84,196	\$81,952	\$84,566	3.2%
Government	\$51,294	\$52,380	\$53,278	\$54,308	\$55,497	\$56,811	\$58,566	\$58,423	\$58,993	1.0%
<b>Total Industries</b>	<b>\$67,188</b>	<b>\$72,302</b>	<b>\$79,205</b>	<b>\$80,329</b>	<b>\$73,809</b>	<b>\$77,577</b>	<b>\$80,437</b>	<b>\$78,600</b>	<b>\$80,995</b>	<b>3.0%</b>

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The NYS Department of Labor revises the statistics annually.

\*The Wholesale Trade and Retail Trade sectors have been combined into one category. \*\*The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. \*\*\*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

Δ Wages for the this industry were not reported by the NYS Dept. of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

## 5. Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2003-2013

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
March	197.1	203.4	212.4	218.2	224.6	233.1	235.1	240.1	245.6	251.9	256.6
June	196.9	206.0	210.7	222.6	228.3	238.6	237.2	240.8	248.5	252.4	256.9
September	199.6	205.9	215.8	222.9	228.3	240.1	238.6	241.5	250.6	254.6	258.5
December	199.3	206.8	214.2	221.3	229.4	233.0	238.4	241.9	248.3	253.6	257.3
Quarterly Average	198.2	205.5	213.3	221.3	227.6	236.2	237.3	241.1	248.2	253.1	257.3
<b>Yearly Average</b>	<b>197.8</b>	<b>204.8</b>	<b>212.7</b>	<b>220.7</b>	<b>226.9</b>	<b>235.8</b>	<b>236.8</b>	<b>240.9</b>	<b>247.7</b>	<b>252.6</b>	<b>256.8</b>

### 12-month percentage change in the CPI

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
March	3.14%	3.20%	4.42%	2.73%	2.91%	3.82%	0.83%	2.14%	2.30%	2.55%	1.87%
June	2.82%	4.62%	2.28%	5.65%	2.54%	4.52%	-0.59%	1.54%	3.19%	1.57%	1.78%
September	3.26%	3.16%	4.81%	3.29%	2.43%	5.16%	-0.63%	1.22%	3.76%	1.59%	1.55%
December	3.21%	3.76%	3.58%	3.31%	3.66%	1.58%	2.32%	1.45%	2.66%	2.11%	1.47%
Quarterly Average	3.11%	3.68%	3.77%	3.74%	2.88%	3.77%	0.47%	1.58%	2.98%	1.96%	1.67%
<b>Yearly Average</b>	<b>3.07%</b>	<b>3.54%</b>	<b>3.86%</b>	<b>3.76%</b>	<b>2.83%</b>	<b>3.90%</b>	<b>0.44%</b>	<b>1.71%</b>	<b>2.85%</b>	<b>1.97%</b>	<b>1.68%</b>

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

## 6. Housing Court Actions, 1983-2013

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

Note: "Filings" reflect non-payment proceedings initiated by rental property owners, while "Calendared" reflect those non-payment proceedings resulting in a court appearance. "Filings" and "Calendared" figures prior to 1998 were rounded to the nearest thousand.

\*Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable.

\*\*Due to an administrative change at NYCHA relating to their handling of late rent payments, the number of non-payment filings decreased dramatically. If not for this change, the drop in non-payment filings between 2009 and 2010 would have been significantly less, or nonexistent.

Sources: NYC Civil Court, First Deputy Chief Clerk for Housing; NYC Department of Investigations, Bureau of City Marshals.

## 7. Homeless Statistics, 1982-2013

Year	Single Adults	Children	Families (inc. children)	Total Individuals
1982	3,786	2,507	1,005	7,584
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007	6,942	14,060	9,075	34,109
2008	6,530	14,327	8,856	33,554
2009	6,764	15,326	9,719	35,915
2010	7,825	14,788	9,635	36,175
2011	8,543	15,501	9,573	37,765
2012	9,047	18,068	10,705	43,295
<b>2013</b>	<b>9,862</b>	<b>21,163</b>	<b>12,062</b>	<b>49,408</b>

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

Source: New York City Department of Homeless Services