

# HOUSING AFFORDABILITY

## The Dire Housing Crisis for Extremely Low-Income New Yorkers

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The recently released initial findings of the New York City [Housing and Vacancy Survey](#) provide striking evidence of the City's dismal failure to address the catastrophic affordable housing crisis that continues to fuel mass homelessness and drive a growing number of extremely low-income households into a state of perpetual housing instability. The policies of the past five years have served only to *reduce* the available number of units affordable to the poorest New Yorkers, while contributing to a glut of higher-rent apartments that too often sit empty.

As a result, an average of 48,524 people per night slept in NYC Department of Homeless Services and Department of Housing Preservation and Development shelters in March 2022,<sup>1</sup> while thousands of others slept in different shelter systems or were sleeping rough on the streets, in the subway system, or in other public spaces. The primary reason people become homeless is that they cannot afford housing.<sup>2</sup> But instead of investing in affordable housing as the solution to our city's devastating homelessness crisis, former Mayor de Blasio adopted tepid half-measures that failed to meet the scale of the need and skewed scarce capital resources toward housing development for higher-income renters.

It is critical that Mayor Adams heed the Housing and Vacancy Survey data and correct the missteps of his predecessor.



**Image Description:** A color photograph of a New York City apartment building façade with blue sky in the background. Photo by mdgmmorris, Getty Images Signature.

<sup>1</sup> Facts about Homelessness, Coalition for the Homeless: <https://www.coalitionforthehomeless.org/facts-about-homelessness/>

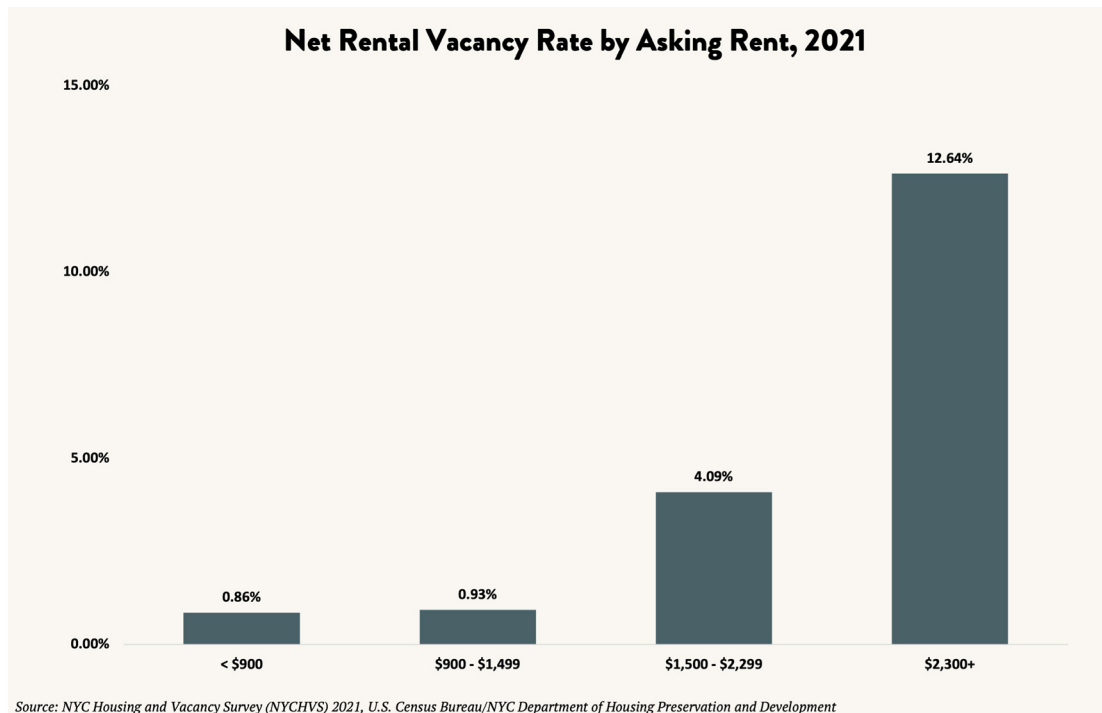
<sup>2</sup> Myths and Facts, Coalition for the Homeless: <https://www.coalitionforthehomeless.org/myths-and-facts/>

# DATA SHOW DEEPENING CRISIS FOR EXTREMELY LOW-INCOME RENTERS

The New York City Housing and Vacancy Survey findings (HVS)<sup>3</sup> show that renters with the lowest incomes struggle to find apartments they can afford in New York City, and the vast majority pay most of their incomes for rent. The periodic report provides a snapshot of New York City’s housing stock, conditions, and affordability based on data collected by the U.S. Census Bureau, and is typically published every three years by the New York City Department of Housing Preservation and Development (HPD), although the pandemic delayed the survey and report. The latest report captured 2021 data for New York City’s 3,644,000 housing units, of which 2,171,000 were renter-occupied.

Crucially, the HVS documents a net rental vacancy rate, which serves as the key metric to determine whether or not the city remains in a housing crisis. For rent regulation to continue under State law, the net rental vacancy rate must be under 5 percent. The new HVS reports a **net rental vacancy rate of 4.54 percent** for all housing accommodations in New York City, up from 3.63 percent in the 2017 HVS.

This overall vacancy rate, however, masks the true magnitude of the problem and diverging trends for the lowest- and highest-cost housing. The higher 4.54 percent overall vacancy rate is mainly driven by high vacancy rates among expensive units. Meanwhile, **the inventory of units available for less than \$1,500 per month, which is the median rent for all renter-occupied housing in New York City, is extremely low, with a vacancy rate under 1 percent.**

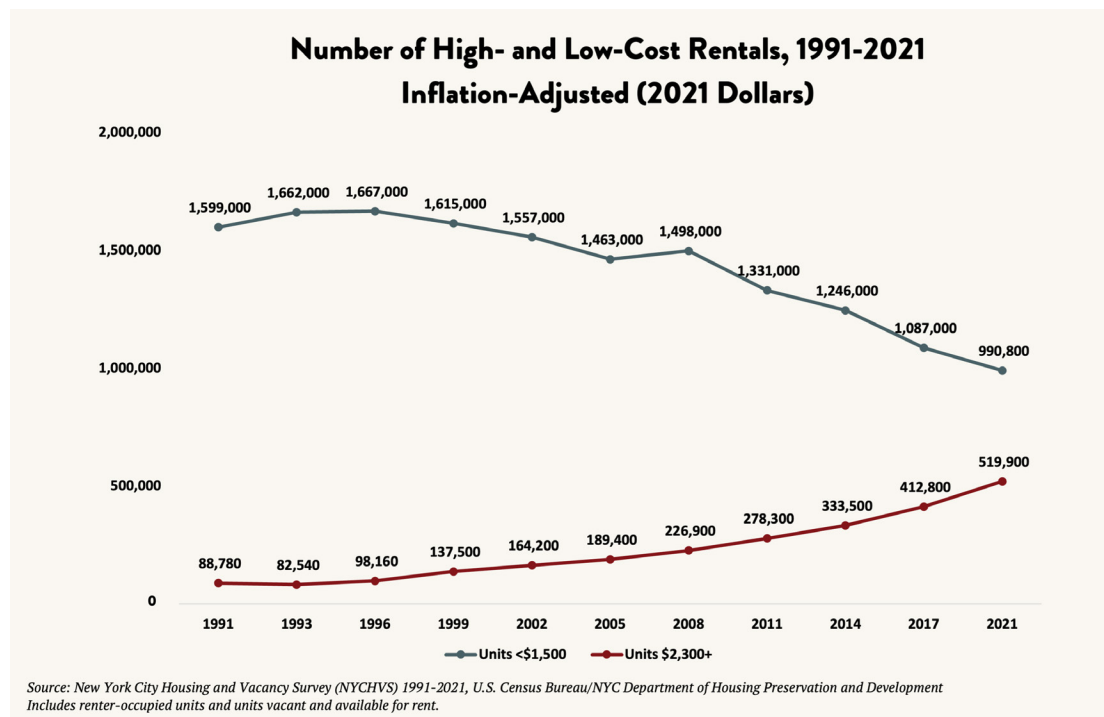


**Image Description:** A graph labeled “Net Rental Vacancy Rate by Asking Rent, 2021.” The vertical axis lists percentages from 0 to 15 in increments of 5. The horizontal axis lists rental ranges <\$900, \$900-\$1,499, \$1,500-\$2,299, and \$2,300+. Each rental range has a gray bar labeled with a corresponding net rental vacancy rate, ranging from 0.86 percent for <\$900 to 12.64 percent for \$2,300+.

3 Gaumer, E. The 2021 New York City Housing and Vacancy Survey: Selected Initial Findings. New York, NY: New York City Department of Housing Preservation and Development; 2022. <https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/2021-nychvs-selected-initial-findings.pdf>

**For the least expensive units, those renting for under \$900 per month, the vacancy rate is an alarmingly low 0.86 percent, versus a staggering 12.64 percent rate for units renting for more than \$2,300 per month.** This asymmetry is even larger than it was in the 2017 HVS, which found a 1.15 percent vacancy rate for units renting for under \$800 per month, versus a 7.42 percent vacancy rate for units with rents over \$2,000 per month. As the Coalition for the Homeless warned at the time, former Mayor de Blasio’s failure to address “the tale of two housing markets” and his refusal to create more apartments for homeless and extremely low-income households exacerbated these disparities.<sup>4</sup>

These data underscore that the problem is not only a lack of available rentals, but also that far too many of the existing housing units and new apartments are not affordable to those who need them. The trends are getting worse: From 1991 to 2021, New York City saw a significant net loss of low-cost units and a net increase of high-cost units. **Between 2017 and 2021 alone, New York City lost 96,000 units with rents under \$1,500 and gained 107,000 units with rents of \$2,300 or more. The number of apartments renting for under \$1,500 per month (in 2021 dollars) fell from 1.6 million in the early 1990s to just under one million by 2021, while the number renting for \$2,300 per month or more grew during the same period from fewer than 90,000 apartments to more than a half-million.**

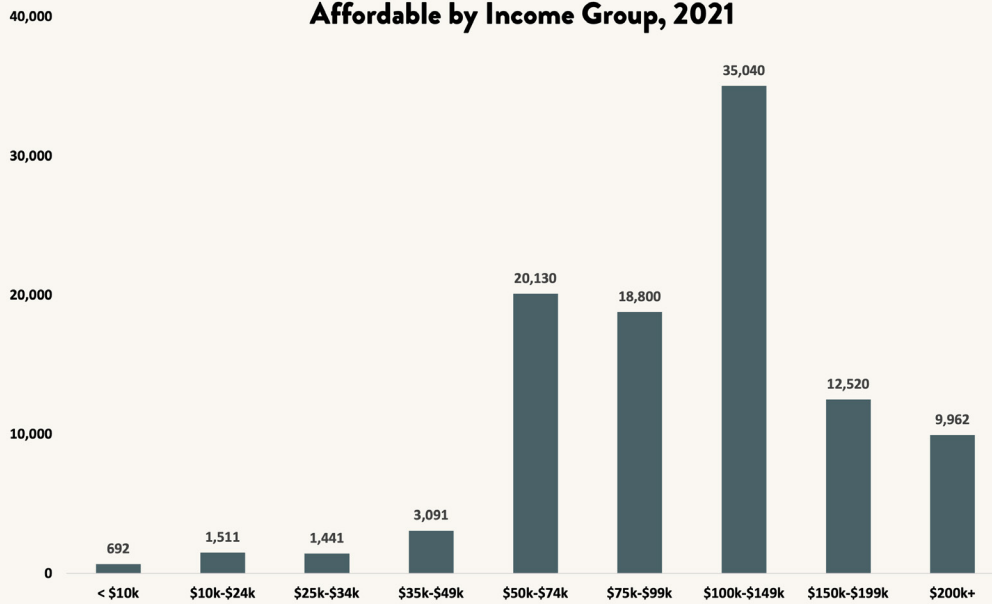


**Image Description:** A graph labeled “Number of High- and Low-Cost Rentals, 1991-2021 Inflation-Adjusted (2021 Dollars).” The vertical axis lists numbers 0 to 2,000,000 in increments of 500,000. The horizontal axis lists each year the New York City Housing and Vacancy Survey findings were published between 1991 and 2021. A gray line shows the number of low-cost rental units for under \$1,500, and a dark red line shows the number of high-cost rental units for more than \$2,300. The number of low-cost units shows a decrease over time, with a value of 990,800 in 2021, and the number of high-cost units shows a steady increase, with a value of 519,900 in 2021.

The incomes needed to afford available rentals are far higher than the actual incomes of most New Yorkers. In 2021, the median asking rent for all vacant units available for rent was \$2,750, meaning a family or individual would need to earn at least \$110,000 per year in order to meet the generally accepted standard of paying no more than 30 percent of income toward rent. **However, the median household income for renters, \$50,000 in 2020, was less than half that amount, and about 650,000 renter households (30 percent) had incomes of less than \$25,000 per year.**

<sup>4</sup> Routhier, G. (2019). The Tale of Two Housing Markets: How de Blasio’s Housing Plan Fuels Homelessness. Coalition for the Homeless. <https://www.coalitionforthehomeless.org/wp-content/uploads/2019/08/TheTaleofTwoHousingMarkets.pdf>

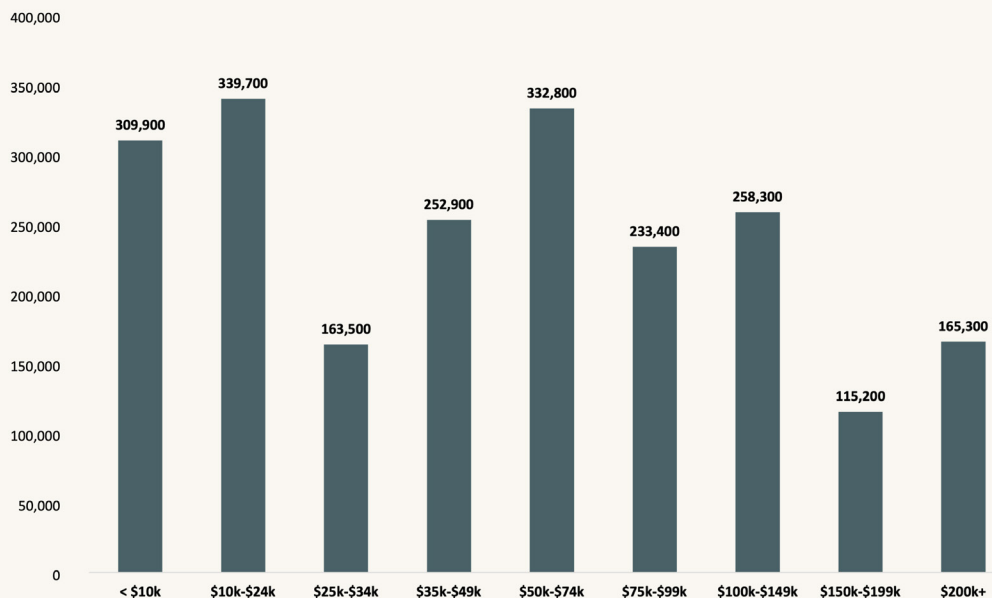
### Number of Vacant and Available Rentals Affordable by Income Group, 2021



**Image Description:** A graph labeled “Number of Vacant and Available Rentals Affordable by Income Group, 2021.” The vertical axis lists numbers from 0 to 40,000 in increments of 10,000. The horizontal axis lists nine income groups: <\$10k, \$10k-\$24k, \$25k-\$34k, \$35k-\$49k, \$50k-\$74k, \$75k-\$99k, \$100k-\$149k, \$150k-\$199k, and \$200k+. A gray bar indicates the number of vacant and available rentals affordable for each income group. The graph shows the least number of vacant and available rentals affordable for those in the four lowest income groups (692 rentals for households earning less than \$10k), and the highest number of vacant and available rentals (35,040) affordable for those with incomes of \$100k-\$149k.

Source: NYC Housing and Vacancy Survey (NYCHVS) 2021, U.S. Census Bureau/NYC Department of Housing Preservation and Development

### Number of Renter Households in Each Income Group, 2020



**Image Description:** A graph labeled “Number of Rental Households in Each Income Group, 2020.” The vertical axis lists numbers from 0 to 400,000 in increments of 50,000. The horizontal axis lists nine income groups: <\$10k, \$10k-\$24k, \$25k-\$34k, \$35k-\$49k, \$50k-\$74k, \$75k-\$99k, \$100k-\$149k, \$150k-\$199k, and \$200k+. A gray bar indicates the number of renter households for each income group, with 309,900 households with incomes of less than \$10k and 165,300 households with incomes of \$200k or more.

Source: NYC Housing and Vacancy Survey (NYCHVS) 2021, U.S. Census Bureau/NYC Department of Housing Preservation and Development

As a result of these disparities in the rental market, a disturbingly large number of NYC tenants are shouldering unsustainable rent burdens – too often, just one missed paycheck or unexpected expense away from homelessness. In 2021, **more than half of NYC renters (53 percent, or just under 1 million households) were rent burdened**, meaning they paid more than 30 percent of their incomes toward rent, and **one-third (32 percent, or just under 600,000 households) were severely rent burdened**, paying more than half of their incomes for rent. Of these severely rent-burdened households, nearly 400,000 were individuals and families with incomes below \$25,000 per year, 343,000 were single

individuals, 233,400 were foreign-born, 186,000 included an older person, 132,000 included a person with a disability, and 115,000 included a child. Unsurprisingly, rent burdens were almost universal for those with the lowest incomes: **Among those with household incomes of less than \$25,000 per year who did not live in public housing or report having a housing voucher, 85 percent were severely rent burdened**, and an additional 7 percent were moderately rent burdened.

Further, among those who were severely rent burdened, 17 percent reported missing one or more rent payments in the past year, and two of every five such households were still behind on their rent when they were surveyed.

Rent burden rates also highlight persistent racial disparities in the rental housing market: 36 percent of households headed by a Black or Hispanic New Yorker were severely rent burdened in 2021, compared with 28 percent of those headed by a White New Yorker and 29 percent of those headed by an Asian New Yorker. Without robust investments in truly affordable housing, these racial disparities will deepen as many renters of color grapple with housing precarity and the very real risk of becoming homeless.

### Number of Severely Rent-Burdened Households

Household Income	
< \$24,999	393,600
\$25,000-\$49,999	154,700
\$50,000-\$99,999	44,090
Race/Ethnicity	
Asian Non-Hispanic	82,870
Black Non-Hispanic	130,700
Hispanic	190,100
White Non-Hispanic	187,100
Nativity	
Foreign-Born	233,400
Household Characteristics	
Single Person	343,000
1+ Older Adult	185,800
1+ Person with a Disability	132,300
1+ Child	114,800
<b>Citywide</b>	<b>598,600</b>

Source: New York City Housing and Vacancy Survey (NYCHVS) 2021, U.S. Census Bureau/NYC Department of Housing Preservation and Development

# MAYOR ADAMS MUST CREATE HOUSING FOR THOSE WITH THE GREATEST NEEDS

It is imperative that Mayor Adams acknowledge the interconnectedness of mass homelessness and the deepening housing affordability crisis in New York City and immediately implement solutions that match the scale of the need. Former Mayor de Blasio's housing plan emphasized creating a large number of apartments, but notably failed to target a sufficient number of apartments to homeless and extremely low-income New Yorkers. Such "trickle-down" housing policies simply do not work, as evidenced so clearly by the figures in the new HVS.

As recommended in our *State of the Homeless 2022* report,<sup>5</sup> Mayor Adams must:

- Ensure full coordination between the City's housing and homeless services agencies so that housing investments are properly calibrated to meet the most urgent needs of homeless and extremely low-income New Yorkers.
- Provide \$2.5 billion in additional new construction financing each year for the next five years for apartments specifically built for homeless and extremely low-income New Yorkers, by:
  - Doubling the set-aside in new affordable housing developments for homeless households to 30 percent in order to produce at least 6,000 new apartments per year; and
  - Building an additional 6,000 apartments per year for households with extremely low incomes.

The New York City Housing and Vacancy Survey findings clearly show that "the tale of two housing markets" has grown even more pronounced, and that the City is not doing enough to combat the affordable housing crisis. Inadequate policies and a failure to target housing resources toward the lowest-income New Yorkers have worsened the affordability crisis for the most vulnerable renters and pushed near-record numbers of people into homelessness. Mayor Adams must take immediate action by aligning his housing plan with the reality of mass homelessness and housing insecurity, and ensure that every New Yorker has a safe, affordable home.

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<sup>5</sup> Simone, J. State of the Homeless 2022. Coalition for the Homeless. <https://www.coalitionforthehomeless.org/wp-content/uploads/2022/03/StateofThe-Homeless2022.pdf>



coalition  
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homeless

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