

# Impacts of COVID-19 on New York Renters and the Housing Stock

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# COVID-19, Job Loss and Rental Housing

- The COVID-19 pandemic has ravaged the U.S. economy
- But the damage has not been felt evenly
- Renters are disproportionately likely to work in occupations and industries affected by the virus
- Black and Hispanic renters and renters in small buildings are especially vulnerable

## *To Reach a Single A.T.M., a Line of Unemployed Stretches a Block*

“It’s terrible,” said a woman who spent 45 minutes traveling from her Brooklyn home to the A.T.M. It took her more than two-and-a-half hours to reach the machine.

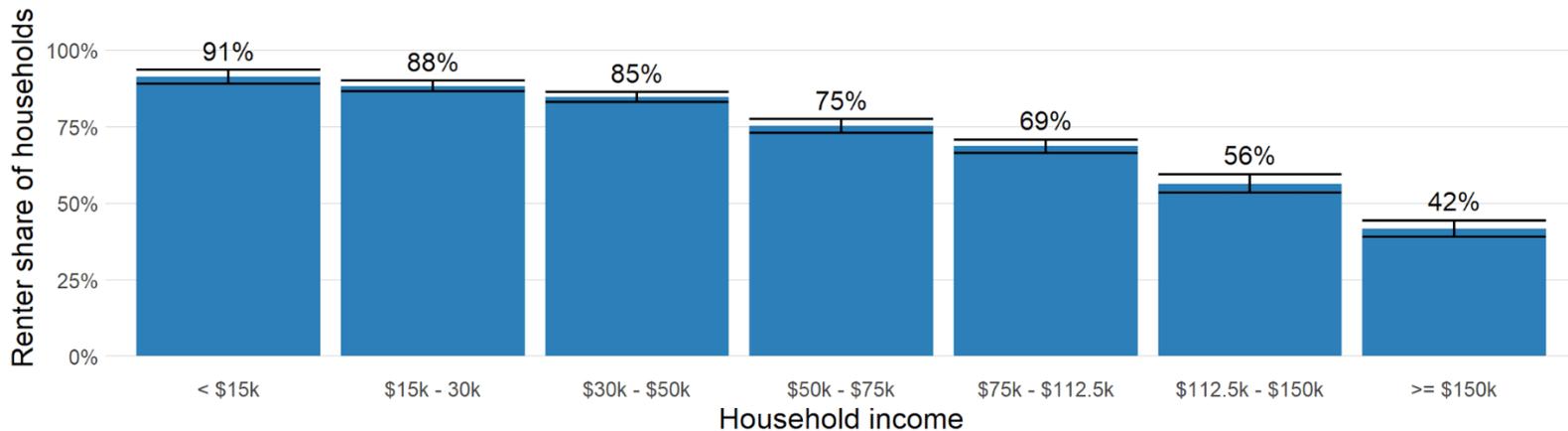


Mandy Zaxanz, with her arms crossed, was part of a line of unemployed people waiting to use a card loaded with benefits at an A.T.M. in Manhattan. James Estrin/The New York Times

# Majority of Low- and Moderate-Income Households with Vulnerable Workers in NYC are Renters

**Renter share of households with at least one member employed in a more vulnerable occupation by household income**

New York City, 2018



*Notes: Error bars represent 90% confidence intervals, and value labels reflect point estimates*

*Sources: American Community Survey (2018), IPUMS USA, NYU Furman Center*

# New York City/State Estimates of Rent Shortfalls

- An estimated 1.2 million renter households in New York State have at least one household member who has lost their job due to COVID-19
- An estimated 735,000 renter households in New York City have at least one household member who has lost their job due to COVID-19
- The losses in earnings are massive – some \$5 billion per month in NYS and \$3.5 billion per month in NYC.

# Important CARES Act Benefits

- One-time stimulus payment of up to \$1200 per person
- Expanded Unemployment Insurance benefits for renter households in New York
  - Extra \$600/week for households getting UI in addition to normal base rate
  - Extra \$600/week expires 7/31
  - Standard state UI benefits extended to 39 weeks

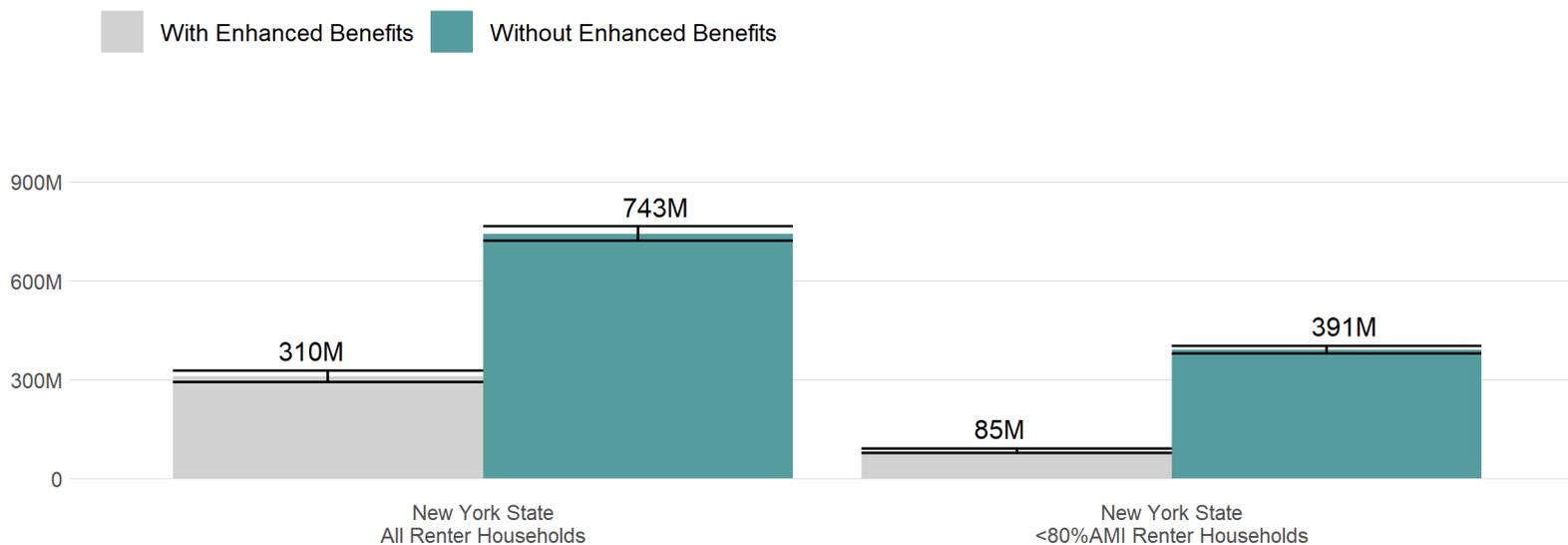
# Estimated Impacts for Different Households Experiencing Unemployment

Pre-COVID Earnings	Pre-COVID Rent Burden	Rent Burden through July 31	Rent Burden in August
Single earner, \$40,000	35%	28%	71%
Two earners, \$20,000 each, only one UI eligible	35%	34%	>100%
Single earner, \$60,000	35%	37%	80%
Two earners, \$30,000 each	35%	23%	70%

# Estimated rental assistance need in New York State surges in August

## Total Monthly Rental Assistance Need

Assuming 25% Job Recovery



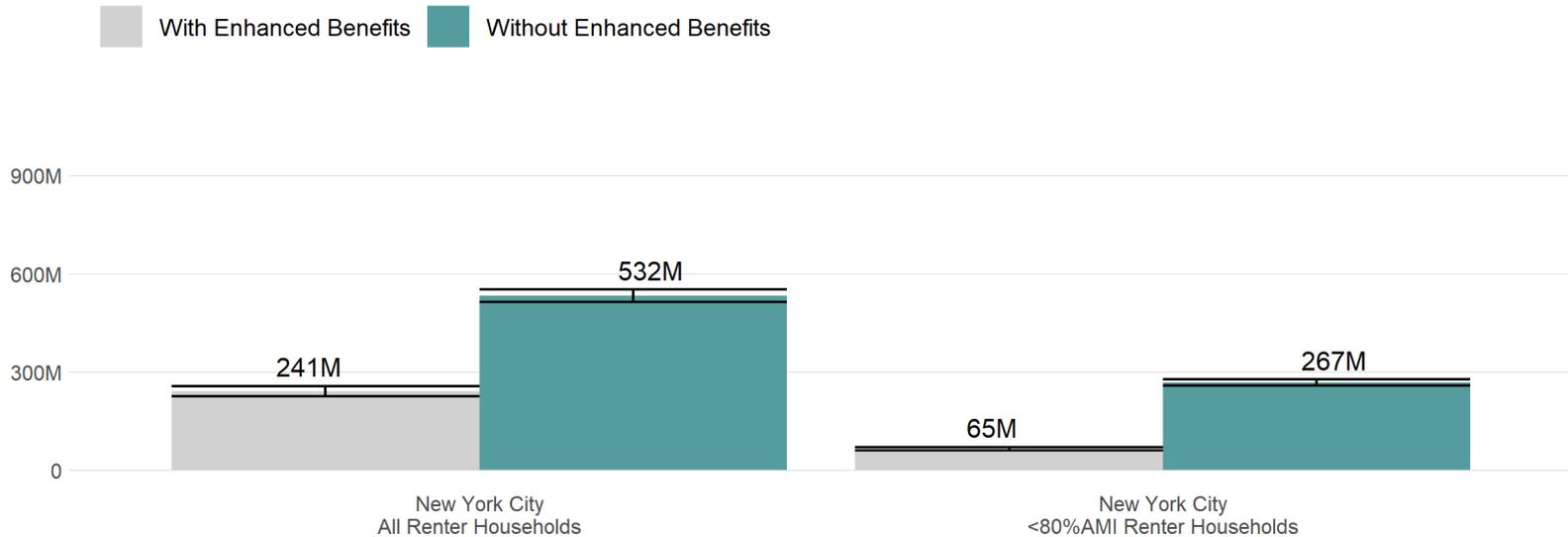
Notes: All results include estimates of households that do not claim UI benefits but are likely to have experienced job loss. Error bars represent 90% confidence intervals, and value labels reflect point estimates.

Sources: American Community Survey (2018) via IPUMS USA, NYS Dept. of Labor, NYU Furman Center

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# Factors Affecting Magnitude of Rent Shortfalls

- Take-up of UI benefits
- Extent of reduced earnings
- Rate of job recovery
- Potential rent reductions

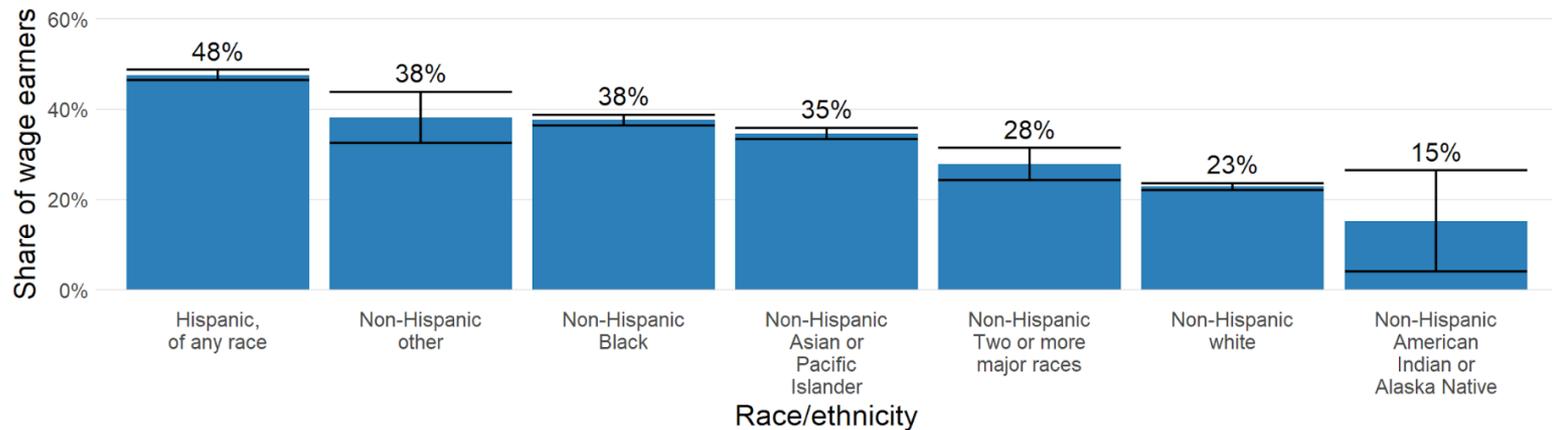
# Some Renters Will be Hit Especially Hard

- Black and Hispanic renters
- Renters in small buildings
- Renters in neighborhoods with more rent-burdened households

# The pandemic will likely widen existing racial disparities in earnings.

## Share of wage earners employed in more vulnerable occupations by race/ethnicity

New York City, 2018



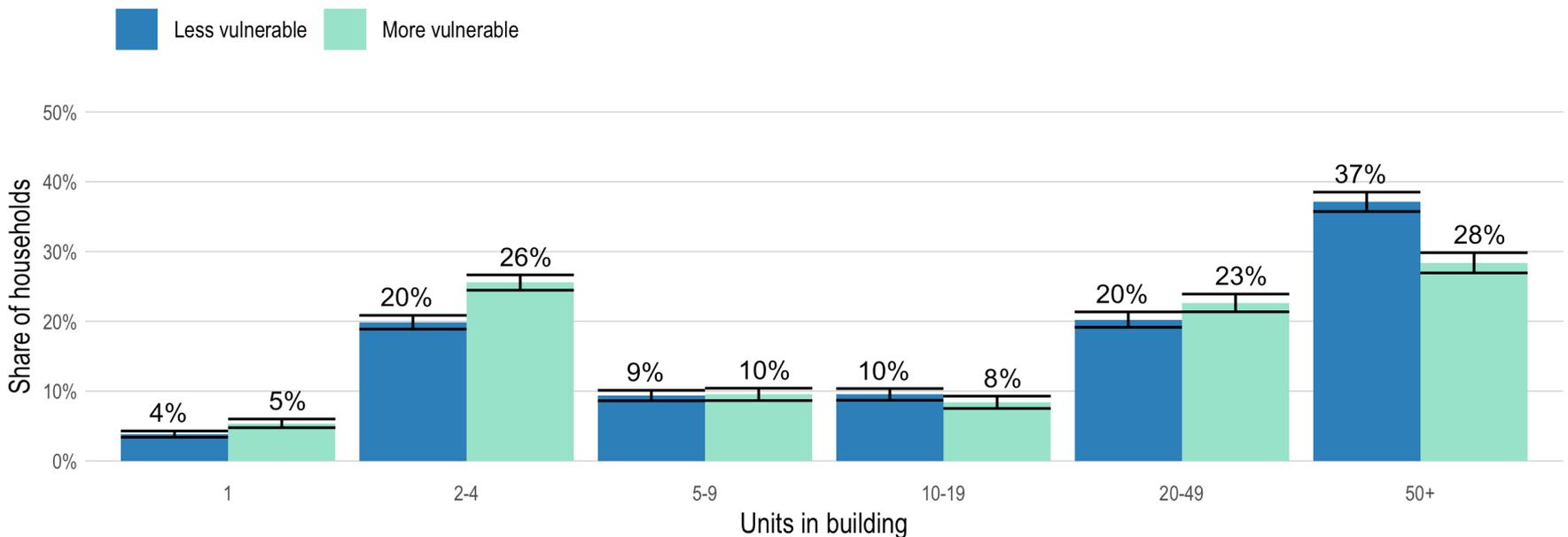
Notes: Error bars represent 90% confidence intervals, and value labels reflect point estimates

Sources: American Community Survey (2018), IPUMS USA, NYU Furman Center

# Renters in more vulnerable occupations live in all sizes of buildings, but are more likely to live in small buildings

## Distribution of renter households across building sizes, by economic vulnerability

New York City, 2018

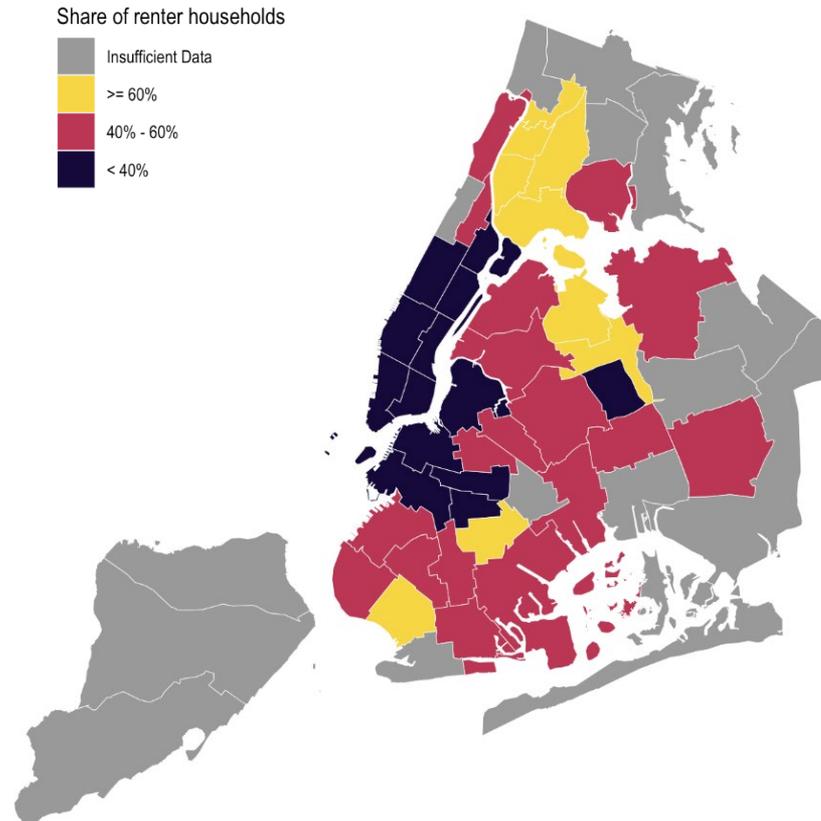


Notes: Only renter households with at least one employed member are included. Households are considered more vulnerable if at least one member works in a vulnerable occupation and households without any members in such occupations are considered less vulnerable.

Error bars represent 90% confidence intervals, and value labels reflect point estimates.

Sources: American Community Survey (2018), IPUMS USA, NYU Furman Center

# Renters Vulnerable to Job Loss, by Neighborhood



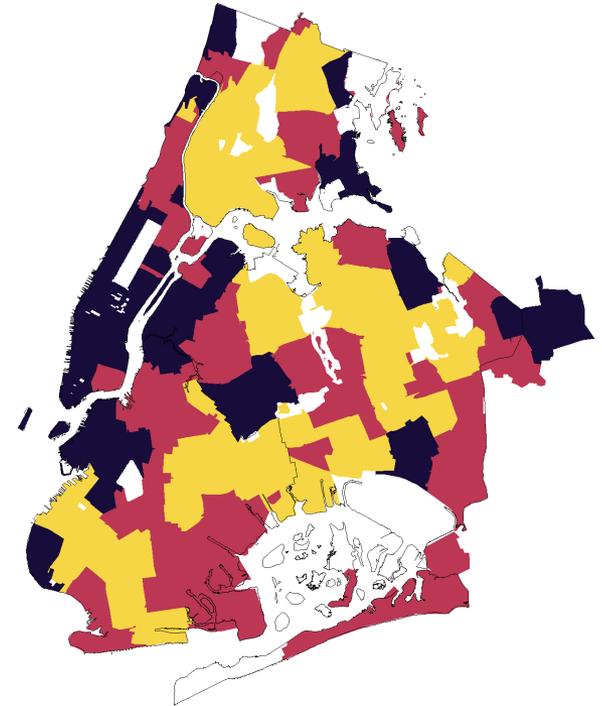
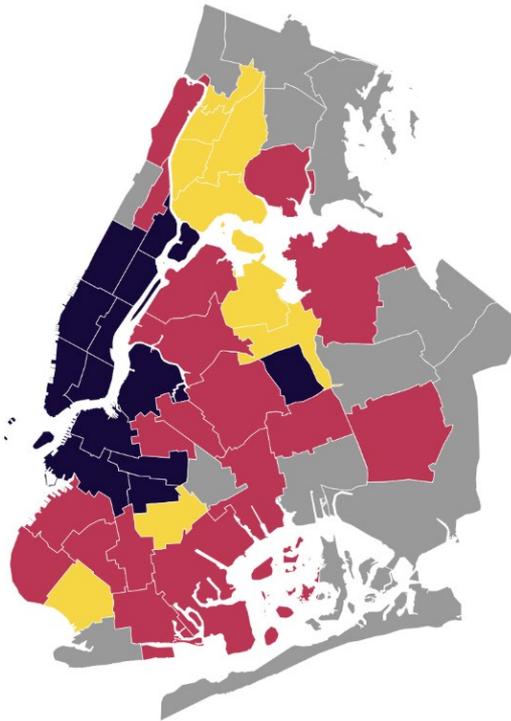
*Notes: The denominator includes only renter households with at least one wage earner. Areas with margin of error (90%) greater than 7 percentage points are not shown. There is less than a 10% that chance any given geography in this map is misclassified due to sampling error, and for each individual category, there is less than a 20% chance that any given geography is misclassified due to sampling error.*

*Sources: American Community Survey (2018), IPUMS USA, NYU Furman Center*

# Renters Vulnerable to Job Loss

# Median Rent Burden

Share of renter households



Notes: The denominator includes only renter households with at least one wage earner. Areas with margin of error (90%) greater than 7 percentage points are not shown. There is less than a 10% that chance any given geography in this map is misclassified due to sampling error, and for each individual category, there is less than a 20% chance that any given geography is misclassified due to sampling error.  
Sources: American Community Survey (2018), IPUMS USA, NYU Furman Center



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*This research has been prepared by a Center affiliated with New York University School of Law and Wagner Graduate School of Public Service, but does not purport to present the schools' institutional views, if any.*

