



New York's Rent Affordability Crisis Harshly Impacts Families of Color

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Housing is a critical determinant of opportunity and affects everything from access to healthcare and employment to high quality child care and educational opportunities. The Department of Housing and Urban Development (HUD) defines families who pay more than 30 percent of their income for housing as cost-burdened.¹ HUD considers “affordable housing” as charging below 30 percent of income for rent.

Unfortunately, a staggering 11 million American households pay over half of their income in rent.² Most of these households have incomes below the poverty line, and high housing costs can force them to divert resources from other basic needs such as food, clothing, utilities, transportation, and medical care. This also places them at risk for housing instability, eviction and homelessness.

The affordable housing crisis is particularly severe throughout New York State, especially for families of color, due to the widening gap between housing costs and stagnant or falling incomes. In the wake of the financial crisis in 2008, the affordability crisis become especially acute and, despite the moderate economic

Figure 1. Portion of Family Income Spent on Rent, New York (Statewide), 2011-2015

Less than 20%	32.1%
20% to 30%	21.6%
30.01% to 39.99%	12.4%
40% to 49.99%	8.2%
50% and up	25.8%
Total over 30%	46.3%

Fiscal Policy Institute Analysis of American Community Survey Microdata

Figure 1 shows the breakdown of rental share of income, known as the “rent burden,” for over 1.6 million families across the state, encompassing all urban, suburban and rural areas in New York. **FPI found that more than two out of every five families (46.3 percent) spend over 30 percent of their incomes for rent.** Only 32 percent of families spend less than 20 percent of their income on rent.

Figure 2 examines the statewide share of family income spent on rent by race and ethnicity.⁴ **Fifty percent of all Hispanic or Latino and Asian and mixed-race families spend over 30 percent of their income on rent,** followed closely by **black families at 47 percent.** More than 40 percent of white families spend less than 20 percent on their rent statewide. Families of color make up a much smaller percentage of those paying under 20 percent.

Figure 2. Portion of Income Spent on Rent by Race & Ethnicity of Householder, New York (Statewide), 2011-2015

	White, Non-Hispanic	Black, Non-Hispanic	Hispanic or Latino	Asians and All Others
Less than 20%	41%	31%	24%	29%
20% to 30%	21%	22%	21%	21%
30.01% to 39.99%	11%	12%	14%	12%
40% to under 50%	7%	8%	9%	9%
50% and up	19%	26%	31%	29%
Total over 30%	37%	47%	54%	50%

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A Closer Look: Unaffordable Rents in New York's Largest Cities

The issue of housing affordability is often connected to New York City, where the issue of rising apartment rents and stagnant renter incomes has been well documented. However, the problem is not confined just to New York City, but also affects New York's other major cities like Albany, Buffalo, Rochester, Syracuse and Yonkers. **Figure 3** examines the share of family income spent on rent in New York's six major cities.⁵

Figure 3. Share of Family Income Spent On Rent By Families in Six Major New York Cities, 2011 - 2015

Share of Income Spent On Rent	Albany		Buffalo		New York City		Rochester		Syracuse		Yonkers	
	White, non-Hispanic Families	Families Of Color	White, non-Hispanic Families	Families Of Color	White, non-Hispanic Families	Families Of Color	White, non-Hispanic Families	Families Of Color	White, non-Hispanic Families	Families Of Color	White, non-Hispanic Families	Families Of Color
Up to 30%	69%	54%	62%	52%	64%	50%	55%	39%	55%	45%	59%	48%
30.01% to 39.99%	9%	9%	13%	10%	10%	13%	10%	14%	12%	10%	13%	14%
40% and up	22%	38%	25%	37%	26%	37%	35%	48%	33%	45%	28%	38%
Total over 30%	31%	46%	38%	48%	36%	50%	45%	61%	45%	55%	41%	52%

Fiscal Policy Institute Analysis of American Community Survey Microdata

In every city, high rental costs fall significantly harder on families of color than on white families. In Rochester, three-fifths (61 percent) of families of color spend more than 30 percent of their incomes on rent. For Syracuse and Yonkers, it is 55 percent and 52 percent respectively. While it is lower in Albany, Buffalo, and New York City, the burden in those cities is still substantially higher among families of color than for white families.

The lackluster response of the state government to the affordable housing crisis only exacerbates socioeconomic issues like homelessness and child poverty, which continue to worsen dramatically throughout the state. However, there are some ways that state government can address the affordable housing crisis and alleviate the burden of housing costs for families. Many of these provide cost savings for New York's taxpayers and lessen the burden on homeless shelters and emergency services.

New York State should...

- ❖ **Adequately fund rental assistance programs to bridge the housing affordability gap for lower-income families.** Current levels for the state-administered shelter allowances for families are abysmally low in the face of high "fair market rent" prices. For example, in Rochester, "fair market rent" for a two-bedroom apartment is currently \$867/month, but the state has set the shelter allowance for a family of three at only \$343/month.
- ❖ **Build new units of permanent, affordable housing statewide and supportive housing units for individuals and families with special needs like those living with mental illness, HIV/AIDS, or other disabilities.** Permanent supportive housing costs far less to taxpayers than alternative institutional care like shelters or hospitals.
- ❖ **Increase funding for anti-eviction legal services statewide.**

¹ U.S. Department of Housing and Urban Development, "Affordable Housing," https://www.hud.gov/program_offices/comm_planning/affordablehousing/, January 2018.

² Center on Budget and Policy Priorities, "Infrastructure Plans Should Invest in Affordable Housing," <https://www.cbpp.org/research/housing/infrastructure-plans-should-invest-in-affordable-housing>, January 31, 2018.

³ VOCAL NY, "Rising Homelessness in New York State," <http://www.vocal-ny.org/wp-content/uploads/Rising-Homeless-in-New-York-State-2016-2.pdf>, January 2017.

⁴ Families are designated according to the self-report of the person ("householder") who responded to the survey.

⁵ Due to sample-size limitations, FPI's analyses of the rent burden among families in each city are limited to looking only at families with a white, non-Hispanic householder versus all other families, which we designate here as "Families of Color."