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State of
New York City's
Housing and
Neighborhoods

2016 Focus:

Poverty in New York City

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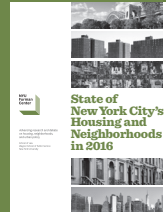
The State of New York City's Housing and Neighborhoods report, published annually by the NYU Furman Center, provides a compendium of data and analysis about New York City's housing, land use, demographics, and quality of life for each borough and the city's 59 community districts. This year's full report—including citywide analysis and city, borough, and community district data—is available at furmancenter.org.

State of New York City's Housing & Neighborhoods in 2016
Focus on Poverty

I n New York City in recent years, rents have risen much faster than incomes.[1] The pressures of rising housing costs may be greatest on those with the fewest resources—people living in poverty. New York City has a larger number of people living in poverty today than it has since at least 1970. This sparks a range of questions about the experience of poverty in New York City that we address in this year's *State of New York City's Housing and Neighborhoods* Focus. Who in New York City is poor today? Where do they live? What are the characteristics of the neighborhoods where poor New Yorkers live? Are poor New Yorkers more likely to be living in areas of concentrated poverty than they were in the past? How, if at all, do the answers to each of these questions differ by the race, ethnicity, and other characteristics of poor households?

Though the share of New Yorkers living in poverty has been relatively constant over the past few decades, there was a drop at the end of the last decade and then an increase in 2011–2015.[2] Poverty concentration—the extent to which poor New Yorkers are living in neighborhoods with other poor New Yorkers—followed a similar trend, dropping in 2006–2010 and increasing again since then. The neighborhood of the typical poor New Yorker varies substantially from that of the typical non-poor New Yorker, but those disparities are largely experienced by black and Hispanic New Yorkers living in poverty. The typical poor Asian and white New Yorkers live in neighborhoods that do better on the measures we examine than the neighborhoods of the typical *non-poor* New Yorker. We also find that neighborhood conditions vary significantly based on the level of poverty in a neighborhood.[3] Higher poverty neighborhoods have higher violent crime rates, poorer performing schools, and fewer adults who are college educated or working. And, poor New Yorkers are not all equally likely to live in these neighborhoods. Poor black and Hispanic New Yorkers are much more likely to live in higher poverty neighborhoods than poor white and Asian New Yorkers. Children make up a higher share of the population in higher poverty neighborhoods than adults or seniors.

The disparities and trends we show in this report are important for policymakers and practitioners to understand as they target resources to alleviate and deconcentrate poverty. They are also important because they make clear how urgent the need is to address poverty for the city's children, given the recent evidence demonstrating that neighborhood conditions play an important role in upward economic mobility for children.[4]

1 Median gross rent increased 18.3 percent in real dollars between 2005 and 2015, while during this same period median household income for renters increased only 6.6 percent. See Part 1 of *New York City's Housing and Neighborhoods in 2016*.

2 Throughout this report, we use the American Community Survey 2006–2010 and 2011–2015 five-year estimates. These data are period estimates and should be interpreted as a measure of the conditions during the whole range.

3 Throughout this report we refer to census tracts as "neighborhoods."

4 See, e.g., Chetty, R. & Hedren N.(2016). *The Impacts of Neighborhoods on Intergenerational Mobility II: County-Level Estimates*. NBER Working Paper Series. Retrieved from http://www.equality-of-opportunity.org/assets/documents/movers_paper2. pdf; Chetty, R., Hendren N., & Katz L.F. (2016). *The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment*. The American Economic Review, 106 (4), 855-902; Chetty, R., Hendren, N., et al. (2016). *Childhood Environmental and Gender Gaps in Adulthood*. NBER Working Paper Series. Retrieved from http://www.equality-of-opportunity.org/images/gender_paper.pdf.

I.
Overview of New Yorkers Living in Poverty

The poverty threshold is a national benchmark created by the U.S. Census Bureau that varies based on the number of the people in a household and the ages of those people.[5,6] For example, in 2015, a three-person household made up of an adult and two children was living in poverty if it had an annual income of less than $19,096.[7] A household with two children and two adults was living in poverty if it had an annual income of less than $24,036.[8]

There were nearly 1.7 million New Yorkers living below the poverty line in 2011–2015—the highest level since 1970 (Figure 1), but the poverty rate has been relatively steady since 1980, with a slight increase in the most recent time period (Figure 2). The poverty rate in New York City in 2011–2015 was 20.6 percent; nationally, the poverty rate was 15.5 percent.

New Yorkers living in poverty are different from non-poor New Yorkers in a variety of ways. Table 1 describes the shares of poor and non-poor New Yorkers that fell into different demographic categories in 2011–2015 (e.g., the share of poor New Yorkers that were children). Table 2 shows the poverty rate for each of these demographic groups nationally and in New York City (e.g., the share of all New York City children that were poor).

Children in New York City are more likely to be poor than the average New Yorker. While 20.6 percent of New Yorkers lived in poverty in 2011–2015, 30.1 percent of all New York City children (roughly 535,700 children) were living in poverty.

Figure 1: Total Population and Poor Population, New York City

Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center

Figure 2: Poverty Rate, New York City
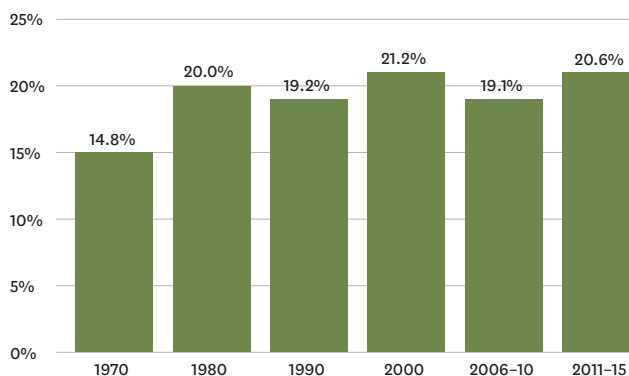
Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center

This is over seven percentage points higher than the child poverty rate nationally, which was 22.4 percent in 2011–2015.

In New York City, adults 65 years old and over are slightly less likely to be poor than the average New Yorker (18.4% versus 20.6% in 2011–2015). This poverty rate, however, was about twice the national rate of 9.1 percent for seniors in 2011–2015.[9]

New Yorkers of different races are not equally represented among the poor. In 2011–2015, the poverty rate for Hispanic New Yorkers was 28.9 percent; for black New Yorkers it was 21.7 percent; and for white New Yorkers it was only 12.1 percent. Nationally, whites were also much less likely to be poor than other races and ethnicities (nationally, the poverty rate

5 U.S. Census Bureau. *Poverty: About.* (12 May,2016) Retrieved from https://www.census.gov/topics/income-poverty/poverty/about.html.

6 New York City's Mayor's Office of Economic Opportunity (formerly known as the Center for Economic Opportunity), calculates its own "NYCgov" poverty measure that differs from the federal measure in two primary ways: it takes into account a wider scope of resources, like government benefits, in calculating income, and it reflects the high cost of housing in New York City. In 2015, the NYCgov poverty rate for the city was 19.9 percent. Mayor's Office of Economic Opportunity. *New York City Government Poverty Measure 2005-2015.* (May 2017). Retrieved from http://www1.nyc.gov/assets/opportunity/pdf/NYCgovPovMeas2017-WEB.pdf (4). It is important to note that our measure is an average of 2011 to 2015; the NYCgov measure is for 2015 only.

7 U.S. Census Bureau (February 13, 2017). Retrieved from https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html.

8 *Id.* These income levels for a three-person or four-person household both fall below 30 percent of New York City's area median income, as calculated by the U.S. Department of Housing and Urban Development. See the Methodology section in the *State of New York City's Housing and Neighborhoods in 2016.*

9 According to the NYCgov measure (see footnote 6), 22.8 percent of children were living in poverty in 2015; 18.6 percent of adults 18 to 64 years old were poor; and 21.6 percent of seniors were poor. Thus, compared to the official poverty measure in 2011-2015, the NYCgov measure has a lower poverty rate for children and higher rates for adults and seniors. Mayor's Office of Economic Opportunity. *New York City Government Poverty Measure 2005-2015.* (May 2017). Retrieved from http://www1.nyc.gov/assets/opportunity/pdf/NYCgovPovMeas2017-WEB.pdf (33). It is important to note that our measure is an average of 2011 to 2015; the NYCgov measure is for 2015 only.

was 26.8% for blacks; 24.5% for Hispanics; 14.4% for Asians; and 10.7% for whites).[10] While across the nation a higher share of black Americans were living in poverty than any other race or ethnicity, blacks in New York City were less likely to be poor than Hispanic New Yorkers, and had a lower poverty rate than blacks nationally (21.7% compared to 26.8%). In fact, the poverty rate of black New Yorkers was just one percentage point higher than New York City's overall poverty rate in 2011–2015.[11]

In 2011–2015, 8.6 percent of employed New Yorkers, and 29.9 percent of disabled New Yorkers, were poor. New Yorkers with more years of education were less likely to be poor than those with fewer years. For example, New Yorkers with college degrees had a poverty rate of 7.1 percent, whereas New Yorkers with no high school degree had a poverty rate of 32.9 percent.

In summary, in 2011–2015, New Yorkers living in poverty were more likely to be children than adults or seniors; 30.1 percent of children in New York City were poor in this period. Black and Hispanic New Yorkers were more likely to be poor than Asian and white New Yorkers. Black New Yorkers were only slightly more likely to be poor than the average New Yorker, whereas nationally there was a much bigger gap between the overall poverty rate and the black poverty rate. Finally, New Yorkers living in poverty were more likely to be disabled, unemployed, and to not have graduated high school.

Table 1: Characteristics of Poor and Non-Poor New Yorkers, 2011–2015

	Share of Total Population	Share of Non-Poor	Share of Poor
Age			
Children (<18)	21.6%	18.9%	31.9%
Adults (18-64)	66.0%	68.3%	56.8%
Seniors (65+)	12.5%	12.8%	11.3%
Education			
No High School	11.3%	9.5%	18.3%
High School	20.9%	20.9%	20.5%
Some College	11.9%	12.9%	8.3%
College Degree	24.9%	29.0%	8.7%
Race/Ethnicity			
Asian, Non-Hispanic	13.8%	13.9%	13.5%
Black, Non-Hispanic	22.1%	21.8%	23.6%
Hispanic	29.1%	25.9%	41.4%
White, Non-Hispanic	32.4%	35.8%	19.4%
Other, Non-Hispanic	2.6%	2.7%	2.2%
Employed	70.3%	77.5%	35.4%
Disabled	10.2%	9.0%	15.0%
Foreign-Born	60.9%	60.8%	61.6%

Sources: IPUMS-USA, University of Minnesota, NYU Furman Center
Note: Educational attainment is for the population aged 25 and older. Employment is for the civilian population aged 20–64.

Table 2: National and New York City Poverty Rates by Group, 2011–2015

	United States	New York City
Overall	15.5%	20.6%
Age		
Children (<18)	22.4%	30.1%
Adults (18-64)	14.3%	17.5%
Seniors (65+)	9.1%	18.4%
Education		
No High School	28.1%	32.9%
High School	13.9%	20.2%
Some College	10.1%	14.2%
College Degree	4.4%	7.1%
Race/Ethnicity		
Asian, Non-Hispanic	14.4%	19.9%
Black, Non-Hispanic	26.8%	21.7%
Hispanic	24.5%	28.9%
White, Non-Hispanic	10.7%	12.1%
Other, Non-Hispanic	19.5%	17.1%
Employed	7.4%	8.6%
Disabled	21.6%	29.9%
Foreign-Born	15.0%	20.5%

Sources: IPUMS-USA, University of Minnesota, American Community Survey, NYU Furman Center
Note: Educational attainment is for the population aged 25 and older. Employment is for the civilian population aged 20–64. Overall poverty rates are from the American Community Survey Summary File, while all other values are derived from IPUMS-USA.

10 Unless we indicate otherwise, Asian, black, and white always refer to the non-Hispanic population, and Hispanic includes all races.

11 According to the NYCgov poverty measure (see footnote 6), in 2015, the poverty rate for white New Yorkers was 13.3 percent; for black New Yorkers it was 21.2 percent; for Hispanic New Yorkers it was 24.6 percent; and for Asian New Yorkers it was 23.4 percent. Thus, the NYCgov poverty rates were higher for white and Asian New Yorkers and lower for black and Hispanic New Yorkers compared to the official poverty measure in 2011-2015. Mayor's Office of Economic Opportunity. *New York City Government Poverty Measure 2005-2015*. (May 2017). Retrieved from http://www1.nyc.gov/assets/opportunity/pdf/NYCgovPovMeas2017-WEB.pdf (33). It is important to note that our measure is an average of 2011 to 2015; the NYCgov measure is for 2015 only.

II.
The Typical Poor New Yorker's Neighborhood

	2000	2006–2010	2011–2015
All Poor	29.9%	27.9%	29.0%
All Non-Poor	19.0%	17.1%	18.6%
Poor Asian	22.4%	22.1%	23.1%
Poor Black	33.5%	30.6%	31.3%
Poor Hispanic	33.6%	31.1%	32.1%
Poor White, Non-Hispanic	21.7%	22.5%	24.0%

Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center
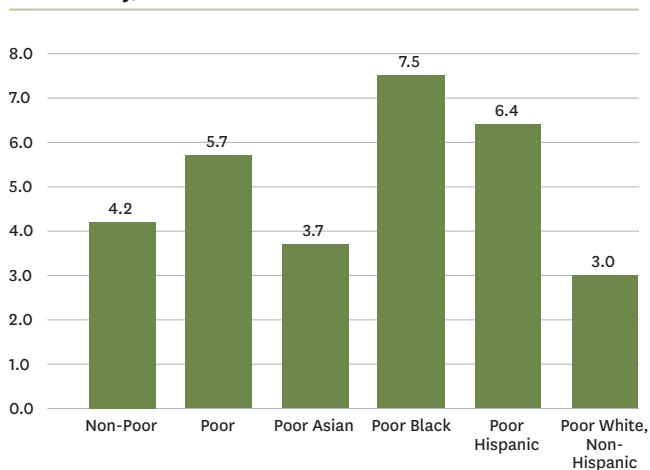*Note: All Racial/Ethnic categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.*

In this section, we describe the neighborhoods the typical poor New Yorker lives in, and how the characteristics of those neighborhoods vary based on race and ethnicity. We highlight racial disparities because there are stark differences between the neighborhoods poor households of different races and ethnicities live in: poor black and Hispanic New Yorkers are living in neighborhoods with significantly more disadvantage than their Asian and white counterparts.

Table 3 shows the neighborhood poverty rate for the typical New Yorker living in poverty. The typical poor New Yorker in 2011–2015 lived in a neighborhood with a poverty rate of 29.0 percent. Notably, between 2000 and 2006–2010, the rate fell from 29.9 percent to 27.9 percent. Since 2006–2010, however, this improvement in neighborhood poverty rate for poor New Yorkers has been largely erased. The neighborhood poverty rate for the typical non-poor New Yorker was 18.6 percent in 2011–2015, also following a dip and subsequent rise in the 2000s.

Table 3 also reveals that there are large disparities in the neighborhood poverty rates experienced by poor New Yorkers of different races and ethnicities. Poor New Yorkers who are black or Hispanic live in neighborhoods with much higher poverty rates than poor New Yorkers who are Asian or white. In 2011–2015, the typical poor Asian New Yorker lived in a neighborhood where the poverty rate was 23.1 percent, compared to 24.0 percent for the typical poor white New Yorker, 31.3 percent for the typical poor black New Yorker, and 32.1 percent for the typical poor Hispanic New Yorker. Neighborhood poverty rates have increased slightly for all four of these groups since 2006–2010.

There are disparities in other key neighborhood characteristics, as well, based on poverty and race and ethnicity. The typical poor New Yorker was living in a neighborhood with 5.7 violent crimes per 1,000 residents in 2011–2015, compared to 4.2 violent crimes per 1,000 residents for the typical non-poor New Yorker.[12] However, exposure to violent crime for poor New Yorkers varies significantly by race. Indeed, the typical poor Asian or white New Yorker lived in a neighborhood with less violent crime than the typical non-poor New Yorker in 2011–2015. As Figure 3 shows, the typical poor New Yorker who is black lived in a neighborhood with over twice as much violent crime as the neighborhood of her Asian or white counterparts. The number of violent crimes in the neighborhood of the typical Hispanic New Yorker was also much higher than that of the typical poor Asian or white New Yorker.

There are also significant disparities in the quality of the schools in or near the neighborhoods in which poor New Yorkers of different races and ethnicities live, as measured by student performance on fourth grade standardized tests. Based on 2014 test scores, in 2011–2015 the typical poor New Yorker lived in a neighborhood where only 26.1 percent of fourth graders in nearby schools performed at grade level in English language arts and 34.7 percent performed at grade level in math, compared to 34.4 percent and 43.3 percent, respectively, for non-poor New Yorkers (see Figure 4). But, again, the schools in the neighborhood of the typical poor Asian and white New Yorker performed better than the schools in the neighborhood of the typical non-poor New Yorker. Additionally, the typical poor black and Hispanic New Yorker lived in neighborhoods with schools where children performed substantially worse on these tests.

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12 Serious violent crimes include most types of assault, murder (including non-negligent manslaughter), and robbery. Rape offenses are excluded because data about the location of these crimes is suppressed.
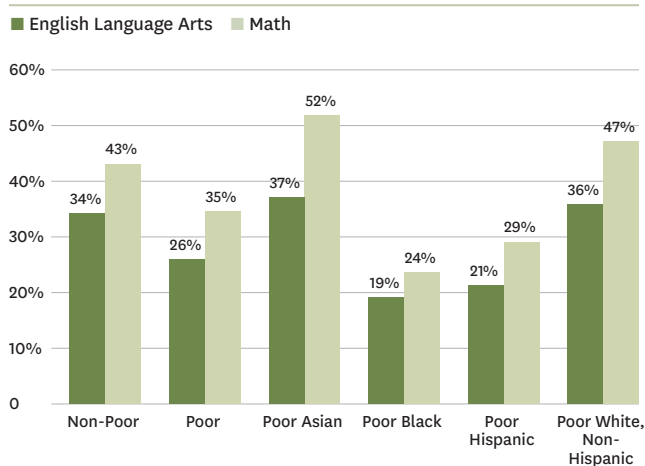
Figure 3: Typical Neighborhood Violent Crime Rate by Group, New York City, 2011–2015

Group	Value
Non-Poor	4.2
Poor	5.7
Poor Asian	3.7
Poor Black	7.5
Poor Hispanic	6.4
Poor White, Non-Hispanic	3.0

Sources: American Community Survey, New York City Police Department, U.S. Census, NYU Furman Center
Note: All Racial/Ethnic group categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.

There are also significant differences in housing quality (as measured by serious Housing Maintenance Code violations[13]) in the neighborhoods lived in by poor New Yorkers of different races and ethnicities. Figure 5 shows the neighborhood rate of serious Housing Maintenance Code violations for the typical non-poor New Yorker and the typical poor New Yorker of different races and ethnicities. In 2015, the typical poor black and poor Hispanic New Yorkers were living in neighborhoods with more than double the number of serious code violations than the typical poor Asian or white New Yorker. Once again, the typical poor Asian and poor white New Yorker was living in a neighborhood that performed better on this metric than the neighborhood of the typical *non-poor* New Yorker.

Figure 4: Typical Share of Fourth Grade Students Proficient in English Language Arts and Math for Nearby Schools by Group in New York City, 2014

■ English Language Arts ■ Math

Group	ELA	Math
Non-Poor	34%	43%
Poor	26%	35%
Poor Asian	37%	52%
Poor Black	19%	24%
Poor Hispanic	21%	29%
Poor White, Non-Hispanic	36%	47%

Sources: American Community Survey (2011–2015), New York City Department of Education (2014), NYU Furman Center
Note: All Racial/Ethnic group categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.
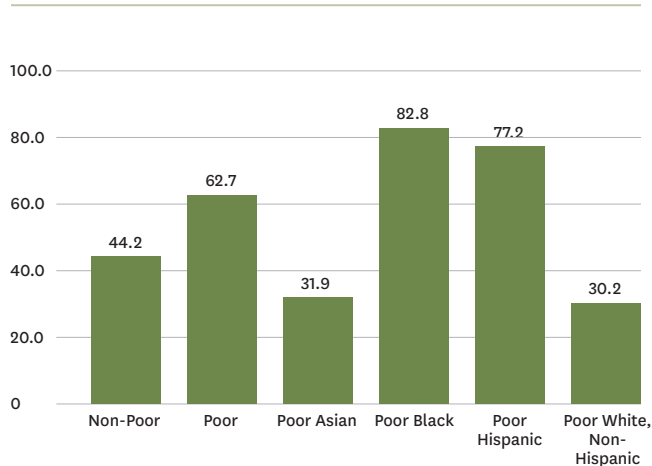
Figure 5: Typical Neighborhood Serious Housing Maintenance Code Violation Rate (per 1,000 Privately Owned Rental Units) by Group, New York City, 2015

Group	Value
Non-Poor	44.2
Poor	62.7
Poor Asian	31.9
Poor Black	82.8
Poor Hispanic	77.2
Poor White, Non-Hispanic	30.2

Sources: American Community Survey (2011-15), New York City Department of Housing Preservation and Development (2015), New York City Department of Finance Final Tax Roll File (2015), New York City Housing Authority (2015), NYU Furman Center
Note: All Racial/Ethnic group categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.

13 All violations that the New York City Department Housing Preservation and Development defined as class C ("immediately hazardous") that were opened in a given time period, regardless of their current status. See Methodology for more information.

Figure 6: Typical Neighborhood Share of Residents Aged 25+ with College Degrees and Employed Share of Civilian Residents Aged 20–64 by Group in New York City, 2011–2015
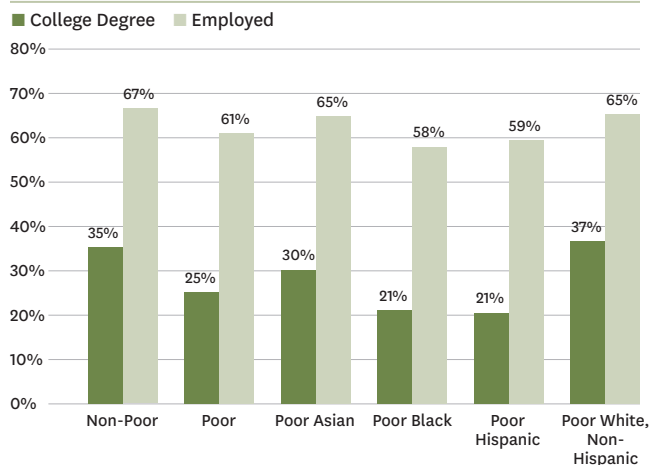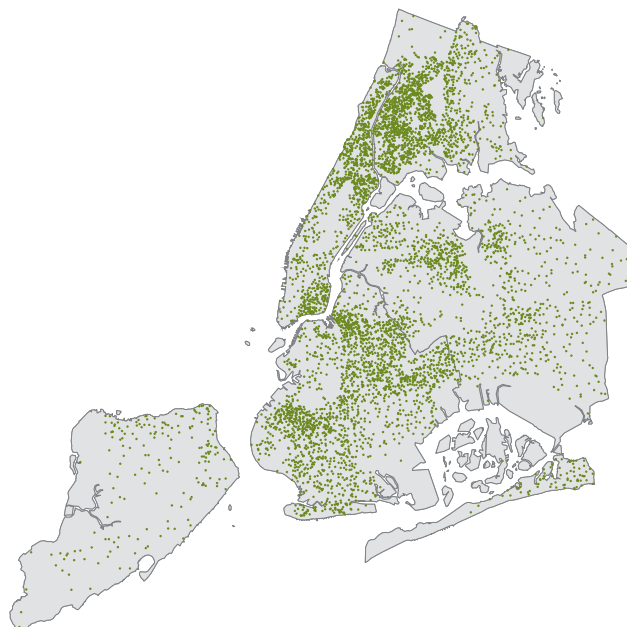

Sources: American Community Survey, NYU Furman Center
Note: All Racial/Ethnic group categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.

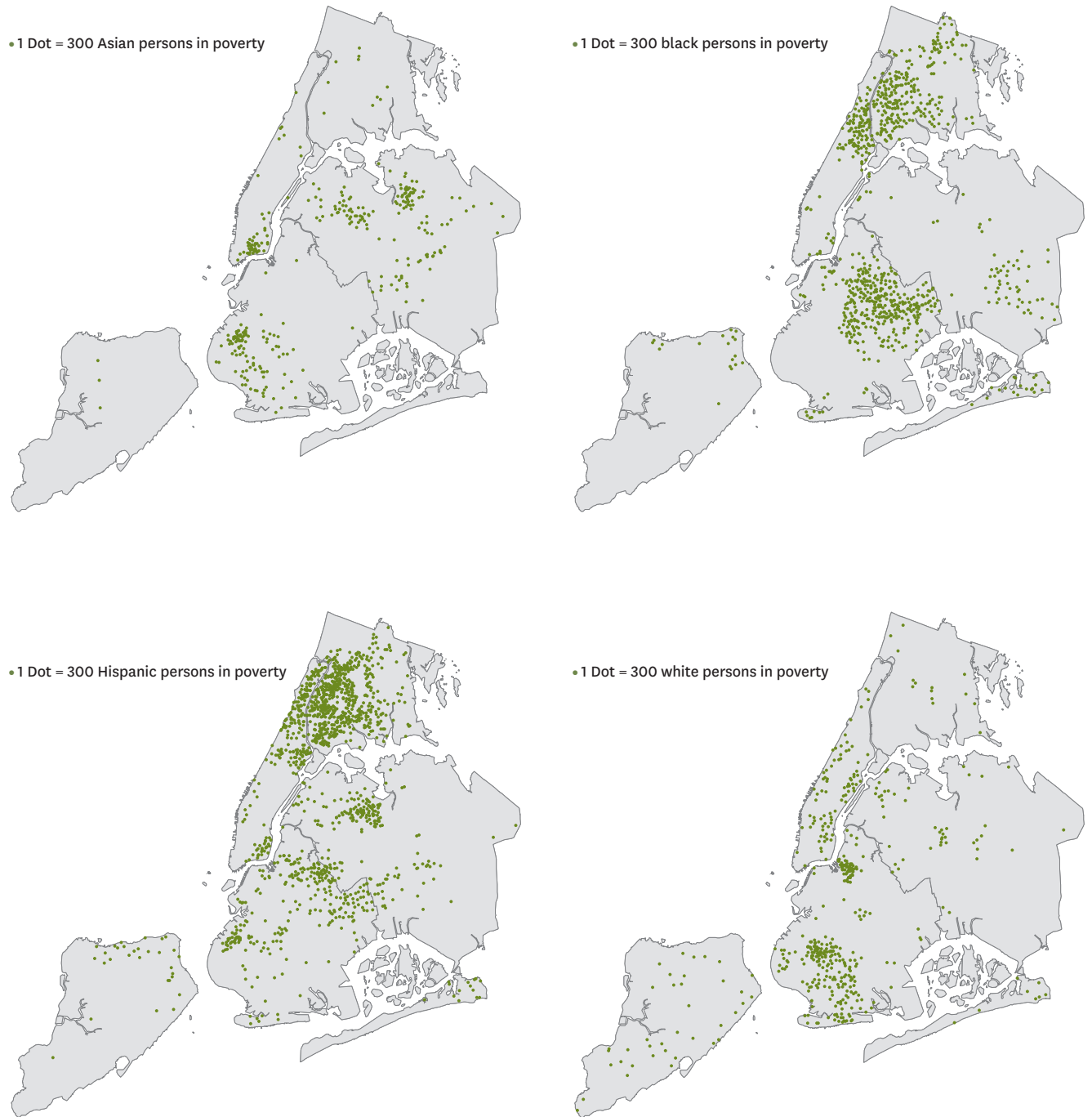**Figure 7: Residence of Poor New Yorkers, 2011–2015**

• 1 Dot = 300 poor persons (any race/ethnicity)

Sources: American Community Survey, NYU Furman Center
Note: Data are displayed by census tract.

In 2011–2015, the typical poor New Yorker lived in a neighborhood with a smaller share of adults with college degrees compared to the typical non-poor New Yorker (25.2% vs. 35.2%). For this measure too there was substantial variation based on race and ethnicity (see Figure 6). Poor white New Yorkers lived in neighborhoods where a larger share of the residents had a college degree compared to the neighborhood of the typical non-poor New Yorker. There was less variation in the employment rate for adults in the neighborhoods of poor and non-poor New Yorkers, or across the neighborhoods of the typical poor New Yorker of different races and ethnicities.

As these figures show, poor New Yorkers of different races and ethnicities are living in neighborhoods with significantly different conditions. Poor New Yorkers, and poor black and Hispanic New Yorkers especially, live in neighborhoods with much higher violent crime rates, poorer performing schools, more serious Housing Maintenance Code violations, fewer college graduates, and lower rates of employment. In New York City, the typical poor black resident and the typical poor Hispanic resident also live in neighborhoods with higher poverty rates than their Asian and white counterparts. On every one of these measures, the typical poor white New Yorker lives in a neighborhood that performs better than the neighborhood of the typical non-poor New Yorker.

New Yorkers of different races and ethnicities are clustered in different parts of the city. Figure 7 shows where poor New Yorkers were living in 2011–2015. Figure 8 shows the location of poor New Yorkers by race and ethnicity in the same time period. Poor Hispanic New Yorkers were concentrated in the Bronx and northern Manhattan; poor black New Yorkers were very concentrated in northern Brooklyn and also in northern Manhattan and the Bronx; poor Asian New Yorkers were concentrated in Queens, southern Brooklyn, and the lower east side of Manhattan; and poor whites were concentrated in southern and northwest Brooklyn.

Figure 8: Residence of Poor New Yorkers by Race/Ethnicity, 2011–2015

• 1 Dot = 300 Asian persons in poverty

• 1 Dot = 300 black persons in poverty

• 1 Dot = 300 Hispanic persons in poverty

• 1 Dot = 300 white persons in poverty

Sources: American Community Survey, NYU Furman Center
Note: All Racial/Ethnic group categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.
Data are displayed by census tract.

III. Poverty and Neighborhoods

In this section, we shift from looking at the characteristics and experiences of individuals living in poverty to the characteristics of the neighborhoods in which large numbers of poor households reside. Neighborhoods with particularly high levels of poverty, or "concentrated poverty," have been the focus of considerable research and policy concern. Here, we explore how poverty concentration has changed in New York City over time and describe the characteristics of neighborhoods based on their poverty rate. For this discussion, we categorize neighborhoods by the share of their populations living below the poverty line. We define neighborhoods as low-poverty if they have a poverty rate of zero to 10 percent; moderate-poverty if they have a poverty rate between 10 percent and 30 percent; high-poverty if they have a poverty rate between 30 percent and 40 percent; and extreme-poverty if they have a poverty rate of over 40 percent.[14] Because poverty concentration is a continuum and not simply a threshold, we also explore absolute changes in neighborhood poverty rates below.

a. Trends in Poverty Concentration

In the 2000s, the share of all New Yorkers living in low-poverty neighborhoods grew, and the share living in extreme-poverty neighborhoods fell. Since 2006–2010, that trend has reversed. Figure 9 shows this change.
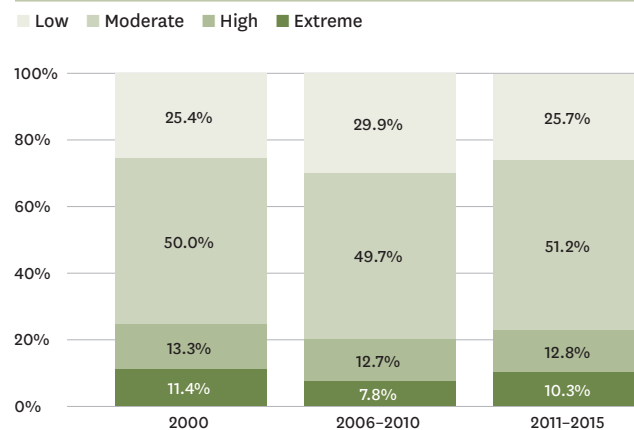
The experience of poor New Yorkers followed a similar trend. The share of poor New Yorkers living in extreme-poverty neighborhoods fell between 2000 and 2006–2010, but has risen since then (see Figure 10). Recently, 44.8 percent of the city's poor population was living in areas of high or extreme poverty.

Notably, New York City's change in poverty concentration was different from the national experience during the 2000s. Nationally, poverty concentration rose between 2000 and 2010, although that increase was driven primarily by medium and smaller cities.[15] During this period,

Figure 9: Share of the Total Population by Neighborhood Poverty Status, New York City

Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center

Figure 10: Share of the Poor Population by Neighborhood Poverty Status, New York City
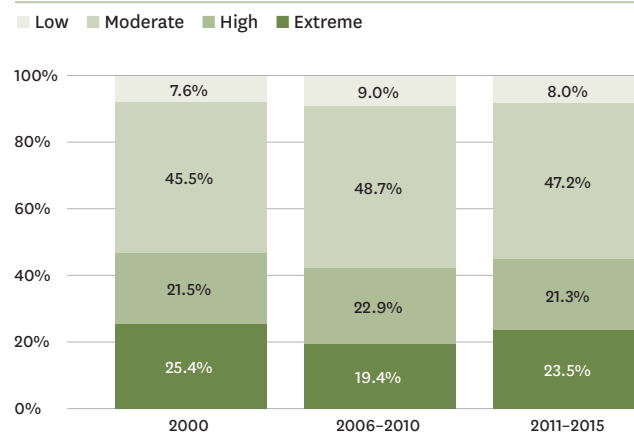
Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center

New York City and some other large cities avoided this trend. But, as more recent data shows, the progress made in New York City during the 2000s on poverty concentration has somewhat reversed since then.

To address inequities between neighborhoods, of course, one must know where these different neighborhoods are located. The neighborhoods that were included in each of these poverty-level categories in 2011–2015 are shown in Figure 11. In the Bronx, 52.6 percent of all neighborhoods were high or extreme poverty; while in Brooklyn, 21.5 percent of neighborhoods were high or extreme poverty. Queens had the lowest share of its neighborhoods qualifying as high or extreme poverty (3.3%).

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14 Within these neighborhood types, there is still a significant amount of income diversity. For example, in 2011–2015, while nearly half of households in tracts of extreme poverty were themselves poor, nearly 30 percent of households in those tracts had incomes greater than 200 percent of the poverty line.

15 Looking at a slightly different time period, Jargowsky reported that between 2000 and 2009-2013, the number of census tracts with poverty rates above 40 percent increased by 76 percent nationally. He also found that, in 2009-2013, there were more people living in these census tracts than ever previously recorded. There was also a

significant increase in the share of poor Americans living in high-poverty neighborhoods—rising from 10.3 percent in 2000 to 14.4 percent in 2009-2013. Jargowsky noted that the concentration of poverty grew fastest in metropolitan areas that are small and mid-size. Jargowsky, P. (August 9, 2015). *The Architecture of Segregation: Civil Unrest, the Concentration of Poverty, and Public Policy*. The Century Foundation. Retrieved from https://tcf.org/content/report/architecture-of-segregation/.

Figure 11: New York City Neighborhoods by Poverty Status, 2011–2015
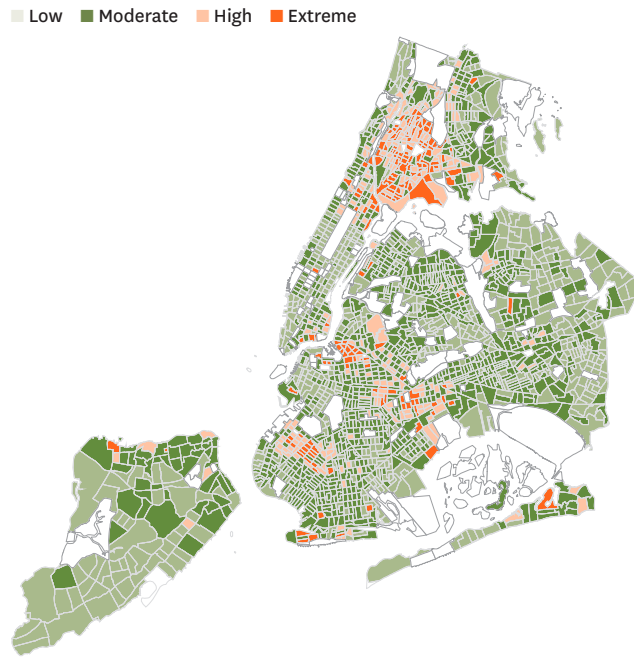
Low   Moderate   High   Extreme

Sources: American Community Survey, NYU Furman Center
Note: Data are displayed by census tract.

Of the neighborhoods that were high or extreme poverty in 2000, 19 percent improved to low or moderate poverty between 2000 and 2006-2010. Some of the neighborhoods that enjoyed improvements in their poverty rates in the 2000s maintained those improvements into 2011-2015, while others lost the ground they had gained. Figure 12 shows the neighborhoods that were high or extreme poverty in 2000 that moved to low or moderate poverty between 2000 and 2006-2010. Of those neighborhoods, just six reverted back to high or extreme poverty between 2006-2010 and 2011-2015 (shown in orange). There were twenty-seven neighborhoods that saw improvement 2006-2010 and remained at this lower poverty level in 2011-2015 (shown in green).[16]

Figure 12: High or Extreme Poverty Census Tracts in 2000 That Became Low or Moderate Poverty in 2006–2010

Reverted to High or Extreme Poverty Between 2006-2010 and 2011-2015
Maintained Low or Moderate Poverty Between 2006-2010 and 2011-2015
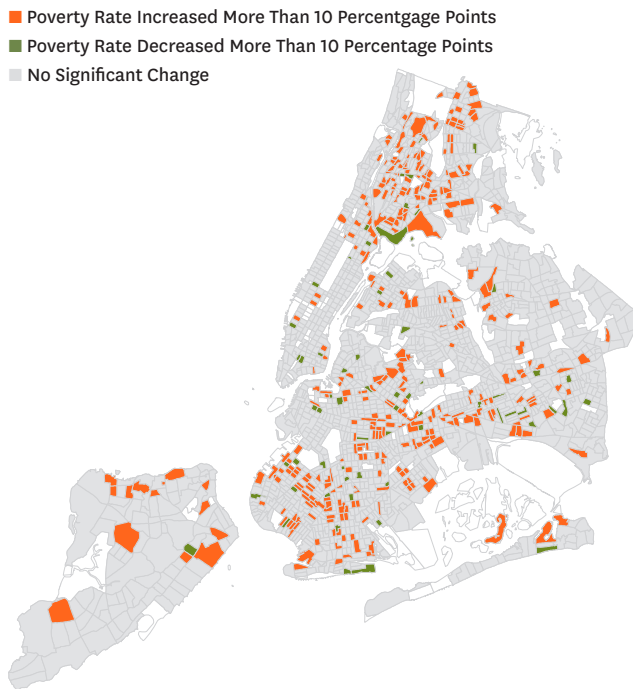No Significant Change Between 2006-2010 and 2011-2015

Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center
Note: A census tract is considered to have "no significant change" if its 2011–2015 poverty rate plus or minus its margin of error overlapped the high or extreme and low or moderate poverty status categories.

Figure 13 shows changes at a finer grain, highlighting the neighborhoods in the city where the poverty rate increased or decreased by more than 10 percentage points between 2006–2010 and 2011–2015.[17] Only 64 neighborhoods in the city (home to 2.6% of the population—about 216,000 New Yorkers) saw a decrease in their poverty rate of 10 percentage points or more; 356 neighborhoods (home to 16.5% of the population—about 1,366,000 New Yorkers) experienced an increase in their poverty rates of the same magnitude. The areas that experienced an improvement in their poverty rate tended to be adjacent or near neighborhoods that experienced a substantial uptick in poverty. This wide variation in the experience of proximate neighborhoods suggests that policy responses that can address varying needs across neighborhoods may be more successful than policies that treat larger areas of the city as monoliths.

16 Within a 90 percent confidence level margin of error. Of the 452 census tracts that were high or extreme poverty in 2000, 86 improved to low or moderate poverty in 2006-2010. Of those, 27 remained low or moderate poverty and 6 reverted back to high or extreme poverty. The change in the poverty rate between 2006–2010 and 2011–2015 in the remaining 53 census tracts was not significant within a 90 percent confidence level margin of error.

17 The mean margin of error (at the 90% confidence level) for census tract poverty rate estimates in New York City was +/-6.7 percent in 2006-2010 and +/-6.9 percent in 2011-2015.

■ Poverty Rate Increased More Than 10 Percentgage Points
■ Poverty Rate Decreased More Than 10 Percentage Points
■ No Significant Change

Sources: Neighborhood Change Database, American Community Survey, NYU Furman Center
*Note: Data are displayed by census tract.*

New York City's recent trend of increased poverty concentration in 2011–2015 is distressing, especially after the progress made in the 2000s. The varied experiences of the neighborhoods in the city that were higher poverty in 2000 warrants further investigation to understand how individual neighborhoods changed over time and what policy levers and larger economic trends in the city might have contributed to those changes. Exploring the variation across neighborhoods may offer important insights into why poverty fell in one high-poverty neighborhood but rose in another, which can inform efforts to counter poverty concentration.

b. Neighborhood Characteristics by Poverty Status

Much of the research and policy concern about poverty concentration arises from the correlation between higher neighborhood poverty rates and substandard neighborhood conditions. We explore those correlations in New York City, looking at a number of key conditions here and describe how they differ based on the poverty level of the neighborhood. We conclude with a discussion of who is living in these different neighborhood types.

There is a strong negative correlation between neighborhood poverty levels and school quality. Higher poverty neighborhoods have schools in which many fewer children were performing at grade level in English language arts (ELA) and math on fourth grade standardized tests. In 2014, there was about a 30 percentage point difference between the share of children performing at grade level in schools in or near low-poverty neighborhoods versus those in extreme-poverty neighborhoods (see Figure 14). There was a large disparity between schools near low-poverty areas and those near moderate-poverty areas as well (14.7 percentage points for ELA; 13.2 percentage points for math).

Figure 14: Share of Students Performing at Grade Level in English Language Arts and Math (Fourth Grade) in Neighborhood Schools, by Neighborhood Poverty Level in New York City, 2014
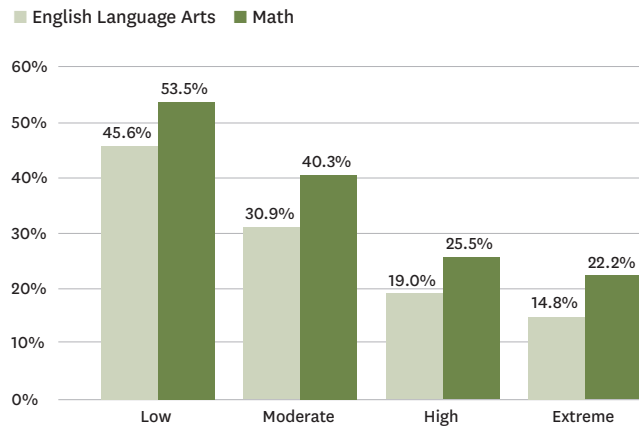
■ English Language Arts ■ Math

Sources: American Community Survey (2011-15), New York City Department of Education (2014), NYU Furman Center

Rates of violent crimes also differ dramatically in New York City based on the poverty level of the neighborhood (see Figure 15). In 2011–2015, high- and extreme-poverty neighborhoods experienced more than three times as much serious violent crime than low-poverty neighborhoods. Even moderate-poverty areas had rates twice as high as low-poverty neighborhoods.
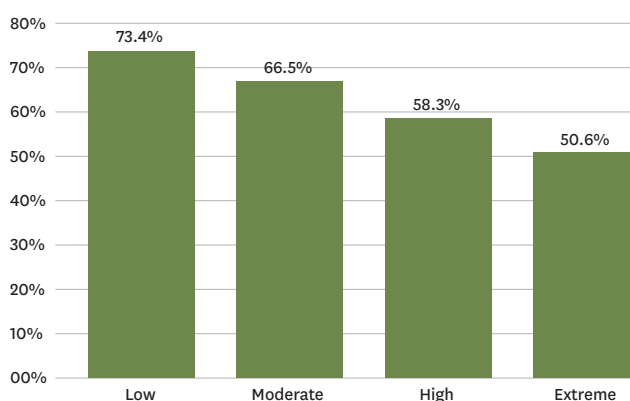
High- and extreme-poverty neighborhoods also have higher shares of Housing Maintenance Code violations. As Figure 16 shows, in 2015, extreme-poverty neighborhoods had a serious code violation rate five times higher than that of low-poverty neighborhoods.

In extreme-poverty neighborhoods in 2011–2015, the employment rate was about 50 percent, more than 20 percentage points lower than the rate in low-poverty neighborhoods (see Figure 17). In 2011–2015, neighborhoods with higher poverty rates also had larger shares of disabled residents (see Figure 18). The lower employment rates in high poverty areas may be related in part by the higher disability rates, both because disabilities may render it impossible for a person to work and because caring for family members with disabilities may preclude employment outside the home.

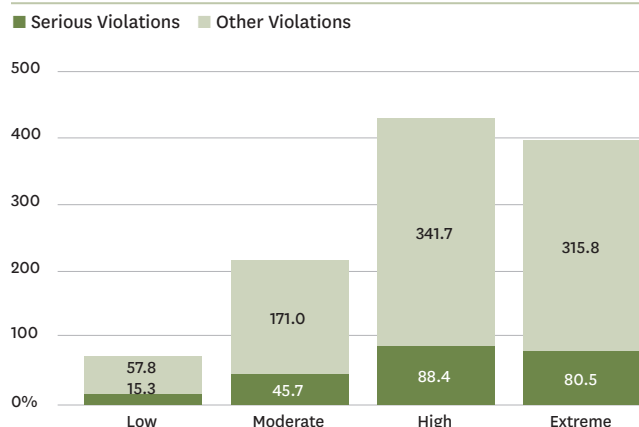**Figure 15: Serious Violent Crime Rate (per 1,000 residents) by Neighborhood Poverty Level, New York City, 2011–2015**
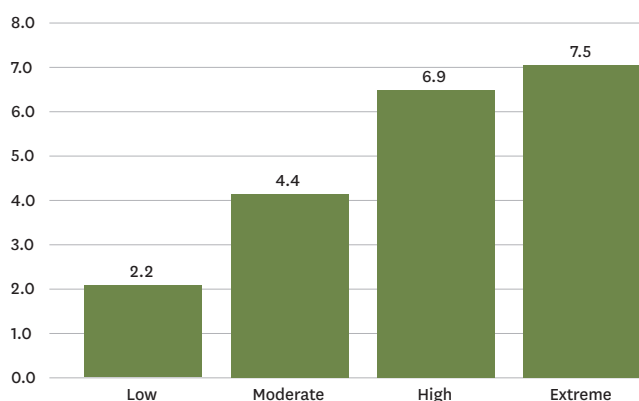
Sources: American Community Survey, New York City Police Department, U.S. Census, NYU Furman Center

Figure 16: Housing Maintenance Code Violation Rate (per 1,000 Privately Owned Rental Units) by Neighborhood Poverty Status in New York City, 2015

Sources: American Community Survey (2011-15), New York City Department of Housing Preservation and Development (2015), New York City Department of Finance Final Tax Roll File (2015), New York City Housing Authority (2015), NYU Furman Center

Figure 17: Employment Rate by Neighborhood Poverty Level, New York City, 2011–2015

Sources: American Community Survey, NYU Furman Center
Note: Civilian population aged 20–64

Figure 18: Disabled Share of Population by Neighborhood Poverty Level, New York City, 2011–2015
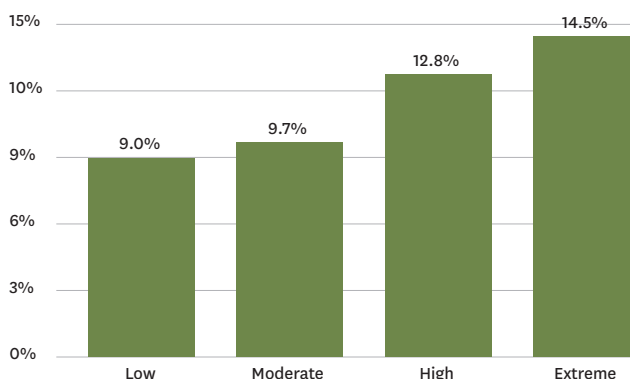
Sources: American Community Survey, NYU Furman Center

In 2011–2015, higher poverty neighborhoods also had higher shares of residents with no high school degree and smaller shares of residents with college degrees (see Figure 19). In low-poverty neighborhoods, 52.4 percent of residents had a college degree; in extreme-poverty areas, the rate was only 12.6 percent. There were smaller variations in other levels of educational attainment across different neighborhood types (high school degree; some college; Associate's Degree).

Figure 19: Educational Attainment by Neighborhood Poverty Level, New York City, 2011–2015
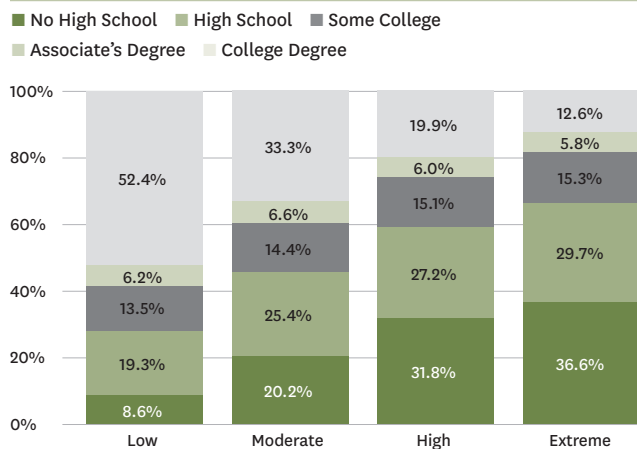
Sources: American Community Survey, NYU Furman Center
Note: Population aged 25 or older.

As we showed in the previous two sections, New Yorkers are not all equally likely to live in poverty, and the neighborhood conditions of poor New Yorkers are also not uniform. There are also wide disparities based on race and ethnicity and age in who is living in neighborhoods with high rates of poverty (shown in Table 4).

In 2011–2015, black and Hispanic New Yorkers were more likely to live in neighborhoods of high and extreme poverty than New Yorkers overall. This was not solely driven by the higher poverty rates of blacks and Hispanics and the greater likelihood of the poor to live in higher poverty neighborhoods; poor black and Hispanics were more likely to live in neighborhoods of higher poverty than other poor New Yorkers. In fact, non-poor blacks and Hispanics were also more likely to live in areas of concentrated poverty than other non-poor (number not in table). Thus, racial and ethnic concentration in areas of higher poverty reflects more than the poverty status of black and Hispanics.

Children were more likely than adults to live in high- and extreme-poverty neighborhoods in 2011–2015. This was true for children in the city overall (30.3% of whom live in areas of concentrated poverty), and for poor children in particular

(54.1% of whom live in these areas). Children overall and poor children were also the groups least likely to be living in low-poverty neighborhoods. Poor seniors, however, were less likely than other poor New Yorkers to live in high- or extreme-poverty neighborhoods in 2011–2015.

Table 4: Distribution of Groups by Neighborhood Poverty Status in New York City, 2011–2015

	Share living in:			
	Low Poverty	Moderate Poverty	High Poverty	Extreme Poverty
Total population	25.7%	51.2%	12.8%	10.3%
Poor population	8.0%	47.2%	21.3%	23.5%
Age:				
All children (<18)	21.0%	48.7%	15.3%	15.0%
Poor children	4.0%	41.8%	23.8%	30.3%
All adults (18-64)	26.0%	52.4%	12.4%	9.2%
Poor adults	8.9%	49.3%	20.5%	21.2%
All seniors (65+)	32.5%	49.2%	10.6%	7.6%
Poor seniors	13.5%	51.3%	18.2%	17.0%
Race/Ethnicity:				
All Asian, non-Hispanic	23.7%	63.8%	8.4%	4.1%
All black, non-Hispanic	17.5%	51.9%	17.0%	13.6%
All Hispanic	11.4%	51.0%	20.5%	17.1%
All white, non-Hispanic	45.1%	45.1%	5.0%	4.7%
Poor Asian	9.5%	67.5%	14.4%	8.6%
Poor black	4.8%	42.5%	24.7%	27.9%
Poor Hispanic	3.5%	41.0%	26.6%	28.9%
Poor white, non-Hispanic	19.5%	50.8%	11.5%	18.2%

Sources: American Community Survey, NYU Furman Center
Note: For poor population by Race/Ethnicity, the categories are not mutually exclusive. Asian and black includes all ethnicities, and Hispanic includes all races.

In sum, neighborhood conditions vary significantly based on a neighborhood's poverty rate. Higher poverty neighborhoods have much higher violent crime rates and schools with much lower shares of children performing at grade level. They also have many more serious housing code violations, higher unemployment rates, and lower shares of residents who have completed high school or college. Not all New Yorkers are equally exposed to these conditions, however. Children and black and Hispanic New Yorkers make up a higher share of the residents in higher poverty neighborhoods than other New Yorkers. Thirty percent of all children in the city were living in census tracts with concentrated poverty in 2011–2015.

Conclusion

In New York City, as in the nation, some groups experience poverty at higher rates than others. Children and black and Hispanic New Yorkers are more likely to live in poverty than other New Yorkers. Also like the rest of the nation, in New York, living in poverty greatly increases the likelihood of living in a neighborhood of high or extreme poverty. Those differences have significant consequences because of the dramatic disparities in the city between areas of concentrated poverty and lower poverty areas. The quality of schools in a neighborhood, the number of violent crimes, and the number of people who are employed and have college educations is strongly correlated with the extent of poverty in a neighborhood. While New York City made progress in deconcentrating poverty in the 2000s, distressingly, that improvement more recently has reversed.

Of particular concern, there are large differences by race and ethnicity in the neighborhood environments of people living in poverty. Compared to poor Asian and white New Yorkers, the typical poor black and Hispanic New Yorker lives in a neighborhood with a higher poverty rate, a much higher violent crime rate, schools with lower test scores, more housing code violations, a higher rate of unemployment, and fewer college educated residents. The typical poor white New Yorker lives in a neighborhood that performs better on all of these measures than the typical non-poor New Yorker.

In recent years, 45 percent of poor New Yorkers were living in neighborhoods of concentrated poverty, meaning that the individual challenges they faced because of their economic status were compounded by living in neighborhoods also facing substantial challenges. Those New Yorkers are much more likely to be black or Hispanic. New York City's children also are disproportionately bearing the burdens of poverty, and of living in high-poverty neighborhoods.[18] There is a growing body of research highlighting the role that neighborhoods play in the lives of children and, specifically, in their employment prospects as adults.[19] The relatively high share of New York City children living in areas of concentrated poverty, and the fact that the trend is going in the wrong direction, should raise serious alarm. It also highlights that investments made to counter this trend will both help poor children and ensure a better future for the city. Finally, there may be helpful lessons to learn from exploring in more detail, through data and policy analysis, what was happening in the neighborhoods in New York City that were higher poverty in 2000 and that then transformed into lower poverty areas in 2006–2010. Why some of those neighborhoods were able to maintain that progress and others reverted back to their higher poverty status in 2011–2015 might offer insights for policy efforts aimed at ensuring better and more sustainable progress.

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18 Nationally, poor black and Hispanic children are more likely to live in high-poverty neighborhoods than poor adults of the same race. Jargowsky, P. Op.cit. Table 5.

19 Chetty, R., Hendren, N., & Katz, L. F. (2016). *The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment*. The American Economic Review 106 (4), 855-902; Sharkey, P., & Faber, J. (2014). *Where, When, Why, and For Whom Do Residential Contexts Matter? Moving Away from the Dichotomous Understanding of Neighborhood Effects*. Annual Review of Sociology 40, 559-579; Ellen, I. G., & Turner, M. (1997). *Does Neighborhood Matter? Assessing Recent Evidence*. Housing Policy Debate 8(4), 833-866.

Methodology

For the *State of New York City's Housing and Neighborhoods in 2016 Focus on Poverty*, some analyses use methods that differ from other sections of the report.

U.S. Census Bureau Data

In order to track neighborhood change, we use the Neighborhood Change Database (NCDB) 2010, which is compiled by GeoLytics and the Urban Institute with support from the Rockefeller Foundation (2010). The NCDB provides census tract data from the U.S. Census Bureau back to 1970 recalculated to match the census tract boundaries from 2010. We supplement NCDB data with five-year estimates from the 2011–2015 American Community Survey (ACS), which are already tabulated for 2010 census tract boundaries. This dataset allows us to examine census tracts over the course of several decades, and therefore better understand how neighborhoods—as they are defined today—changed over time.

Unless otherwise noted, census tracts are the unit of analysis in this report and are referred to as neighborhoods. We restrict our sample of census tracts to those with at least 200 residents and less than 30 percent of their population living in group quarters (which include correctional facilities, nursing homes, dormitories, and other types of institutions) in 2000, 2006–2010, and 2011–2015.

Tables one and two of this report use the Public Use Microdata Samples (PUMS) from the ACS five-year estimates for 2011–2015, provided by the Minnesota Population Center and the University of Minnesota. Because the PUMS samples are anonymized individual-level data, we are able to calculate characteristics of the population broken out by poverty status.

Student Performance

The New York State Education Department provides school-level data on math and English language arts (ELA) proficiency. Schools are linked to school zones and from school zones we are able to calculate a weighted census tract proficiency rate. Specifically, we first calculate average math and ELA school zone proficiency rates weighted by the number of tested students. We then assign each residential unit within a school zone its respective math and ELA proficiency rate. Residential units are also associated with census tracts, and so lastly we weight the residential unit proficiency rates up to the census tract level. Because students can attend schools outside of their zone, the student performance indicators provide information about the performance of students who attend schools in that neighborhood, rather than the performance of students who live in that neighborhood.

Crime Rates

The New York City Police Department (NYPD) collects data on criminal activity, which the department reports consistent with classifications set primarily by the New York State Penal Law. A crime is considered serious if it is classified as a major felony as defined by the NYPD. This category contains most types of assault, burglary, larceny, motor vehicle theft, murder (including non-negligent manslaughter), rape, and robbery. Serious property crimes include most types of burglary, larceny, and motor vehicle theft. Serious violent crime includes most types of assault, murder (including non-negligent manslaughter), rape, and robbery. Rates are calculated as the number of crimes committed in a given geographic area per 1,000 residents (based on decennial population counts) and it is possible that perpetrators or victims of crimes may reside in other neighborhoods or outside of New York City. To create census tract-level crime rates we geocode publically available address-level crime data from the NYPD. Because precise address information is not available for rapes, we exclude these crimes from the rate calculation.

Housing Maintenance Code Violations

The New York City Department of Housing Preservation and Development (HPD) investigates housing code complaints from tenants in privately owned units and issues code violations if housing inspections reveal problems. Total housing code violations include class A ("non-hazardous"), B ("hazardous"), and C ("immediately hazardous or serious") violations, while serious housing code violations refer to class C only. These numbers include all violations that HPD opened in a given time period, regardless of their current status. The New York City Housing Authority (NYCHA) has a parallel process for recording and inspecting housing violations within public housing, so their violations are not included in this indicator. To also exclude public housing units from the denominator, we join lot level data from NYCHA with data from the New York City Department of Finance Final Tax Roll File and exclude those properties to calculate the final violation rates as the number of violations per 1,000 privately owned rental units.

Characteristics of Typical Neighborhoods for Subpopulations

In Section II, *The Typical Poor New Yorker's Neighborhood*, we describe the characteristics of the typical neighborhood for subpopulations of New Yorkers. These indicators measure the exposure of a subpopulation to a neighborhood characteristic as the subpopulation-weighted average of the neighborhood characteristic in each neighborhood. The exposure for poor New Yorkers to poverty thus is given by:

$$\sum_{i=1}^{n} \left[\frac{x_i}{X} y_i \right]$$

Where x_I is the poor population of census tract i, X is the citywide poor population, and y_i is the poverty rate in census tract i.

About the NYU Furman Center

The NYU Furman Center advances research and debate on housing, neighborhoods, and urban policy.

Established in 1995, it is a joint center of the New York University School of Law and the Robert F. Wagner Graduate School of Public Service. Its mission is to:

Provide objective academic and empirical research on legal and public policy issues involving land use, real estate, housing, and urban affairs in the United States;

Promote frank and productive discussions among elected and appointed officials, leaders of the real estate industry, leaders of non-profit housing and community development organizations, scholars, and students about critical issues in land use, real estate, and urban policy;

Present essential data and analysis about the state of New York City's housing and neighborhoods to those involved in land use, real estate development, community economic development, housing, urban economics, and urban policy; and

Train the next generation of urban policy leaders—including researchers, analysts, and practitioners—by fostering an enriching environment where students meaningfully contribute to the Center's work.

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