



State of the New York City Economy

2024



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Letter from the President & CEO



Fellow New Yorkers,

New York City is at record-high employment. We're the top destination in the country for young talent, with twice as many new graduates choosing us over number two, Los Angeles. We are a global leader in the Life Sciences, Green Economy, and Tech sectors, with an AI transformation already underway. With each passing day, we have more subway riders and tourists, and fewer vacant stores and offices.

At the same time, there are longstanding, resurgent challenges our city faces: rising housing costs and lack of availability, racial disparities in employment, and stubborn gaps between our highest and lowest earners.

Still, looking at where we are today with clear eyes, I can say confidently: New York City's economy is strong. Four years after the pandemic erased nearly a million private sector jobs, emptied our streets, and spurred so many to predict New York City's doom, New York City Economic Development Corporation's first-ever "State of the Economy" report shows that our economy has more than recovered. In many ways, we have built back stronger.

This report offers an in-depth look at how New York City has navigated a period of transformation, responding to the impacts of a pandemic, a shifting global economy, and evolving work patterns. Grounded in data, we examine key metrics such as employment trends, commercial real estate data, and affordability indicators. We offer a nuanced view of the forces shaping New York City today and in the years to come. In addition, we compare New York City's performance against other major US and global cities, underscoring our competitiveness, highlighting areas where we continue to lead, as well as key challenges headed into 2025 and beyond.

The objective data in this report confirms what we can see for ourselves: New York City is back. We can feel the energy of a new optimism on the streets and sidewalks of New York.

Of course, we also know that many New Yorkers are still struggling. We've added many jobs but not enough homes. Top earners in New York City are beating the rest of the country, but lower earners aren't doing much better here than they could elsewhere. Black unemployment is more than double white unemployment. If we can't make housing affordable, if we can't blunt the sharpest disparities between soaring highs and stubborn lows, between communities of color and white New Yorkers, we may lose what makes our city so magical: our people. We must make our economy work for everyone.

Thankfully, there has been decisive policy action to do just that. The Adams Administration came into office focused on collaboration with the private sector and delivering on a set of policies and initiatives to spur private investment and they are working. From releasing the "Rebuild, Renew, Reinvent: A Blueprint for New York City's Economic Recovery" in the first months of the administration, to the bold set of proposals created through the "New New York" Action Plan, innovative and practical solutions have fueled New York City's economy.

And most recently, Mayor Adams's "City of Yes for Housing Opportunity" plan to build up to 82,000 new housing units, and his bold "Axe the Tax" proposal to eliminate city income taxes for working-class New Yorkers are just two big examples of how we are working to make the city more fair and more affordable for our diverse communities.

The doomsayers were wrong. New York City is strong, and our future is bright. Whether through our monthly Economic Snapshot or through this inaugural State of the Economy report, NYCEDC is committed to making the data available to the public to inform public discussion, policy, and a clear understanding of the city's economy.

With thanks to my team that produced this comprehensive report, with confidence in our great city, I look forward to continuing to build a vibrant and inclusive economy that works for all New Yorkers.

Sincerely,

A handwritten signature in black ink, appearing to be the name Andrew Kimball, written in a cursive style.

Andrew Kimball

Executive Summary

In many ways, New York City's economy in 2024 is at an inflection point. Almost five years ago, the COVID-19 pandemic hit New York City's economy, with the city losing nearly 950,000 (or 23%) of private sector jobs in just two months (February to April 2020).¹ The impacts on the New York City economy were disproportionately severe, as national employment fell by 14% over that same time period.² The pandemic-related downturn threatened to permanently widen inequality between higher-income and lower-income workers, and to disproportionately impact women and minorities. New York City responded with intentional roadmaps to foster a robust, equitable recovery: the [Blueprint for Economic Recovery](#) laid out five key strategies for inclusive recovery, and the "[New](#)" [New York Plan](#) set out 40 recommendations for New York City to pioneer a new model of inclusive growth. After four years of post-pandemic recovery efforts, the city now is in an era of both record highs and resurgent challenges.

This new era brings an opportunity to refocus and to take a longer-term view of the economy. NYCEDC is charged with leading the city's economic development strategy. It is therefore essential that we clearly and consistently track a wide range of metrics in order to understand the state of the city's economy. In an effort to get a comprehensive picture, we have cast a wide net. This research uses data from local, state, and federal government agencies; from banks, consulting firms, real estate firms, academia, and nonprofits; and from private companies that track data on real estate, investments, and mobility. This annual report will complement our monthly Economic Snapshot while providing a broader analysis of the state of the city's economy.

This report looks at the state of the New York City economy through the lens of 10 topics: Macro Trends; Labor Market; Income Inequality; Key Sectors; Housing; Business Formation and Entrepreneurship; Commercial Real Estate and Remote Work; Retail; Population and Migration; and Tourism. The story derived from these topics is varied and nuanced—while New York City excels on a number of metrics, structural pre-pandemic challenges such as income inequality and housing unaffordability remain, while still other metrics like office vacancy and population are showing signs of stabilization or slight improvements.

For this report, we are primarily focused on 2024 data for New York City. In general, we compare the 2024 data to 2023 for annual growth, 2020 for pandemic comparisons, 2019 for pre-pandemic comparisons, and longer lookbacks for additional historical context as appropriate.

Here are the 10 key themes for the New York City economy in 2024, which we will expand upon and connect in the subsequent chapters:

- **Employment and labor force participation are at all-time highs:** The city's labor market is strong and improving, with a record number of private sector jobs (4,151,400 annual average) and a record-high labor force participation rate (62.8%) as of September 2024. To put it another way, there are now more jobs in New York City than at any other time in the city's history and a higher percentage of New Yorkers than ever before either have a job or are actively seeking one.
- **Over the past decade, the economy has diversified, helping it become more resilient to sector-specific shocks:** New York City's status as a major global financial capital remains secure, and there are 21,500 more jobs in the Finance sector than there were pre-pandemic. But the city is now less reliant on the Finance sector for economic growth, and the growth of the Tech, Life Sciences, Healthcare, and Green Economy sectors has provided for a greater diversity of high-growth and high-wage or middle-wage jobs in the city.
- **The AI transformation has begun:** Artificial Intelligence (AI) has the potential to change millions of New York City jobs over the next decade. New York City has emerged as a leader in AI both nationally and globally, as the home to over 2,000 AI startups and a thriving Tech ecosystem, as well as an existing metro area talent pool of 40,000 workers with AI and AI-related skills. New York City is also home to world-class academic institutions as well as a strong Venture Capital ecosystem, both of which will be key in developing AI research and scaling AI-related businesses. While it is anticipated that some jobs could be displaced by AI, far more jobs are likely to be augmented (i.e., productivity-enhanced) by the technology. NYCEDC estimates that in New York City, for every job that gets displaced by AI, between four and 10 jobs might be augmented by AI. The World Economic Forum projects net job growth resulting from AI adoption, and McKinsey projects the New York City region will add 200,000 net jobs by 2030 on factors including adoption of AI and other technological shifts, as well as increased demand for healthcare services and infrastructure investment.^{3 4}
- **New York City continues to attract talent, business, investment, and tourism from around the world:** New York City leads the nation in attracting young talent, with nearly 500,000 recent college graduates choosing to live here since 2021. The city also continues to be a global leader in attracting investment—New York City attracted over \$11 billion in Foreign Direct Investment and over \$97 billion in Venture Capital funding between 2021 and 2023—facilitating

future business growth. Tourism has nearly recovered, with nearly 65 million visitors in 2024, and a record 68 million visitors expected in 2025.

- **Remote work and commercial real estate have stabilized:** The new normal of remote work has shifted demand for office space, resulting in elevated office vacancy rates. The New York City metro area has the lowest rate of fully remote office workers among large US cities, and most office workers have stabilized on a schedule of three in-person days per week. Office vacancy rates declined in Q2 2024, for the first time since the pandemic, and the city has so far avoided the “commercial doom loop” that some had feared.
- **The flight to quality continues in the office market:** Occupied square footage in Manhattan trophy buildings is up 19% over the past five years, while occupied square footage in Manhattan non-trophy buildings is down 9% over that same time period. And office visitation metrics are higher for trophy office buildings compared to non-trophy buildings. The city is supporting renovation of office space in Manhattan’s central business districts with its [M-CORE](#) program, intended to create the type of high-quality office space that has seen increased demand in recent years.
- **Population is at an inflection point:** According to Census estimates, New York City lost over half a million residents from April 2020 to July 2023, although 83% of the decline occurred in the first two years of the pandemic. While it’s too soon to see in official estimates, early signs point to population stabilization or even population growth in 2024, as net domestic migration has returned to pre-pandemic levels and net international migration now exceeds pre-pandemic levels. Despite population losses, annual city tax revenues never declined during the pandemic and are now at record highs.
- **Housing affordability remains the defining challenge, but the City is taking key policy steps to address the issue:** Two-thirds of New York City households are renters, and the 2023 rental vacancy rate of 1.4% is a multi-decade low, putting upward pressure on housing costs. The imbalance in the housing market is partially explained by the fact that job growth has far outpaced housing growth since 2010. From 2011 to 2023, New York City added 895,000 jobs but just 353,000 housing units. New York City and State are enacting comprehensive policies to mitigate the affordability crisis. The [City of Yes for Housing Opportunity](#) plan will update and modernize the city’s zoning code, and will create an estimated 82,000 additional housing units over the next 15 years. In every borough, major community rezoning initiatives are underway. The state has introduced a new [485-x](#) program to incentivize the construction of affordable housing, and the [467-m](#) program to incentivize office-to-residential conversions.

- **Racial disparities in unemployment and labor force participation are improving, but remain high:** The unemployment rate for Black New Yorkers rose to 8.5% in the third quarter of 2024 after falling to 7.3% in the prior quarter, its lowest level since 2019. Despite this increase, the unemployment rate for Black New Yorkers has improved, down from 10.7% at the start of 2022. Meanwhile, the Latino/Hispanic unemployment rate has fallen from 9.2% at the beginning of 2022 to 6.7% in Q3 2024. Over this same period, the white unemployment rate averaged just 3.3%, an unacceptable level of disparity between white and BIPOC workers. While the labor force participation rate has improved for New Yorkers of all races since 2022, the white labor force participation rate, at 67.5% in Q2 2024, is well above the rates for other races and ethnicities.
- **Income inequality remains a challenge:** Income inequality has slightly widened in New York City over the past decade. Income inequality is driven by the fact that the city's high earners have higher incomes than high earners in other cities, while New York City's low earners have incomes closer to low earners in other cities. For example, the median retail salesperson in New York City makes 12.8% more than the median retail salesperson nationwide, while the median lawyer in New York City makes 55.5% more than the median lawyer nationwide.

1

Macro Trends

New York City's economy is the largest in the nation, with \$2 trillion in gross metropolitan product (GMP) for the metro area, representing 9% of the total US economy. As such, the city's economy is closely intertwined with the broader national economic landscape, and US macroeconomic conditions play a significant role in shaping the economic backdrop for the city. National interest rates, inflation, gross domestic product (GDP), and employment growth influence many of the New York City indicators we discuss in this report, from New York City job growth, to investment, to tourism. In this section, we describe the current US macroeconomic environment and the corresponding trends for New York City.

The policies of the incoming Trump Administration, particularly with regard to taxes and trade, could certainly have an impact on the local economy in the years ahead. However, due to the uncertainty around policy specifics and timing, we do not discuss potential federal policy changes and their economic impacts in this report.

Macro Conditions at an Inflection Point

The years of 2021 to 2023 were marked by rapid job creation, spurred by recovery from the COVID-19 pandemic, as well as elevated inflation (and accompanying higher interest rates as the Federal Reserve tried to cool price increases). In 2024, the US economy appears to be normalizing, with slower job growth, easing inflation, and lower interest rates setting a new economic tone.

While the US economy is still growing, job gains have slowed over the past 18 months. Specifically, US job growth has declined from 3.2% at the beginning of 2023 to 1.5% as of August 2024. Inflation-adjusted GDP growth (or "real GDP growth"), was 1.9% in 2022 and 2.5% in 2023, below the 5.8% pace in 2021 fueled by pandemic-related job recovery and stimulus measures.

In New York City, we have also seen job growth slow, from 7.2% growth in 2022 to 2.6% in 2023. New York City real gross city product (GCP) increased a strong 5.5% in 2021, on a combination of pandemic bounce-back effects as well as a strong year for the Finance industry, with the stock market up 28.7% in 2021.⁵ Since then, real GCP growth has decelerated, to 2.6% in 2022 and 2.8% in 2023.

Output Has Grown Faster in NYC than Nationally Since 2022

Actual and Projected US Real GDP and NYC Real GCP Growth Rates

	2019	2020	2021	2022	2023	2024*	2025*
NYC	2.6%	-4.2%	5.5%	2.6%	2.8%	3.6%	1.9%
US	2.5%	-2.2%	5.8%	1.9%	2.5%	2.5%	1.4%

Source: NYC OMB and US Bureau of Economic Analysis. Projections for 2024 and 2025 from NYC OMB.

Employment Has Grown Faster in NYC than Nationally Since 2022

Actual and Projected Employment Growth Rates, NYC and US

	2019	2020	2021	2022	2023	2024*	2025*
NYC	2.1%	-10.7%	2.2%	7.2%	2.6%	1.5%	1.6%
US	1.3%	-5.8%	2.9%	4.3%	2.3%	1.4%	0.1%

Source: NYC OMB and US Bureau of Labor Statistics. Projections for 2024 and 2025 from NYC OMB.

New York City's total nonfarm employment has grown faster than the nation's since April 2020, and that trend is expected to continue in the near future. While the New York City economy grew slower than the US in 2023, NYC OMB is expecting New York City economic growth to outpace that of the US over the next two years.

Lower Inflation and Interest Rates

Elevated inflation in the US from 2021 to 2023 was caused by a mix of pandemic-related disruptions, supply chain issues, and significant shifts in consumer demand, along with external shocks such as rising energy prices. National inflation has slowed from a peak of 9.1% in mid-2022 to 3.3% in mid-2024.

NYC Inflation is Projected to be Lower than National Inflation in 2025

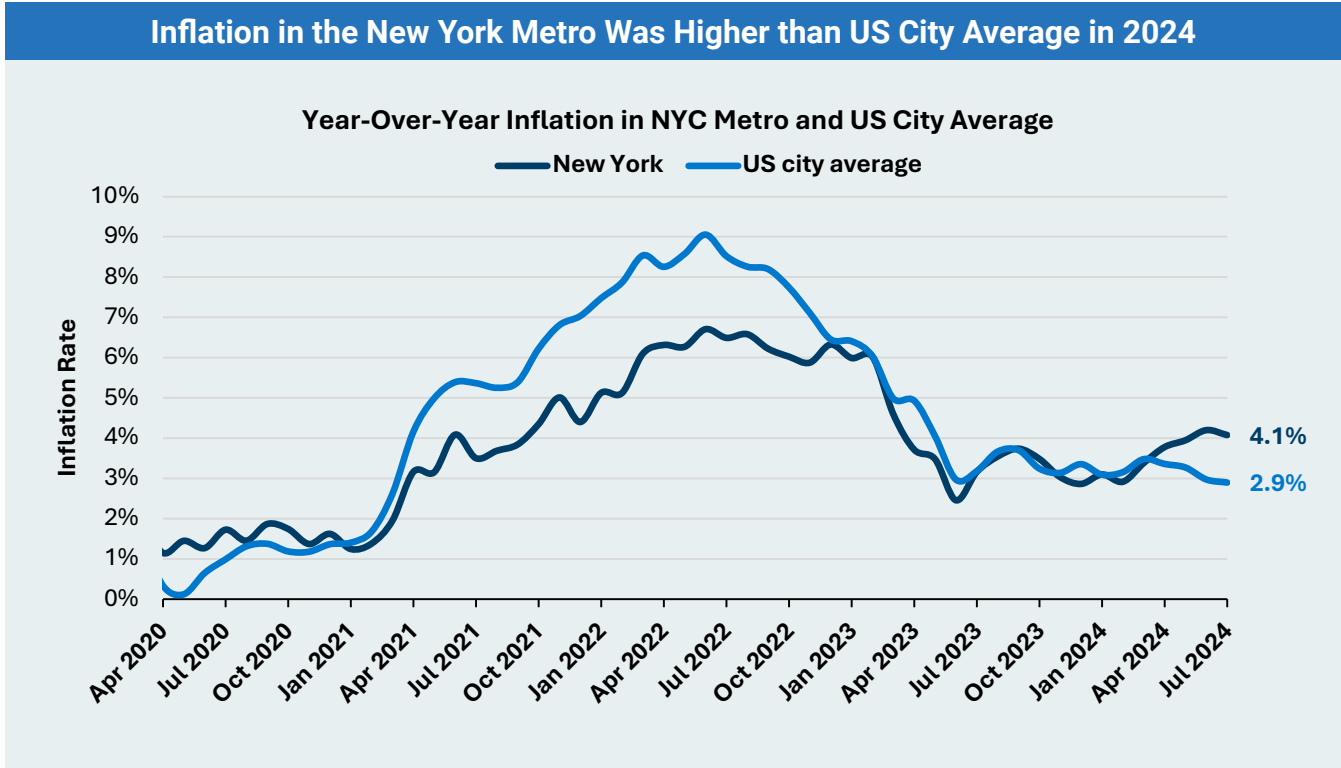
Actual and Projected Inflation for NYC and US

	2019	2020	2021	2022	2023	2024*	2025*
NYC	1.7%	1.7%	3.3%	6.1%	3.8%	4.2%	1.6%
US	1.8%	1.2%	4.7%	8.0%	4.1%	3.3%	2.1%

Source: NYC OMB and US Bureau of Labor Statistics. 2024 figures reflect CPI inflation for the first half of 2024, compared to a year prior. Projections for 2025 from NYC OMB.

While New York City had lower inflation than the US and many other cities for much of 2021 to 2023, that relationship flipped as inflation began to rise again locally in early 2024. As of June 2024, New York City consumer prices had increased 4.2% over the previous 12 months, compared

to inflation of 3.5% in Miami, 3.2% in San Francisco, and 2.1% in Houston. This is influenced by both persistently high shelter (housing) inflation (6.0% annual increase in NYC as of June 2024, representing 40% of the New York Metro CPI) and price increases on utilities as well as services. Despite this recent uptick, total price increases since June 2019 are still lower in the New York City metro area (20.1%) than the US city average (22.7%).⁶



Source: Bureau of Labor Statistics

With inflation easing and the national job market slowing, the Federal Reserve cut its key policy rate by a combined 100 basis points in September, November, and December 2024, and expects to cut an additional 50 basis points by the end of 2025.

Lower interest rates should spur investment. After a record-setting 2021 for Venture Capital in New York City, higher interest rates pulled down investment activity: in 2021, VC totaled \$50.5 billion, compared to \$28.3 billion in 2022 and \$18.6 billion in 2023—mirroring a nationwide slowdown in funding. To date in 2024, VC activity has totaled \$17.6 billion, putting 2024 Venture Capital on track to be an improvement from 2023.⁷ Lower interest rates expected for the medium-term should bolster Venture Capital activity in the coming years as well, with New York City well-positioned to reap the benefits as the second-leading hub for Venture Capital in the world.

Lower interest rates should boost personal and small business lending. Lower interest rates should also put downward pressure on mortgage rates, but it's unclear how large that effect will be.

2

Labor Market

Job Growth

New York City had an average of 4,224,500 total jobs and 4,151,400 private sector jobs between September 2023 and September 2024. Both figures were all-time highs—more jobs compared to any other time in New York City history—representing full employment recoveries after pandemic-induced losses of nearly 1 million jobs in 2020. New York City added 76,800 private sector jobs between September 2023 and September 2024, an increase of 1.9%—higher than the national growth rate of 1.4% during the same period. New York City has added over 1 million private sector jobs since April 2020, the low point of citywide employment during the pandemic.

The broader New York City metro area added 149,600 jobs between September 2023 and September 2024, an increase of 1.5%. While the metro area added a greater number of jobs than any other metro area in the country during this period, the growth rate of 1.5% is in the middle of the range among peer metros; higher than the growth rates in Chicago (0.1%), San Francisco (0.6%), Washington D.C. (0.6%), or Boston (0.9%), and lower than growth rates in metro areas like Dallas (2.0%), Miami (2.2%), and Houston (2.2%).⁸

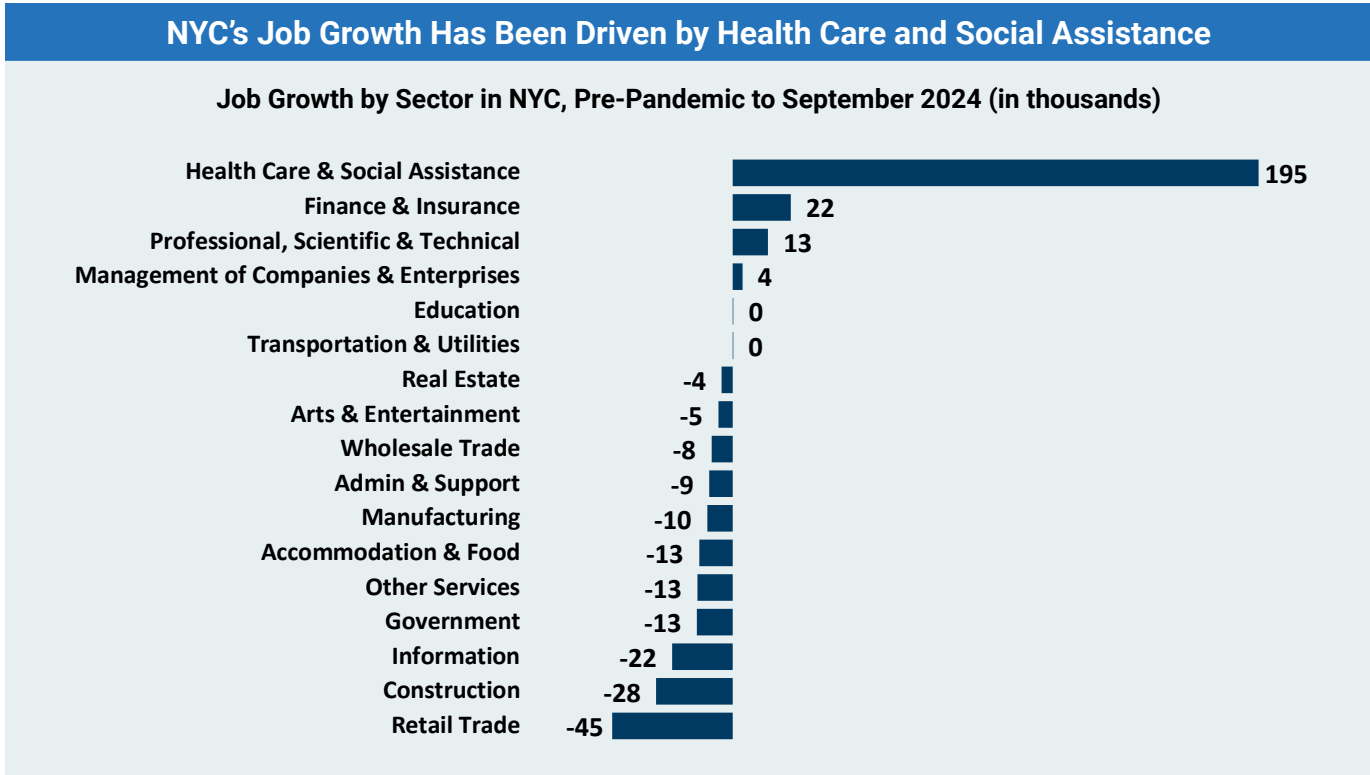
When NYCEDC seeks to measure and to understand specific industries, we typically do so through the lens of North American Industry Classification System (NAICS) codes—the standard system of defining industries used by government agencies like the Bureau of Labor Statistics and the Census Bureau. NAICS-based monthly data allow us to see which sectors have been driving job growth over the past year, and which sectors have fully recovered from the pandemic. The city's year-over-year growth was driven in large part by the Health Care & Social Assistance sector, which added 87,200 jobs. Accommodation & Food Services (+11,900 jobs) and Arts & Entertainment (+4,200) also saw strong growth during the 12-month period. Accommodation & Food Services lost 268,600 jobs during the pandemic, but has since added 256,100. Employment in some sectors contracted over the past year, with Administrative and Support (-9,600), Natural Resources, Mining and Construction (-8,800), and Information (-7,300) seeing the biggest losses.⁹ Layoffs in Tech subsectors and labor strikes in

film and television have likely contributed to Information’s losses over the past year. A very small share of nationwide Tech layoffs occurred in New York City, however—Tech companies in New York City lost 4,500 jobs on net between Q3 2022 and Q3 2023, compared to a loss of 44,500 jobs among Tech companies in the Bay Area (San Francisco and San Jose metro areas).¹⁰

When looking at job growth since before the pandemic, it becomes clear that New York City’s labor market recovery has been driven largely by Health Care and Social Assistance (+195,200 jobs since February 2020), with smaller gains for Finance and Insurance (+21,500) and Professional, Scientific and Technical Services (+13,100). The Retail Trade sector has seen the largest losses, and is down 44,700 jobs compared to before the pandemic. While Retail spending has recovered to pre-pandemic levels, the continued shift towards e-retail spending and the increase in automation at Retail businesses mean that the spending recovery has not translated into higher employment.

Private Sector Job Growth Has Slowed in the United States and Nationally			
Private Sector Job Growth, 2021 to 2024			
	2021-22	2022-23	2023-24
NYC	321,100 (8.6%)	59,800 (1.5%)	76,800 (1.9%)
US	5,616,000 (4.5%)	2,485,000 (1.9%)	1,878,000 (1.4%)

Source: Current Employment Statistics; figures reflect September—to—September job growth



Source: NYSDOL

Labor Force Participation and Unemployment

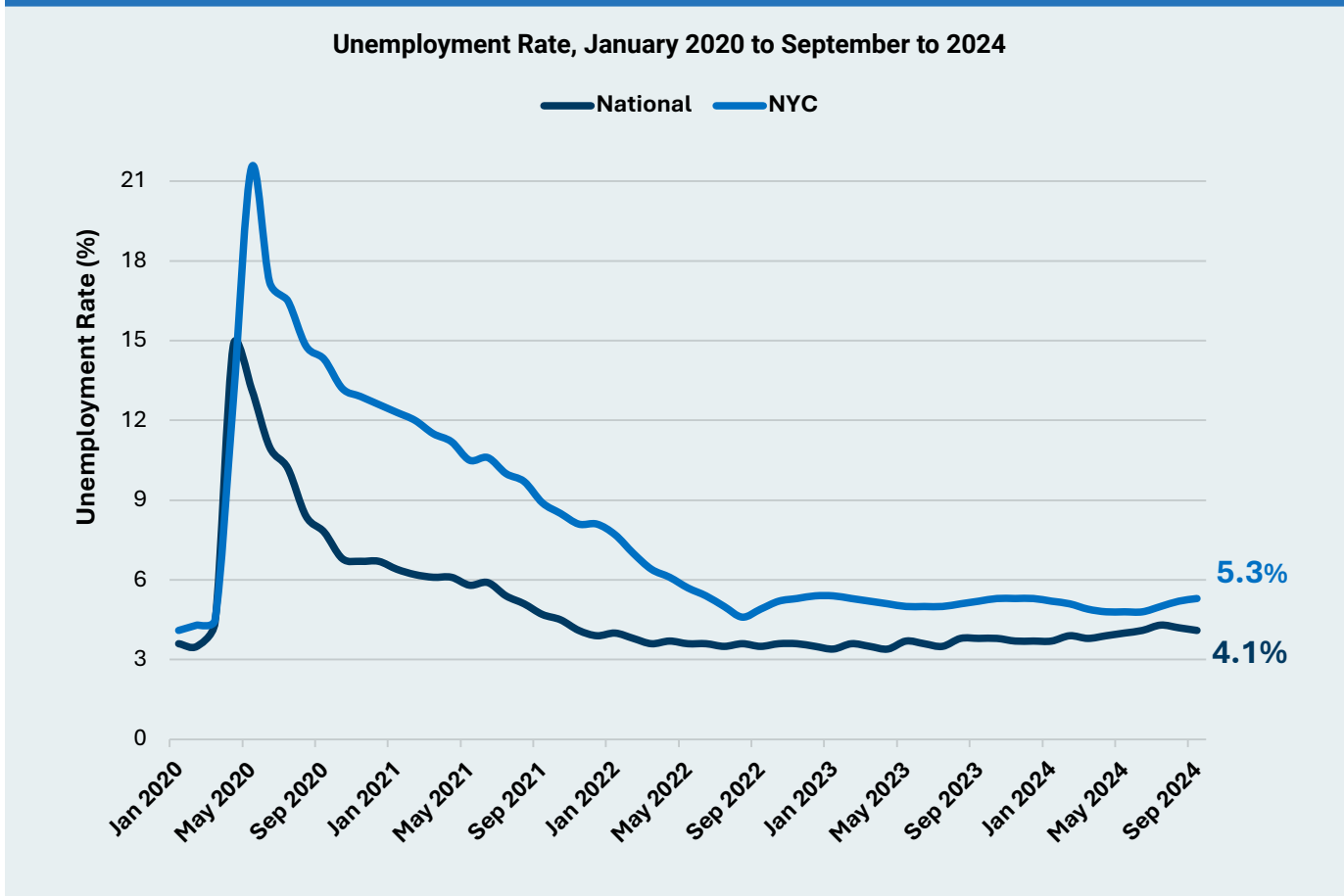
The city's labor force participation rate has steadily improved since April 2020. Over the past 12 months, labor force participation rose from 61.5% in September 2023 to 62.8% in September 2024—a new record high with data going back to 1976. To put this another way, a record-high share of New Yorkers either have a job or are actively seeking one. Over that same time period, the national labor force participation rate essentially held steady at 62.7%, meaning **New York City has closed its participation gap with the nation, for the first time in over four decades.**¹¹ As discussed in the next section, the recent rise in labor force participation has been disproportionately driven by women, and by workers of all races and ethnicities.

Between 1976 and 2000, the average gap between the New York City and the nationwide labor force participation rates was 9.2 percentage points; since then, the gap has gradually narrowed as the city's labor force participation rate steadily increased and the nationwide rate declined. One driving factor in this trend is population aging—in the year 2000, the Baby Boomer generation was entirely within the “prime age” bracket of the workforce (25 to 54), whereas all Baby Boomers are now older than prime age. With prime age workers having higher rates of labor force participation compared to older workers, the aging of the Baby Boomers has pulled down national labor force participation. New York City has been less impacted by population aging, with the prime-aged share of the city's overall population remaining more consistent. It's also possible that the cost of living in New York City is incentivizing residents to participate in the labor force at higher rates.

The city's unemployment rose from 5.2% to 5.3% from September 2023 to September 2024, while the national unemployment rate rose from 3.8% to 4.1%. The New York City unemployment rate was elevated compared to the national rate through most of the 2010s, with the city's rate an average of 0.3 percentage points higher than the national rate during the second half of the decade. New York City achieved a record low unemployment rate of 3.8% in 2019, but due to the COVID-19 pandemic the unemployment rate surged to 21.5% in May 2020.

While the city's unemployment rate is still elevated compared to pre-pandemic lows, much of this is due to strong growth in the share of New Yorkers looking for employment; while new labor force participants may not yet have found a job, participation alone is a sign of confidence in the labor market. In 2024, there is significant churn in the labor market as well, meaning many workers experience short-term unemployment as they move between jobs—as of September 2024, only 23.7% of unemployed people nationwide had been unemployed for 27 weeks or longer.¹²

NYC's Unemployment Rate Has Hovered Just Above the National Rate Since 2022



Source: US Bureau of Labor Statistics and NYSDOL

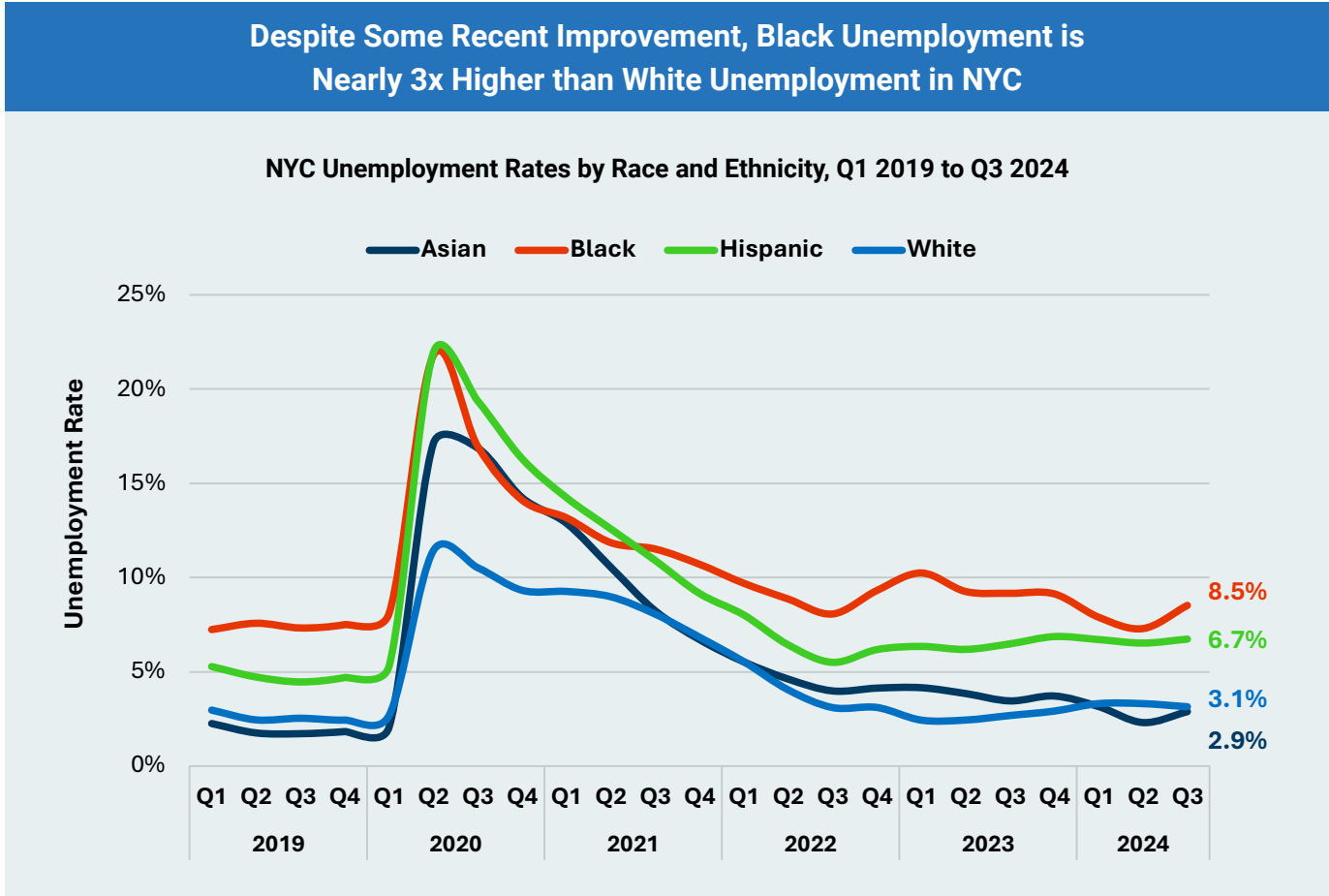
Race and Gender

While citywide statistics for the overall population can indicate whether the economy is moving in a positive direction, it is instructive to look at how these metrics vary for different groups of New Yorkers. While we have seen a recent reduction in some of the most pronounced labor market disparities, the disparities themselves still remain. Rates of employment and labor force participation for Black, Indigenous, People of Color (BIPOC) and female New Yorkers have traditionally been lower than for white men. In 2024, BIPOC labor force participation was about 8 percentage points lower than the rate for white New Yorkers, and those that did participate were twice as likely to be unemployed as their white peers. For New York women, labor force participation rates in 2024 were about 11 percentage points lower than for men.¹³

These trends are not unique to New York City and reflect our nation's history of exclusion as well as the persistence of traditional gender roles. Nationally, for example, the unemployment rate for Black workers tends to be twice as high as the rate for white workers, while female labor force participation is about 10 percentage points lower than for men.¹⁴

Additionally, we know that labor market disparities are tied to other gaps in the economy. People in higher-paying and higher-skilled occupations and careers tend to face lower rates of unemployment. In New York City and nationally, these jobs are disproportionately held by highly educated workers who are more likely to be Asian or white. In 2023, just 29% of Black and 23% of Latino New Yorkers held a four-year degree, compared to 62% of white and 46% of Asian residents.¹⁵

Since 2022, improvements in unemployment rates have been seen across all demographic groups. While the unemployment rate for Black New Yorkers rose to 8.5% in Q3 2024, up from 7.3% in the prior quarter, it remains 2.2 percentage points lower compared to Q4 2021. While this is only one quarter of data, and it is too early to call this a trend, there are multiple economic factors that may be contributing to the unemployment increase for Black workers. In particular, Black workers disproportionately work in industries that have recovered less since the pandemic or are prone to shifts in employment. Meanwhile, the Latino/Hispanic unemployment rate has fallen from 9.2% at the beginning of 2022 to 6.7% in Q3 2024. Over this same period, the unemployment rates for Asian and white New Yorkers averaged 3.8% and 3.3% respectively.¹⁶



Source: NYCEDC analysis of data from CPS microdata and LAUS

Women represented 60% of the New York City workforce in the industries hardest-hit by the pandemic, and only 35% of the workforce in those industries that were most resilient to job loss during 2020.¹⁷ But since 2022, the unemployment rate for women has been lower than that for men. In the most recent data (Q3 2024), the unemployment for women was 4.7%, compared to 5.6% for men.

Coming out of the pandemic, we have seen labor force participation in New York City continue to break new records. A greater share of New Yorkers are working or actively looking for work than at any point since 1976, when data collection started. Importantly, these labor force participation gains have occurred across all demographic groups, led in particular by strong increases among women. Black New Yorkers' labor force participation rate has increased by 3.2 percentage points since pre-pandemic (Q4 2019); white New Yorkers' labor force participation rate has increased 4.6 percentage points in that time. The BIPOC labor force participation rate in New York City is at its highest level since 2010, and the female labor force participation rate is at an all-time high.¹⁸ Female labor force participation has increased 3.8 percentage points since Q4 2019, while the male labor force participation rate increased by just 0.2 percentage point. A gender-participation gap remains (meaning that men tend to participate in the labor force at higher rates than women), but women in New York have closed about 27% of that gap since Q4 2019.

Wages

While the post-pandemic jobs recovery has been strong both nationally and at a city level, one major economic challenge (both in New York City and nationally) has been increases in the cost of living. From 2020 to 2023, the national Consumer Price Index increased by 5.6% per year, while the New York City metro area Consumer Price Index increased by 4.4% per year—significantly higher than the Federal Reserve's targeted inflation rate of 2%.¹⁹

The citywide average (mean) private wage in New York City was \$117,000 as of 2023. This average wage is skewed upward by the compensation of high earners—the median wage of New Yorkers was \$50,000 as of 2023 (half of wage earners earn less; half earn more).²⁰ On average, wage increases in the city have not kept pace with cost-of-living increases in recent years. From 2020 to 2021, inflation-adjusted (“real”) average wages in New York City increased by 3.6%, aided in part by large increases in compensation in the Finance sector. In 2022, however, average real wages fell by 7.0%; in 2023, average real wages fell by 3.7%.²¹ These changes represent a more pronounced version of what has been seen at a national level—real wages increased by 1.1% nationwide in 2021, before falling by 4.3% in 2022 and by 0.9% in 2023.²²

While average real wages have fallen overall, there has been real wage growth in select sectors in New York City. Wholesale Trade, Transportation and Warehousing, and Accommodation and Food Services each saw real wage growth of 5% between Q2 2021 and Q2 2023.²³ While gains within the Wholesale sector were widespread across subsectors, in Transportation and Warehousing the wage gains were driven by Warehousing and Storage (including last-mile delivery); in Accommodation and Food Services, wage gains were driven by restaurant workers. In both Warehousing and in restaurants, firms increased offered wages in a bid to attract and retain workers as surging demand for talent faced a limited supply.



3

Key Industries

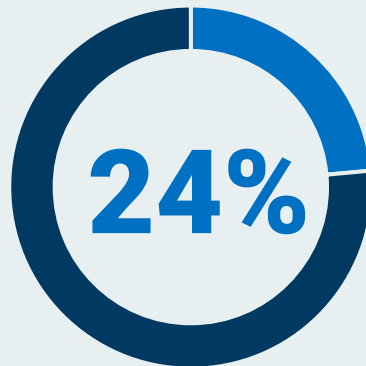
After losing nearly a million jobs during the COVID-19 pandemic, New York City is now at record-high levels of private and total employment. The city's gross city product (GCP) stands at \$1.18 trillion as of 2023.²⁴ While legacy sectors such as Finance and Insurance have continued to play a vital part in the city's economic successes, emerging sectors like Tech, the Green Economy, and Life Sciences are contributing to an increasingly diversified, competitive, and resilient economy. Healthcare and Social Assistance—the city's largest sector in terms of employment—has continued to boom. New York City-based companies from a wide variety of sectors continue to account for a large share of Venture Capital funding raised by companies nationwide—11.3% of funding in 2022 and 11.2% of funding in 2023—facilitating future investments and expansion within the city.²⁵ Spurring innovation is a priority for the city; making New York City a hub for urban innovation is one of the 40 initiatives outlined by the “New” New York panel, with a focus on improvements in areas such as the commercialization of research. In this section, we will discuss the contributions of important sectors like Finance, Tech, Green Economy, Life Sciences, Healthcare, and Academia to the city's economy, and we will detail how the city's economic diversity has shifted over the past 20 years.

Finance

The Finance and Insurance sector remains critical to the success of New York City's economy. Between 2018 and 2023, Finance and Insurance added 16,600 jobs—a 5% increase, larger than NYC's overall job growth of 3% during the same period.²⁶ As of September 2024, Finance and Insurance accounted for 370,100 jobs; 21,500 more jobs than the sector had pre-pandemic, the second largest gain of any major sector.²⁷ Finance and Insurance also plays an outsized role in the city's economy due to the sector's high wages. In 2023, Finance and Insurance jobs paid an average of \$362,000 per year, far above the citywide average wage of \$117,000. Despite accounting for less than 9% of New York City's private sector jobs, Finance and Insurance pays 27.6% of the city's total wages and accounts for 24% of New York City's Gross City Product.²⁸

Finance Makes Up One Quarter of NYC's Economic Output

Finance as a Share of Total Gross City Product



Source: Moody's

New York City's traditional strength in Finance has also translated into success in emerging areas like FinTech. NYC-based FinTech companies raised over \$46 billion in Venture Capital funding between 2014 and 2023. NYC-based FinTech companies received 26.6% of nationwide FinTech funding in 2022, and 18.9% in 2023.²⁹

Tech

The Tech sector has continued to develop as a major driver of New York City's economic growth, both in terms of jobs and in terms of output. And in 2024, we see the impact of Artificial Intelligence accelerating in the New York City economy.

New York City Tech companies added nearly 54,000 jobs between 2018 and 2023, seeing sector employment rise from 167,000 to 221,000. This 32% growth significantly outpaced both NYC private sector growth (3%) and nationwide Tech sector growth (17%) over the same period.³⁰ While there have been some layoffs and job losses in Tech since 2022, the sector's total employment is still far higher than in 2018. These job losses are likely an adjustment to the reduced investment and higher interest rate environment of the past few years, after a long period of expansion driven by record investment and low interest rates.

Layoffs in New York City were also less severe than in other parts of the country. Employment at New York City Tech companies fell by 4,500 between Q3 2022 and Q3 2023, compared to losses of 44,500 in the Bay Area (the San Francisco and San Jose metro areas). Amazon, Google, and OpenAI have opened new offices in New York City. Tech's share of the city's gross city product (GCP) steadily increased over the 10 years between 2013 and 2023, rising from 6% to 9%.³¹ Tech's contribution to GCP is now narrowly below that of the Securities sector (10% of GCP in 2023)—the portion of the

Finance and Insurance industry focused on exchanging securities and acting as asset managers and investment advisors.

Within the Tech sector, Software Publishing companies have seen particularly strong growth, with employment in the subsector increasing from 9,300 in 2018 to 27,700 in 2023 (197% growth).³² Tech's influence on the New York City economy extends beyond the companies contained within the core Tech sector, and encompasses a significant number of Tech occupations in "non-Tech" industries, such as an Information Security Analyst working at a bank. As of 2021, the size of the Tech "ecosystem" in New York City numbered 369,000 jobs across Tech companies and Tech roles at non-Tech companies.^{33 34}

Artificial Intelligence (AI) is both a subsector of the Tech industry, as well as a technology tool that will be utilized across industries. With a robust talent pool and academic institutions, abundant access to capital, and a thriving start-up ecosystem, New York has emerged as a leader in AI both nationally and globally. New York City is home to over 2,000 AI-related startups, as well as an existing talent pool of 40,000 workers with AI and AI-related skills in the New York Metro area.³⁵ New York City is also home to world-class academic institutions as well as the second-largest Venture Capital ecosystem in the nation, both of which will be key in developing AI research and scaling AI-related businesses. New York is also uniquely situated to become the global capital of Applied AI, with our diversity of sectors and large customer base. And the transformation has already begun: from March 2022 to March 2023, the New York City metro area led the nation in AI-related job postings.³⁶

AI has the potential to change millions of New York City jobs over the next decade. In particular, generative AI (genAI) will change some existing occupations and give rise to new occupations, from prompt engineers to AI compliance officers. Through the various occupations affected or created by genAI, genAI will have wide-ranging applications and impacts across many sectors of the economy.

While it is anticipated that some jobs could be displaced by AI, far more jobs are likely to be augmented by the technology. By augmentation, we mean that genAI can help make certain tasks more efficient, enabling workers to spend more of their time on higher-value or more complex tasks, which could help make workers more productive (and potentially lead to higher wages). NYCEDC estimates that in New York City, for every job that gets displaced by AI, between 4 and 10 jobs might be augmented by this technology.

The World Economic Forum projects net job growth resulting from AI adoption, and McKinsey projects the New York City region will add 200,000 net jobs by 2030 on factors including adoption of AI and other technological shifts, as well as increased demand for healthcare services and infrastructure investment.^{37 38}

Increasingly, Venture Capital is flowing to support Advanced Tech startups in New York City, and New York City has emerged as a global hub for innovative Advanced Tech verticals such as Artificial

Intelligence and Machine Learning, Augmented Reality, and Blockchain. Venture Capital funding to New York City-based Advanced Tech companies reached a high of \$14.3 billion in 2021, followed by a strong \$9.4 billion in 2022. NYC-based companies garnered 12.3% of nationwide AI / Machine Learning funding in 2022 and 10.8% in 2023. Advanced Tech companies accounted for nearly a third (32.2%) of all VC funding going to NYC companies in 2022, up from 5.0% a decade earlier.³⁹

NYC Ranks Second in AI and Machine Learning Venture Capital Raised		
AI Funding by Metro Area, 2023		
Metropolitan Area	AI / Machine Learning Funding (\$B), 2023	% of Metro Area Funding
<i>San Francisco / San Jose</i>	\$33.0	59.5%
<i>New York City</i>	\$8.3	34.0%
<i>Boston</i>	\$2.1	14.1%
<i>Miami</i>	\$0.3	16.4%

Source: Pitchbook

Green Economy

The Green Economy has emerged as a significant new industry in New York City, reflecting the city’s commitment to sustainability and combating climate change. Green Economy jobs not only help in meeting the city’s sustainability goals but also provide stable, long-term employment opportunities for a diverse set of New Yorkers.

The Green Economy spans eight sectors and 21 sub-sectors, some that are directly decarbonizing our city, including Energy, Buildings, and Transportation, and some that are supporting these industries, such as Finance, and policy and advocacy.⁴⁰

The Green Economy encompassed about 3% of New York City’s jobs in 2021 (about the size of the Real Estate sector today) and has outpaced the growth of the broader New York City economy over the last several years.

This sector is poised for high growth in the coming years: by 2040, the City’s Green Economy is projected to employ nearly 400,000 people—7% of all jobs in New York City—and contribute \$89 billion to the City’s GCP. Approximately 70% of this growth is projected to come from the transition of existing occupations like construction managers, financial consultants, and fashion designers into the Green Economy by incorporating sustainable practices into their everyday work, while 30% would be entirely new jobs that do not exist today.

Recent projections from the US Bureau of Labor Statistics found that the two occupations expected to grow the fastest in the nation over the next decade—wind turbine service technicians and solar photovoltaic installers—are Green Economy jobs. Collectively, those two occupations are expected to add nearly 20,000 jobs in the US by 2033.⁴¹ The Green Economy will also likely be a major driver in the growth of accessible middle-wage jobs. Two of the fastest growing middle-wage jobs between 2019 and 2023 were Green Economy-related: construction and building instructors (median wage \$84,000; 30% job growth), and construction first-line supervisors (median wage \$94,000; 25% job growth).⁴²

New York City is well-positioned to advance its position as a global leader in the Green Economy: it is already a global center for economic activity and talent, with ambitious climate legislation and regulations. In early 2024, NYCEDC and the Mayor’s Office of Talent and Workforce Development released the [Green Economy Action Plan](#), which defined the industry and provided strategies for fostering its equitable growth in New York City. The implementation will be guided by five key goals: decarbonizing buildings and construction; developing a renewable energy system; enabling low-carbon alternatives in the transportation sector; catalyzing innovation in climate technologies; and ensuring an equitable Green Economy ecosystem.

/ Announced as part of the Green Economy Action Plan, the City is making a \$100 million investment to establish the [Climate Innovation Hub](#) at Brooklyn Army Terminal. The 112,000-square-foot space will serve as a world-class hub for climate-centered business development and incubation, as well as research commercialization and workforce development. The Hub will help grow NYC’s Climate Tech ecosystem, and build shared prosperity for New Yorkers, advancing a fair and inclusive transition to a sustainable economy.

The [Harbor Climate Collaborative](#) is a mission-driven partnership between NYCEDC, the Brooklyn Navy Yard, and the Trust for Governors Island. It will facilitate research, education, training, piloting of new technologies, and space for companies to grow. Connected by NYC Ferry, the HCC will support the creation of 5,000 permanent jobs, educate and train 2,100 students, and generate \$55 billion of economic impact.

Life Sciences

New York City has supported the Life Sciences industry since 2016 through the LifeSci NYC program, and Life Sciences continues to be one of the key sectors of focus for the city's investments in innovation industries. While not as large as Finance or Tech, the Life Sciences sector is growing rapidly within New York City. Employment at Life Sciences companies grew from 14,400 in 2018 to 19,500 in 2023, an increase of 35%. The number of establishments in Research and Development, a key subsector within Life Sciences, nearly doubled between 2018 and 2023—this accounts for roughly 75% of all business growth within Life Sciences. Research and Development employment rose by close to 2,600 over the same period.⁴³ While Life Sciences activity in the New York City metro area is still mostly located in suburban areas outside of the city—particularly in New Jersey—New York City is responsible for all net employment growth in Life Sciences within the metro area in the past two decades.⁴⁴

New York City-based companies accounted for 4.0% of nationwide Life Sciences Venture Capital funding in 2022, and 3.9% in 2023.⁴⁵

/ Science Park and Research Campus (SPARC) Kips Bay, a joint New York City and New York State funded project with a \$1.6 billion public investment and over \$1 billion in private investment, will transform the Brookdale School of Nursing Campus into a first-of-its-kind Life Sciences innovation, career, and education hub that will further anchor the Life Sciences industry in New York City. The Hunter College School of Nursing, the CUNY Graduate School of Public Health & Health Policy, the Borough of Manhattan Community College, and a health-and-science-focused New York City Public Schools high school will be part of the campus alongside up to 1 million square feet of Life Sciences real estate, helping to create career pathways into high-wage Life Sciences jobs for New York City students. The project will spur \$42 billion in economic impact to the city over the next 30 years, creating 3,100 permanent jobs, and thousands of union construction jobs.

Healthcare and Social Assistance

Healthcare and Social Assistance has historically been one of the largest sectors in New York City, and it has been the main driver of job growth in the city in recent years. The sector added 164,000 jobs between 2018 and 2023, more than any other sector during the period. Healthcare and Social Assistance's 22% job growth in New York City during that time outpaced the sector's 8% growth at the national level.⁴⁶ Healthcare and Social Assistance accounted for 1,018,700 jobs in New York City as of September 2024, 195,200 more than pre-pandemic.⁴⁷

Of the jobs added within Healthcare and Social Assistance, Home Health Care is responsible for an estimated 46% of the growth; other Healthcare industries are responsible for 19%; and Social Assistance is responsible for 35%. Home Health Care and Social Assistance are both among the lowest-paying subsectors in New York City, paying \$32,000 and \$40,000 per year on average, respectively.⁴⁸

While the number of adults over age 65 in New York City increased by 20% from 2016 to 2022, the Home Health Care industry employment has doubled over the same time period. Much of the employment growth in the Home Health Care industry is likely attributable to Medicaid and by the Consumer Directed Personal Assistance Program (CDPAP), which enables chronically ill or disabled people to hire family members as caregivers in New York State.

However, middle- and high-wage Healthcare sectors are also adding jobs; in particular, hospitals added 12,900 jobs from September 2023 to September 2024, with that sector paying an average wage of \$111,000.⁴⁹

Healthcare and Social Assistance provides jobs for a diverse set of New Yorkers—nearly 75% of full-time workers in this industry are BIPOC, compared to 60% of the overall full-time New York City workforce. Moreover, women make up 71% of the Healthcare and Social Assistance full-time workforce, compared to 43% of the city's overall full-time workforce.⁵⁰

Academia and Higher Education

Though not traditionally considered one of New York City's key sectors, higher education is fundamental to the city's economy. Over 100 institutions of higher learning are located in the city, with a combined enrollment of over 500,000 students in 2022, more than the entire population of either Atlanta or Miami.

Since 2017, and despite the effects of the COVID-19 pandemic, the higher education sector in New York City has experienced steady employment growth, up to nearly 142,000 workers in 2023 from 136,000 in 2017. This growth has been led by private colleges and universities, which have added more

than 6,500 jobs over the past decade and now make up nearly 70% of all employment in the sector. Employment in public institutions declined slightly over the same period. Combined, public and private employment in colleges and universities contributed over \$35 billion in economic impact to the city's economy in 2023, \$22 billion of which was direct impact.

From elite private institutions to public community colleges, higher education helps to drive innovation and entrepreneurship. Since 2001, New York City colleges and universities have been granted 4,800 patents and have formed at least 500 start-ups. The New York City region ranks second in the nation, only behind the San Francisco Bay Area, in terms of university patent production.

New York City's higher education sector also plays an important role in economic mobility. According to a 2017 study, which looked at the prevalence of students moving from the bottom 20% of incomes upon enrollment to the top 20% of incomes after graduation, 13 out of the top 20 colleges in the United States for upward mobility are located in New York City.⁵¹ **City University of New York (CUNY) schools make up five of the top 10 nationally ranked colleges and universities for economic mobility.**

Even as demographic trends and COVID impacts have pulled down enrollments, both nationwide and in New York City, universities continue to serve as a talent pipeline to the city's labor force. The New York metro area is also the most "sticky" region for college students, tied with Houston. 66% of students who graduated from schools in the region between 2014 and 2024 are working in the region today. By comparison, the same numbers for the Bay Area and Boston metro are just 56% and 40%.⁵²

Non-NYC based universities are also opening new campuses in the city, with Cornell Tech as an early example that demonstrates the city's attractiveness to major academic institutions and the value that academic expansions can bring to the city's economy. In early 2024, Boston-based Northeastern University announced plans to add a campus on the Upper East Side, merging with the existing Marymount Manhattan College. And most recently, Nashville-based Vanderbilt University announced it would establish a new campus in Chelsea, citing NYC's "status as a talent magnet, diverse and highly educated workforce, and proximity to leading institutions across a variety of sectors" as key draws.

Economic Diversification

Economic diversification is the idea that a region reduces its reliance on a narrow range of industries to drive economic growth, and increases the number of sectors powering the economy. Through economic diversification, a city would better weather any potential shocks that may disproportionately impact one or two sectors. Economic diversification in New York City involves remaining a global financial hub, while also solidifying the city's position as a hub for Tech, Healthcare, Life Sciences, the Green Economy, Education, and more.

There is some evidence that such an economic diversification process has begun, with the city now less reliant on the Finance sector. In 2013, Finance and Insurance accounted for 29.7% of private sector payroll in New York City; Information and Professional, Scientific and Technical Services (the sectors that contain much of the city's Tech firms) accounted for 21.9%. In 2023, Finance and Insurance's share had fallen to 27.6%; the share of Information and Professional, Scientific and Technical Services had risen to 25.4%.⁵³ The growth of Tech, Life Sciences, and the Green Economy has provided for a greater diversity of high-growth and high-wage or middle-wage jobs in the city.

Compared to other innovation hubs, New York City also has a greater diversity of firms that employ people in high-growth, high-wage occupations. Only 45.4% of New York City workers in Tech roles work at a Tech company, compared to 75.8% in the Bay Area and 60.9% in Greater Boston. Only 20.6% of New York City workers in Life Sciences roles work at Life Sciences firms, compared to 53.1% in Boston.⁵⁴ **This reflects New York City's economic diversity—someone can find a comparable role across Tech, Finance, Academia, Advertising, or Healthcare, and not be confined to one type of employer.**

There is no single way to talk about economic diversity, or to quantify it. It is clear, however, that the investments the city is making into specific industries are making those industries into additional drivers of growth for the city's economy. One way to measure an industry's relative prevalence in a city is its Location Quotient (LQ)—an LQ below 1 means the industry has a lower share of employment in the city than it does nationwide; an LQ above 1 means the industry is more prevalent in the city than it is nationwide. In 2003, the Tech industry's LQ in New York City was 0.66. As of 2023, that has risen to 1.15—Tech has become one of New York City's comparative advantages.

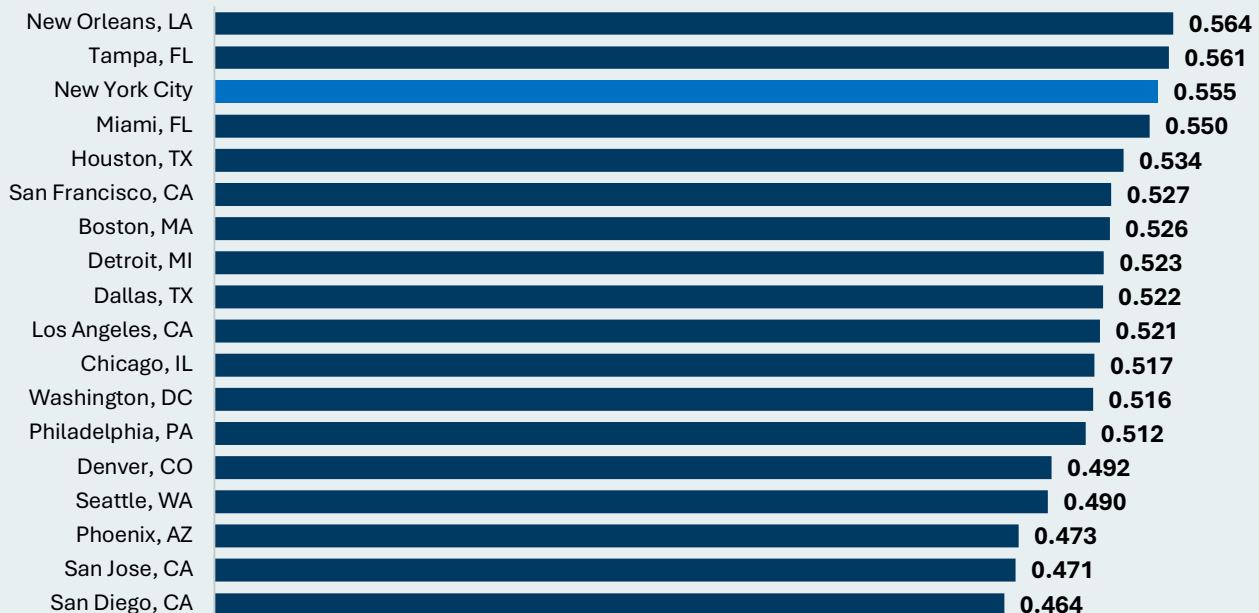
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Income Inequality

While income inequality is relatively high in New York City, the causes and effects require a much more thorough explanation. The standard metric for quantifying income inequality is the Gini coefficient. The coefficient is on a scale from 0 to 1; 0 indicates perfect equality, with all household incomes in the city being equal, while 1 indicates perfect inequality. As of 2023, New York City had a Gini coefficient of 0.555; lower than New Orleans and Tampa, but higher than most other cities, including Houston, San Francisco, and Los Angeles. This was also slightly higher than New York City's Gini coefficient of 0.547 in 2013.

NYC Ranks Third Among Major US Cities in Income Inequity

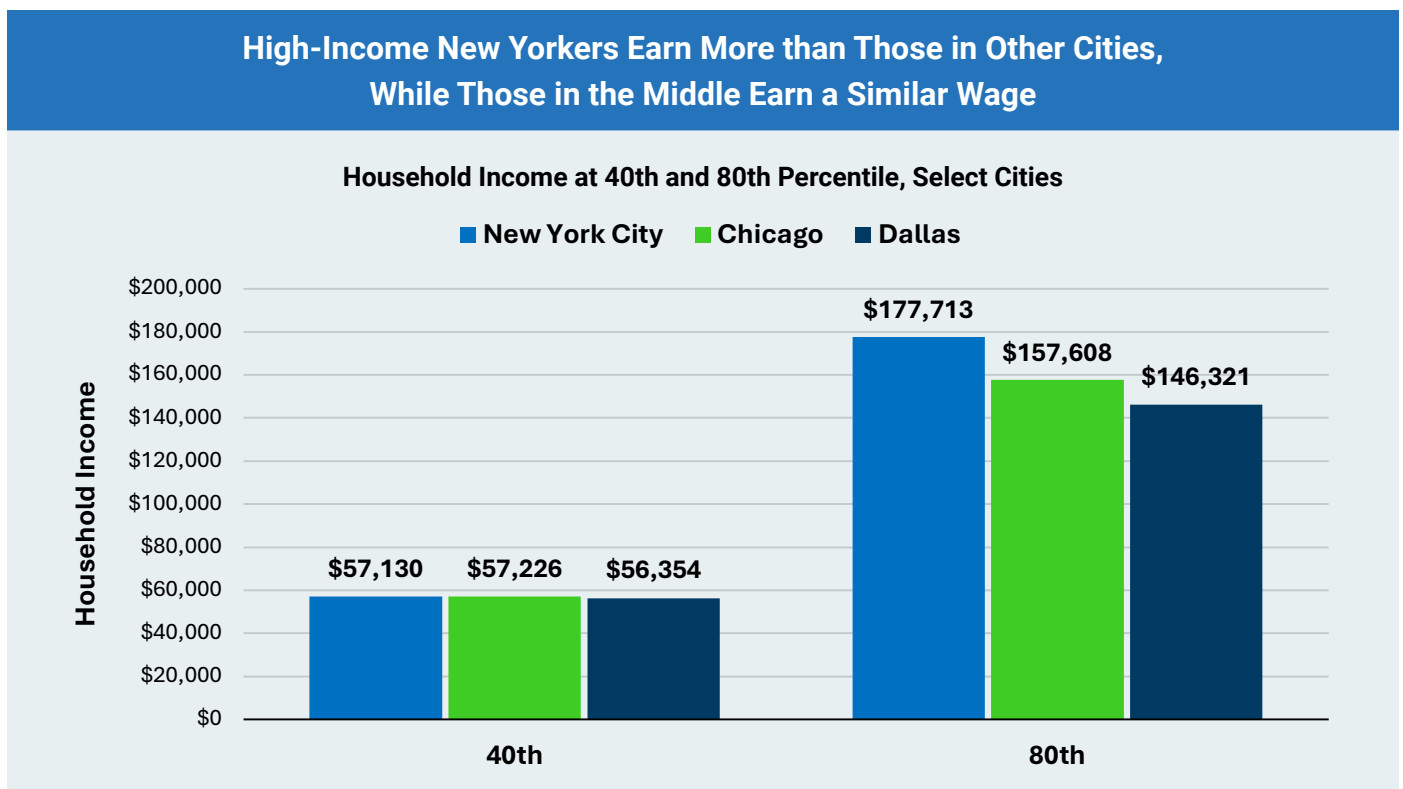
Gini Coefficient, Select American Cities, 2023



Source: American Community Survey 1-year estimates, 2023

While the Gini coefficient is a powerful metric, it does not describe where incomes fall in absolute terms. A place with a low Gini coefficient could have relative equality within a low-income population,

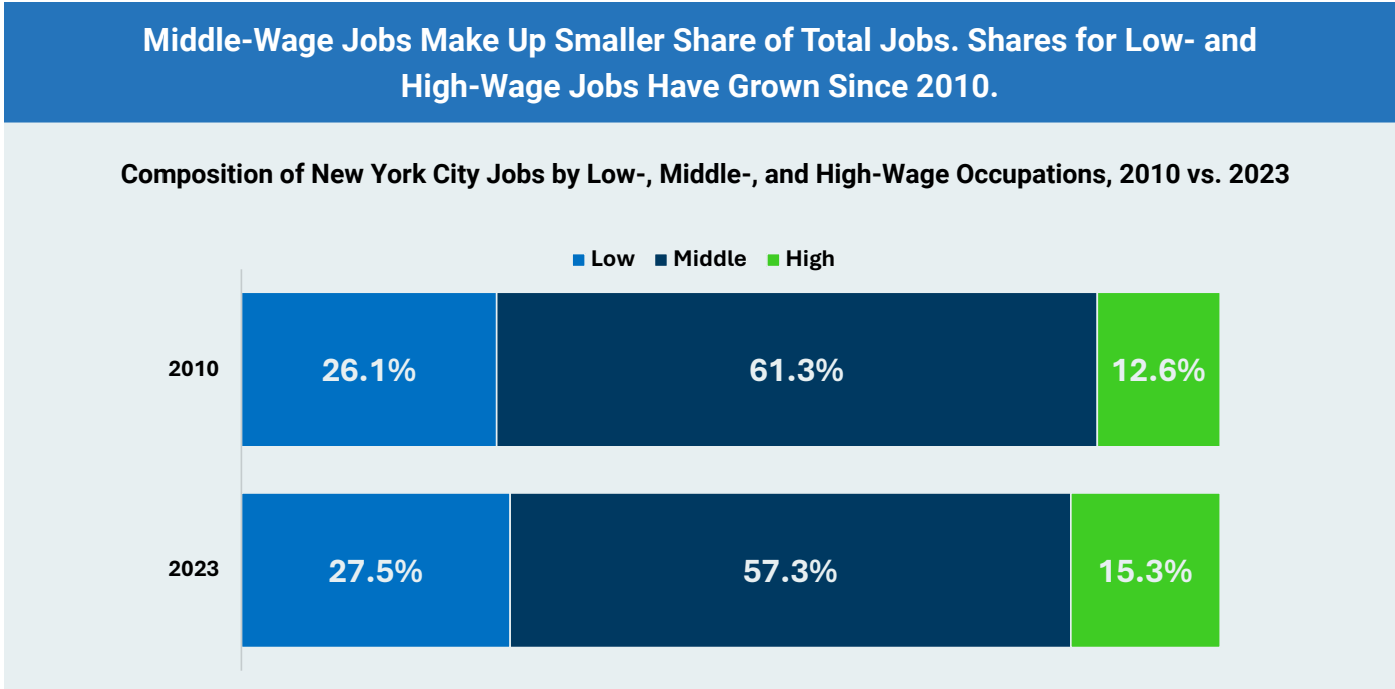
or a middle-income population, or a high-income population (as in the case with many exclusive, exclusionary towns and suburbs). When we look at the income distribution of New York City residents, we see that the **income inequality is driven by the fact that the city’s high earners have higher incomes than high earners in other cities, not because the incomes at the bottom of the city’s distribution are lower than in other cities.** For example, the household income at the 40th percentile in New York City (higher than 40% of households) was \$57,130 in 2023, similar to the 40th percentile income in Chicago (\$57,226) and Dallas (\$56,354). The household income at the 80th percentile in New York City was \$177,713, much higher than in Chicago (\$157,608) or Dallas (\$146,321). New York City’s income distribution is more skewed by high incomes, which is reflected in a higher Gini coefficient (higher inequality).



Source: American Community Survey 1-year estimates, 2023

Over several decades, multiple economic forces have pushed income inequality higher in cities across the country and around the world. One of these forces is the shift in the “urban wage premium”—the additional income that a worker can obtain by working in a larger city. In 1950, the urban wage premium was present for all workers: regardless of skill, education, or occupation, a worker could expect to make more money by moving to a larger city. By 2015, that relationship had largely disappeared for less-educated and low-skilled workers; in contrast, the relationship had become even more pronounced for higher-educated and high-skill workers.⁵⁵ For example, the median Retail salesperson in New York City makes 12.8% more than the median Retail salesperson nationwide; the median lawyer in New York City makes 55.5% more than the median lawyer nationwide.⁵⁶

A second economic force that has exacerbated inequality is labor market polarization—the growth of high-skill, high-wage jobs (like software developers) and low-skill, low-wage jobs (like food service workers) and the decline of middle-skill, middle wage jobs—such as administrative office jobs, or industrial production jobs. Looking at the growth of the New York City labor force between 2010 and 2023, we see that while middle-wage jobs—those that pay between two-thirds (\$43,200) and twice (\$129,500) the median income—have grown, low-wage and high-wage jobs have grown at much higher rates. While this is a historical trend, it is not inevitable that the trend will continue; the City is actively supporting sectors like the Life Sciences and Green Economy which are expected to increase the supply of accessible middle-wage jobs.



Source: Lightcast

While there are unquestionable benefits to the city of attracting an increasingly high-skilled and high-wage workforce, income inequality creates pressures that can increase strain on the rest of the population if insufficiently addressed. The most obvious strain is in the housing market, where housing prices reflect in part the proximity to jobs that pay high incomes. Households at the 40th percentile of the income distribution in New York City may have Chicago or Dallas incomes, but they are expected to pay New York City prices for market rate units. A lack of housing supply compounds this issue. If the city doesn't build enough housing, prices will likely increase—this creates the expectation that New York City housing is an investment, and attracts more money into the housing market, further inflating prices. Asking rents have increased faster than incomes. While the median wages of full-time New York City resident workers increased 20% in nominal terms between 2019 and 2023, the median asking rent of all units increased by 27% during the same period.⁵⁷

Recent evidence has also shown the importance of tight labor markets and low unemployment rates in reducing income inequality. Between December 2019 and December 2023, national hourly wages rose more for those at the bottom of the wage distribution than for those at the top. Workers in the bottom four wage quintiles (bottom 80%) saw inflation-adjusted wage gains. Much of that reduction in income inequality is attributable to the low unemployment rates during the period, with the national unemployment rate falling below 4% between December 2021 and April 2024. The federal government and the Federal Reserve made full employment a top priority following the onset of the pandemic. New York City's unemployment rate has not fallen to the same levels as the national rate since the pandemic, and New York City workers have not benefitted from the same labor market tightness. To address this, the City is focused on reducing unemployment through a variety of mechanisms, including making the Central Business Districts more attractive places to live, shop, eat, and work, and by supporting nascent industries. Community Hiring goals in contracts between the City and vendors aim to create more inclusive economic growth.⁵⁸

/ Project Labor Agreements

The City announced in December 2024 two Project Labor Agreements (PLAs) with the Building & Construction Trades Council of Greater New York (BCTC) which will support fair wages, community hiring, and investments in M/WBEs associated with over \$1 billion worth of construction projects. As a part of these agreements, union jobs and apprenticeship opportunities will become available to workers living in New York City Housing Authority housing or a ZIP code where at least 15% of the population lives below the federal poverty threshold. These jobs and apprenticeships are associated with various projects across the city, including the city's transformation of Willets Point.⁵⁹ Agreements like these reduce income inequality by supporting pathways to the middle class.

FutureReadyNYC

FutureReadyNYC, a career readiness program for New York City high school students, was expanded in 2024 to set students on a path to economic security through career-connected mentorships. The expansion brings the program to 36 additional schools, for a total of 135 schools served, and introduces two new career pathways in the professions of heating ventilation and air-conditioning (HVAC) and decarbonization, as well as human and social services. These new sector pathways will give students the opportunity to explore 21st century careers through industry-aligned coursework and work-based learning while expanding these vital opportunities to more students, providing pathways for economic mobility.

In addition to addressing income inequality directly through education, labor market, and industrial policy, government can address the effects of income inequality through tax policy, housing policy, and service provision. New York City has a progressive income tax system—tax filers in higher tax brackets pay a higher portion of their income in Personal Income Tax. The December 2024 “Axe the Tax for the Working Class” proposal would go further, eliminating New York City Personal Income Tax for filers with dependents living at or below 150% of the federal poverty line and reducing the tax burden on filers just above that threshold.⁶⁰

Over half of New York City’s housing stock is subsidized or otherwise regulated, with the intent in large part to make it more affordable to households with lower incomes. The City of Yes for Housing Opportunity proposal will allow for more housing in every neighborhood, helping to make housing more affordable for everyone across the income distribution. Ensuring the quality of New York City’s public goods and services—the things that people have equal access to regardless of income—is another way to mitigate the effects of income inequality. New York City’s public transportation sets the city apart from other cities where residents are forced to pay for personal vehicles; the city’s parks and libraries provide health, learning, and workforce opportunities in a city where private space can be prohibitively expensive.

Income inequality is inextricably linked to the other disparities present in New York City. New York City is one of the most economically segregated cities in the country, with city residents sorted by income into different neighborhoods.^{61 62} This means that all of the geographic disparities present in the city—including things like access to transit, and access to high-paying jobs—are connected to household income itself.

5

Housing

Housing affordability is the defining challenge for New York City's economy. This challenge is partially explained by the fact that job growth has far outpaced housing growth since 2010—increasing the number of people, and often the amount of money, competing for each apartment or house. From 2011 to 2023, New York City added 895,000 jobs but just 353,000 housing units.⁶³ To put it another way, jobs increased in the city by 25%, while housing units increased by just 11%. Even as the city's resident population fell between 2020 and 2023, the housing crisis worsened.

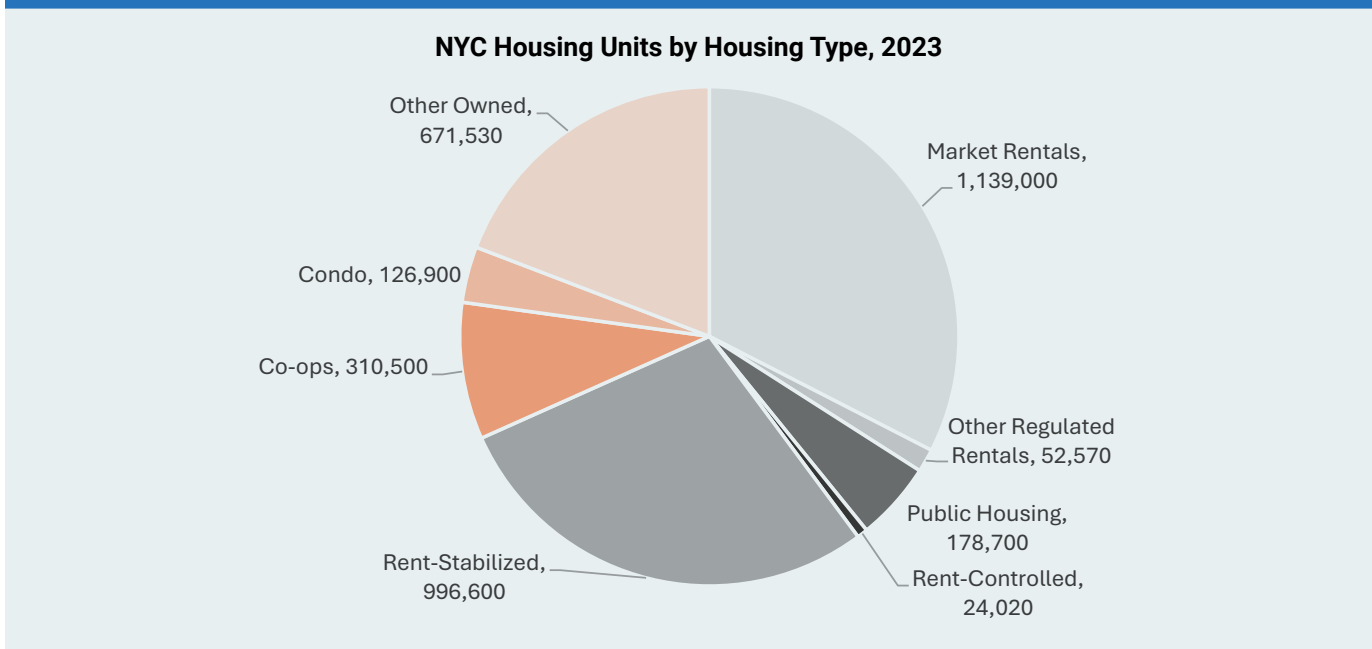
Compounding this challenge is the fact that most New Yorkers are renters, with nearly half in market-rate units, meaning that residents are more vulnerable to increases in housing costs as property values appreciate. In this section, we will describe the composition of New York City's housing supply; compare the affordability of New York City to other metro areas; and we will discuss policies that aim to address the city's housing emergency.

Housing Landscape

Of New York City's 3.7 million housing units, 68% were rentals in 2023; nationwide, 35% of units are renter-occupied.⁶⁴ In 75% of New York City neighborhoods, renter-occupied units outnumber owner-occupied units.⁶⁵

Rental housing is split nearly evenly between market rate units and regulated or subsidized units (including New York City Housing Authority units). Types of regulated and subsidized rental units can vary, from public housing, to rent-controlled units, to rent-stabilized units. For owner-occupied housing, about 40% of units are condos and co-ops, while 60% are other types of owner-occupied housing (including single-family homes).

Rent-Regulated Housing Units Make Up More than a Third of All Units in the City



Source: NYC Housing and Vacancy Survey

Brooklyn is home to 1,111,000 housing units, or 30% of the city's total. Manhattan and Queens each have about 25% of housing units in the city. There are 562,300 housing units in the Bronx, or about 15% of the city's total, and the remaining 5% of housing units are located in Staten Island.⁶⁶

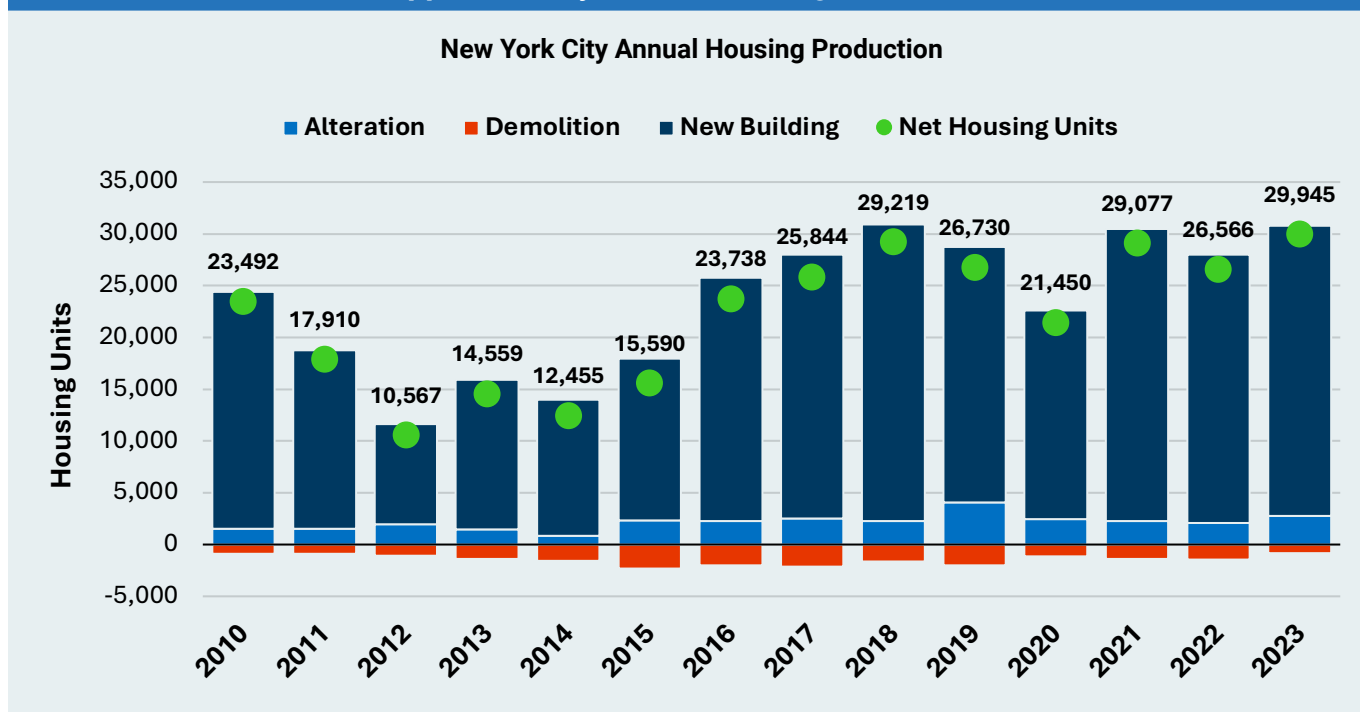
An Undersupply of Housing

The undersupply of housing in New York City has been a growing issue for the past three decades, driven by a combination of population and job growth, restrictive zoning laws, and the high cost of construction.

From 2011 to 2023, the number of New York City jobs grew by 25%, while the number of housing units increased by just 11%.⁶⁷ To put it another way, from 2011 to 2023, New York City added 895,000 jobs but just 353,000 housing units. In fact, between 2011 and 2023, the number of jobs added exceeded the number of housing units added in every single year except 2020 (when the city experienced pandemic-related job loss). Excluding 2020, between 2011 and 2023, the city added 5.7 jobs per housing unit added.⁶⁸

New buildings provide the bulk of new housing units delivered, but alterations of existing buildings also add to the housing supply. Alterations could include converting an office to a residential building, as well as subdividing a townhouse into multiple units, or converting a multi-family building to a single-family unit.

NYC Has Added Approximately 30,000 Housing Units Each Year Since 2018



Source: Department of City Planning Housing Production Database

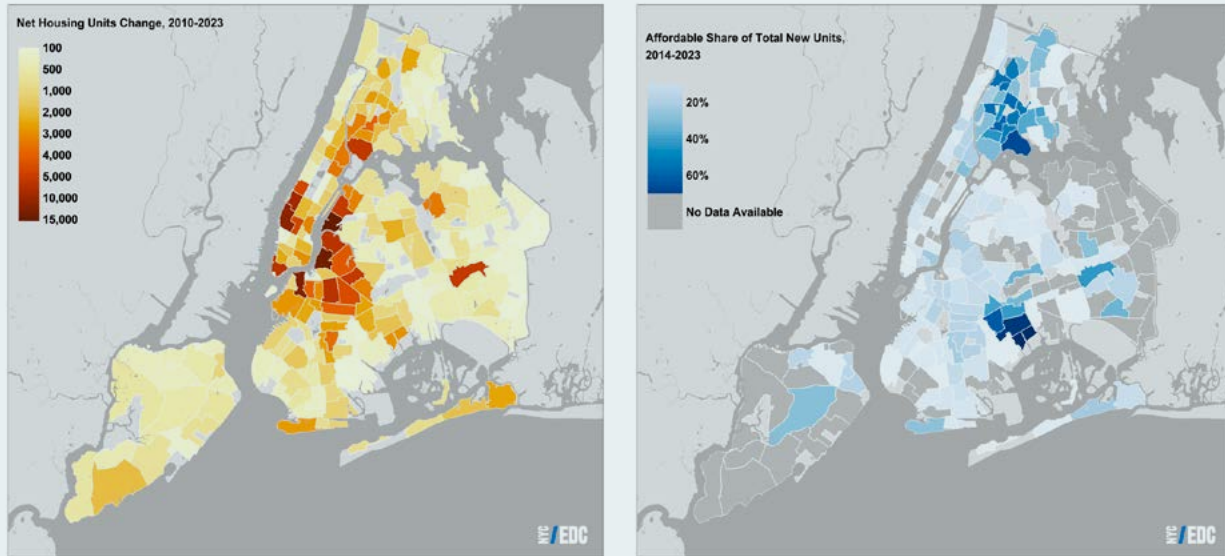
Housing production has recovered to pre-pandemic levels, averaging 28,500 units per year from 2021 to 2023, compared with 27,300 units per year for 2017 to 2019. Despite new highs in housing production, the stark truth is that not enough housing was produced in New York City prior to the pandemic, and there's not enough housing being produced now.

New York City's residential zoning laws have significantly influenced the city's housing landscape since the introduction of the Zoning Resolution of 1961, which established various zoning classifications that remained largely in place until the passage of the City of Yes for Housing Opportunity zoning text amendment in December 2024. These regulations limited the types of buildings that can be constructed in many neighborhoods, often restricting new developments to single-family or low-density housing. Neighborhoods outside of Manhattan, especially but not limited to those with higher incomes and higher proportions of white residents, were downzoned. This increased the pressure on other neighborhoods in New York City to build more housing.

Since 2010, housing production has largely been concentrated around the Brooklyn-Queens waterfront and Midtown West, and half of new housing was built in just 24 neighborhoods. However, the vast majority of these units are not regulated or subsidized. Construction of regulated or subsidized residential units has largely been concentrated in the Bronx and other neighborhoods outside of Manhattan.

Most Housing is Built on Brooklyn-Queens Waterfront and Midtown West, Most Affordable Housing is Built in the Bronx and Southeast Brooklyn

Overall and Affordable Housing Production by Neighborhood



Source: NYCEDC analysis of Department of City Planning Housing Database Project-Level Files.

Housing development outside of the five boroughs can help ease housing price pressures within the city. Counties adjacent to the city have added approximately 150,000 units since 2010, roughly half the amount added in the city itself. Of the 150,000 units, over half were built between 2020 and 2022.⁶⁹ Housing construction in adjacent counties also results in more of the city's workforce living outside of the city. This shift significantly impacts infrastructure needs and tax revenues. In particular, as 80% of the 150,000 units were built in New Jersey, compared to 20% for New York State, New York City and New York State are ceding income and property tax revenue to New Jersey.

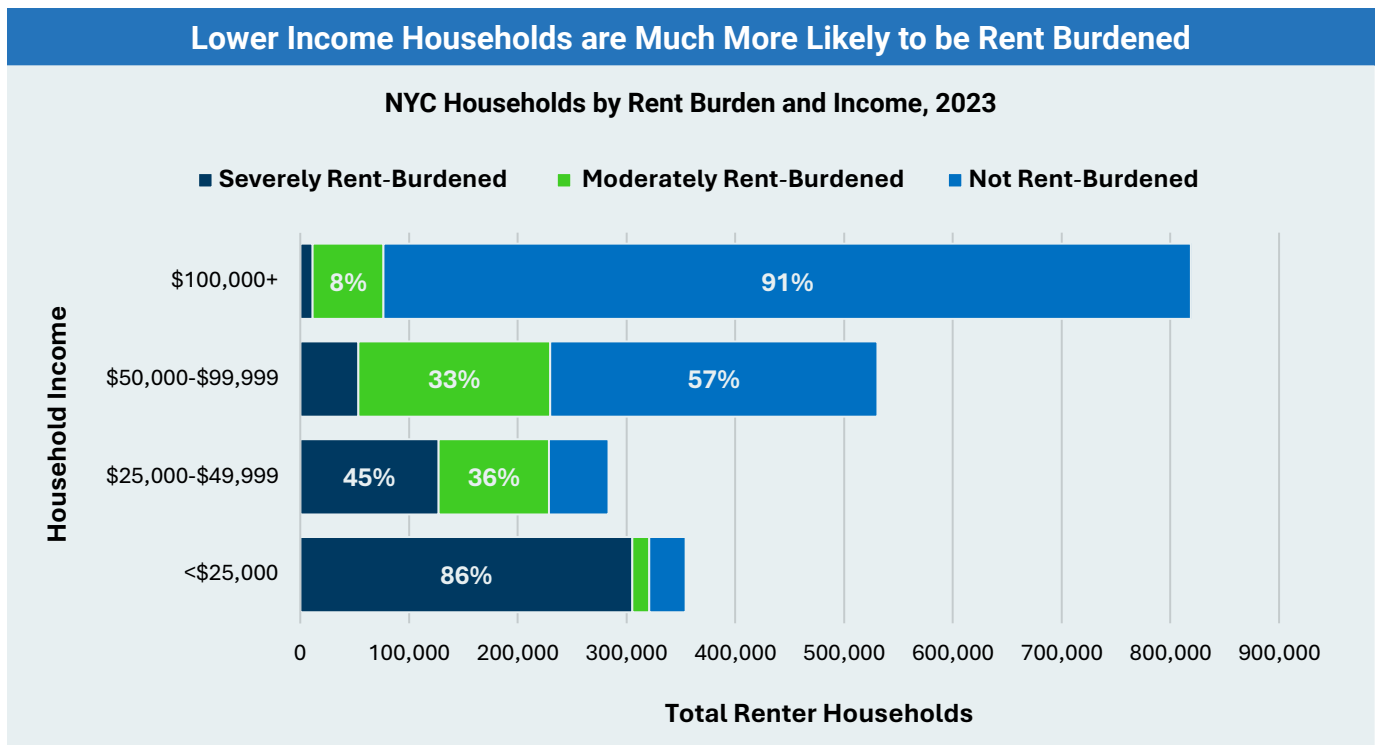
Finally, it's expensive to build housing in New York City. According to Rider Levett Bucknall, construction hard costs (i.e., labor and materials) for multi-family residential in New York City range from \$240–\$470 per square foot, more expensive than Phoenix or Denver, roughly on par with Seattle, and less than San Francisco.⁷⁰ Factors contributing to the high housing construction costs in New York City include not only labor and material expenses but also the complexity of building regulations and permitting requirements. Furthermore, the cost of land in New York City is substantially higher than in most other US cities, which adds to the overall project costs and often requires developers to pursue higher-end projects to ensure profitability.

Affordability and a Housing Emergency

The city’s housing market is incredibly diverse, from hyper-urban areas to neighborhoods dominated by single-family homes, but housing unaffordability is constant throughout the city, with 43% of renter households being rent-burdened (spending over 30% of gross income on rent).⁷¹

By income, it should not be surprising that lower-income households are more likely to experience rent burden. As seen in the figure below, about 90% of households not living in means-tested housing and earning less than \$25,000 per year experience rent burden, compared to just 9% of households earning more than \$100,000.

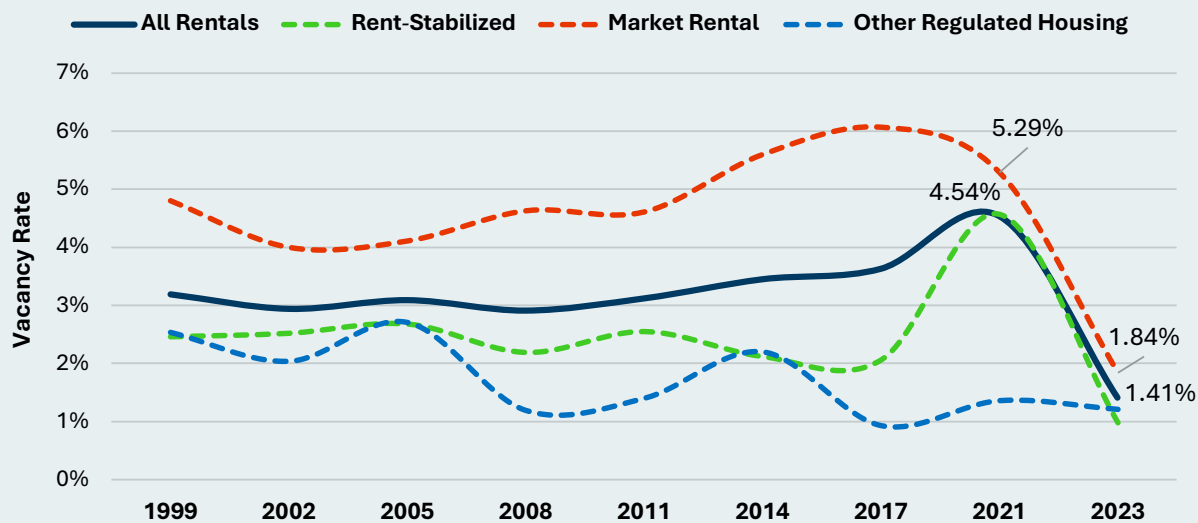
The market forces that shape New York City’s housing market create strong upward pressure on prices. Housing supply in the city has not kept pace with job growth, meaning an increasing number of people are bidding for housing located close to their jobs. This increases the rents that landlords can ask for and diminishes the value proposition of New York City to people who don’t yet live in the city. According to the 2023 New York City Housing and Vacancy Survey, overall rental vacancy in the city fell to 1.4% in 2023, down from 4.6% in 2021—this represents a multi-decade low, and signals a housing emergency in New York City.⁷²



Source: NYC Housing Vacancy Survey. Renter households in means-tested housing, including those in public housing and those who reported having a voucher, are not included in this analysis

NYC Housing Vacancy Has Reached Dangerous and Unprecedented Levels

Net Vacancy Rate by Rental Type, 1999-2023

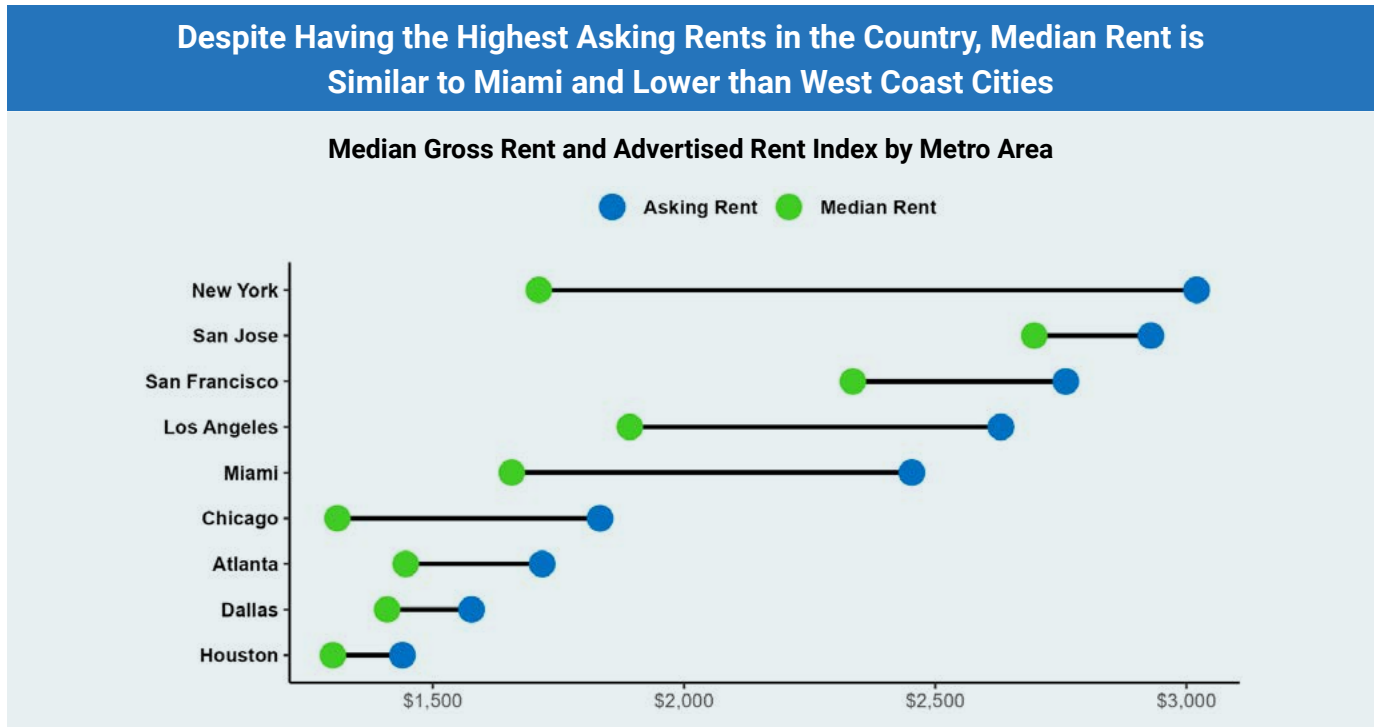


Source: NYC Housing and Vacancy Survey

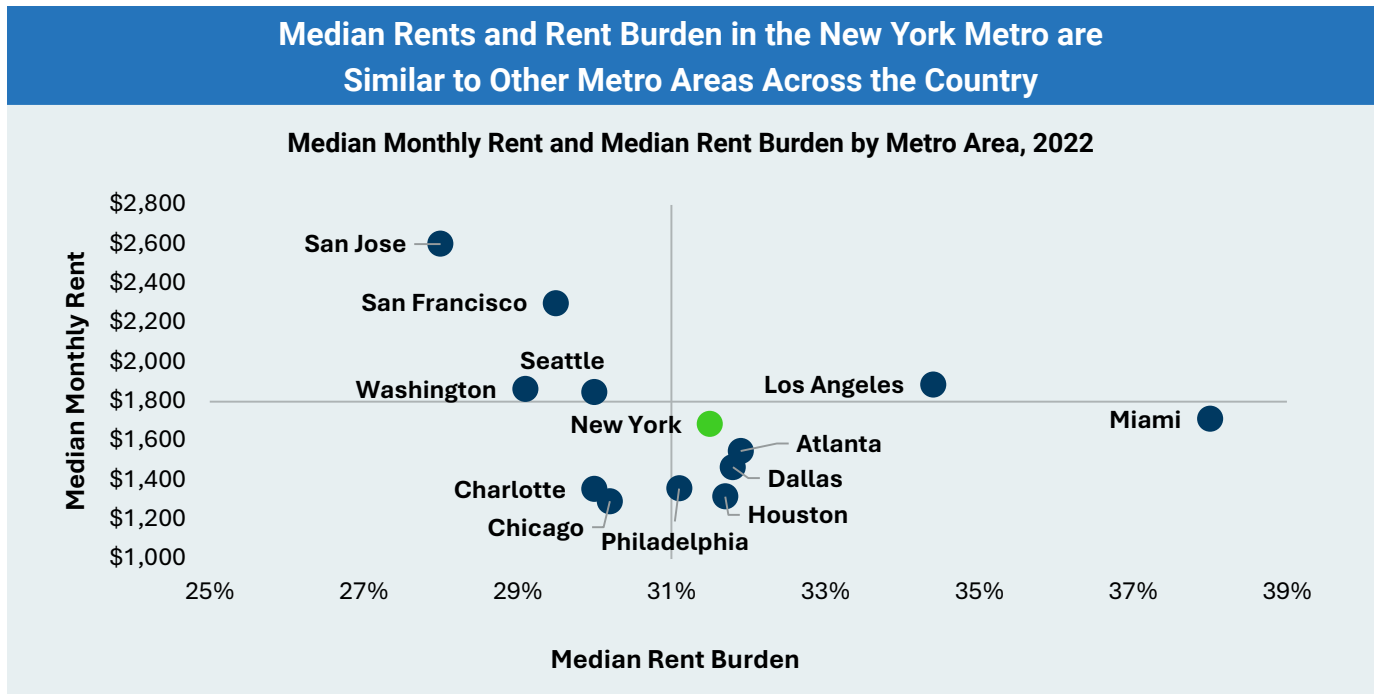
The Role of Regulation

While market prices continue to rise, NYC does possess different mechanisms for making units more affordable. New York City rentals are heavily regulated—over half of rental units are regulated, meaning there are legal guidelines as to how much rents can change from year to year. There are also nearly 178,000 units in public housing, which are owned and operated by the New York City Housing Authority (NYCHA). The New York City Rent Guidelines board determines how much rent may increase for rent-stabilized units; for example, rents for rent-stabilized units may increase 3% for new one-year leases signed between October 2023 and September 2024. There is no legally mandated cap on rent increases for market-rate units, although the city’s Good Cause Eviction law means that tenants have some legal protection against unreasonable rent increases. Market-rate units tend to be newer, and have more amenities, meaning that new leases typically begin at rates above those for regulated or subsidized units. Due in part to the presence of over 1 million regulated housing units—which have likely seen below-market rent increases since they were rented by the current tenant—the median rent paid by existing renter households in New York City is significantly lower than the average asking rent faced by new renters of market-rate or regulated units. While New York City’s average asking rent for market-rate units (\$3,020) is the highest of any large city in the country, **the median rent paid by renter households (\$1,710)—factoring in all regulated units—is lower than in San Jose (\$2,700), San Francisco (\$2,340), and Los Angeles (\$1,890), and is similar to Miami (\$1,660).**⁷³ The level of rent burden in New York City—the share of households paying over 30% of gross income in rent—is comparable to metro areas like Atlanta, Dallas, and Houston.⁷⁴

Another factor impacting the declining affordability of the city's rental units is the decreased prevalence of regulated units. From 1999 to 2023, the number of market-rate rentals increased by 68% (+463,000 units), while the number of rent-stabilized units decreased by 5% (-50,000) during the same period. The share of units that are either stabilized or otherwise regulated fell from 67% in 1999 to 61% in 2014 and 52% in 2023.⁷⁵



Source: American Community Survey 2018-2022 5-year estimates; Zillow



Source: American Community Survey 2018-2022 5-year estimates

New York City’s high asking (market) rents do make the city expensive for newcomers and pose a barrier for talent attraction. To afford the median asking rent in New York City, a household must earn \$120,000 per year. A typical entry-level worker in Life Sciences makes \$59,000 per year; a typical entry-level Tech worker makes \$83,000 per year.⁷⁶

Policy Landscape

In order to solve the housing affordability crisis, the City is taking an expansive and ambitious approach to housing policy, looking to reform restrictive zoning, add incentives for developing affordable housing, encourage conversion of some office space to residential, and support neighborhood planning and rezoning efforts.

The biggest tool New York City has had for facilitating housing construction in recent years was the 421-a program, which expired in 2022. 421-a provided multi-year tax exemptions to entities that build new multifamily housing, typically with requirements placed on the number of affordable units. The 421-a program was responsible for 88,000 rent-stabilized units—75% of all rent-stabilized units added—between 2003 and 2022.⁷⁷ 421-a was also New York City’s largest program by tax expenditure, accounting for 40% of the city’s tax expenditure (\$1.85B) in FY24, more than twice the size of the industrial programs ICIP and ICAP combined.⁷⁸

There are different types of tools the City and state could turn to in order to incentivize more housing construction, particularly construction of affordable units, in the coming years. One will be the 485x tax incentive program recently enacted by New York State, which aims to increase the construction of affordable housing. The 467-m tax incentive program targets the creation of affordable housing through the conversion of non-residential buildings. The City established an Office Conversion Accelerator program to help building owners navigate the complex office-to-residential conversion process. Other options include exploration of funding and subsidies that make it cheaper to build; reevaluation of zoning and regulations to reduce barriers to construction; and activation of underutilized land. The City of Yes for Housing Opportunity plan will update and simplify the city’s zoning laws to allow for increased housing construction in every neighborhood, helping to create an estimated 82,000 housing units over the next 15 years. There are also targeted neighborhood plans and rezonings in every borough—such as the [Bronx Metro-North Area Plan](#), the [Midtown South Mixed-Use Plan](#), the [Jamaica Neighborhood Plan](#), the [Atlantic Avenue Mixed-Use Plan](#), and the [Long Island City Neighborhood Plan](#)—which aim to add housing in areas of the city with the infrastructure and services to support more residents.

6

Business Formation, Entrepreneurship, and Investment

Entrepreneurship plays a crucial role in economic development by driving innovation, creating jobs, and fostering competition. As entrepreneurs launch new ventures, they introduce fresh ideas and technologies that can transform industries and improve productivity. This process not only generates employment opportunities but also stimulates consumer spending and local economies.

New York City has a thriving entrepreneurial ecosystem. New businesses formed in 2023 led to the creation of 164,000 jobs and business formation has been a significant source of the city's overall job growth during the economic recovery.⁷⁹ In 2023, 24,600 new businesses were formed in New York City. At the same time, there are now 286,600 total establishments (representing 191,100 total firms) in the city, a record high.⁸⁰ To put it another way, one in eight businesses in New York City started in 2023.

Concentrated in the city's central business districts and along the Brooklyn-Queens waterfront, these new businesses have helped drive the city's economic recovery. Though many were started as sole proprietorships, some registered to residential addresses, many more were small and large businesses. In this section, we examine the role of entrepreneurship in New York City's economy, the pace and characteristics of business formation pre- and post-pandemic, and the demographics of the city's entrepreneurs.

Most of these new businesses were small businesses, with 50 or fewer employees, and small businesses play an important role in the city's economy. From startups on the cutting edge of innovation to neighborhood retail and restaurants, small businesses enrich our neighborhoods and enhance our quality of life. They strengthen our entrepreneurial ecosystem, create jobs, and drive economic growth.

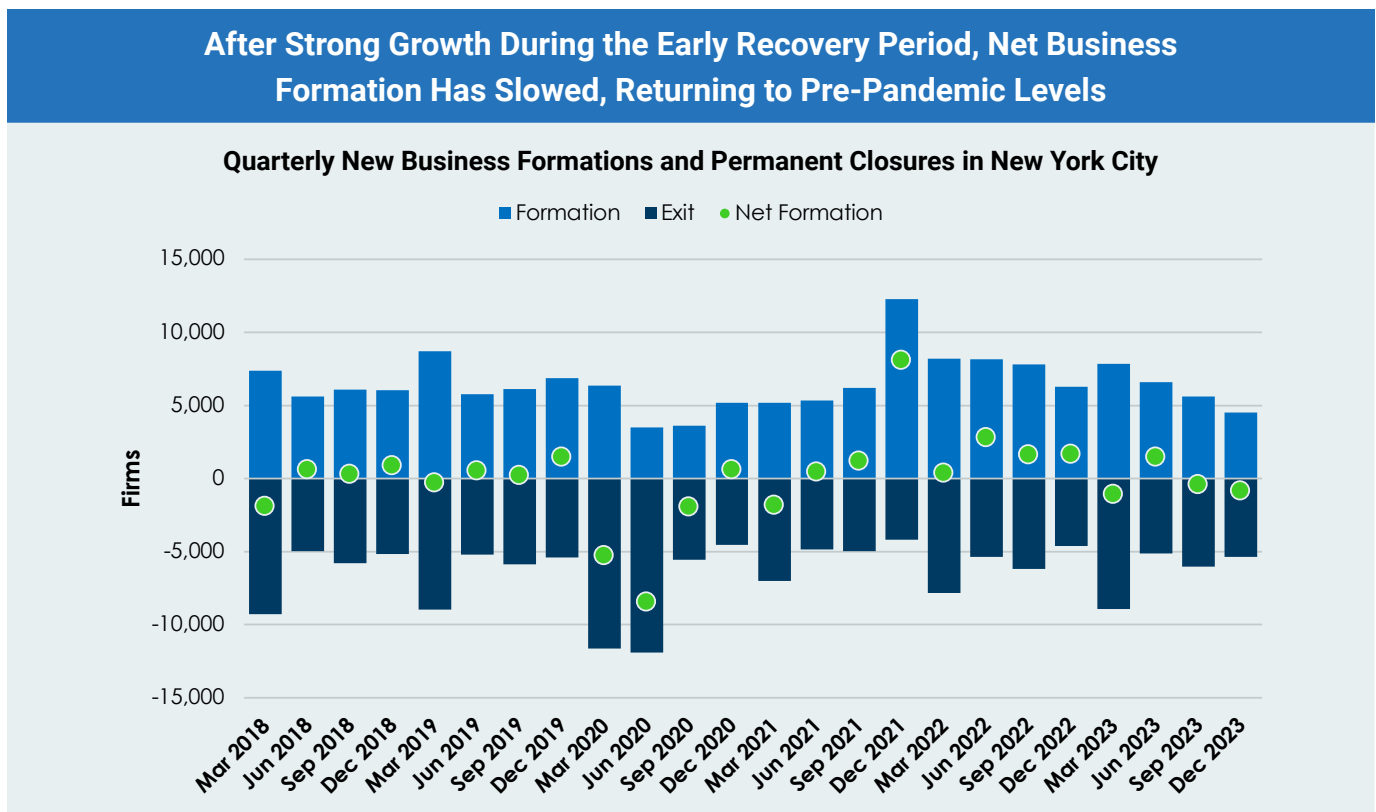
Recovery and Changing Characteristics

From 2016 to 2019, an average of about 26,000 new businesses formed each year. During their first quarter of operation, these startups created an average of 39,000 jobs each quarter. And just as we see today, most of these businesses were formed in central business districts, especially in Midtown

and Lower Manhattan, and along the Brooklyn-Queens waterfront in Downtown Brooklyn, Williamsburg, Greenpoint, and Long Island City.

After a dip in formation in 2020, new businesses flourished during the recovery period, with roughly 30,000 new businesses formed each year in 2021 and 2022. Higher levels of formation were coupled with lower levels of permanent closures, leading to significantly higher levels of net business formation. This period of strong growth helped to drive the city’s overall economic recovery with 275,500 jobs created through entrepreneurship.

As the city moves out of the recovery period, we see signs that levels of business formation are returning to pre-pandemic levels. Quarterly net formation was roughly flat through 2023, and the total number of firms started—24,600—was just shy of the pre-pandemic average of 26,000, a number set during a period of unprecedented economic growth.



Source: NYCEDC analysis of QCEW Microdata from NYSDOL

Though concentrated in the city’s central business districts, business formation during the recovery period has been widespread. More than 90% of Community Districts have experienced net positive business formation.⁸¹ At the same time, during the recovery period, we have continued to see gains in labor force participation across all demographic groups. While this is a clear sign that individuals who may have traditionally not participated in the labor force are increasingly confident in their ability to find well-paying and quality employment, it may also be related to the city’s resurgence in

entrepreneurship. The strength of the city’s entrepreneurial ecosystem coupled with the city’s strong labor market is a strong indicator of inclusive economic growth.

Though we have long seen individuals starting businesses out of their own homes, the rise of remote work has in many ways removed a significant barrier for many entrepreneurs. Without the need for a physical, dedicated office, creating a business at home has become easier. And we have seen an increase in the share of new businesses reporting a single worker—what we have labeled solopreneurs—during the recovery period. In 2023, 51% of all new businesses were started by solopreneurs, compared to 47% of new business started between 2016 and 2019.⁸²

We see further evidence of this trend when looking at the addresses reported by new businesses. Between 2018 and 2019, just under one-quarter of all new businesses formed in the city were registered to addresses that are classified as residential. In 2021 and 2022, that share was over 30%. In both time periods, roughly two-thirds of residential business formations were solopreneurs.

/ As we think about the value of entrepreneurship in our city’s economy, the lower barrier to entry that the COVID-19 pandemic has helped create is an opportunity to foster new businesses, encourage innovation, and diversify our economy. Entrepreneurship itself, especially the formation of sole proprietorships, is a sign of economic confidence: individuals are more likely to invest in starting new businesses if they feel like the short-term economic conditions are going to be strong. But we also know that these solo endeavors have the potential to scale and provide meaningful employment opportunities for New York residents. From 2016 to 2019, roughly 40% of businesses that started with a single employee eventually grew larger, with a maximum average payroll of about six workers. Businesses in Accommodation and Food Service, Construction, and Retail Trade were the most likely to grow.

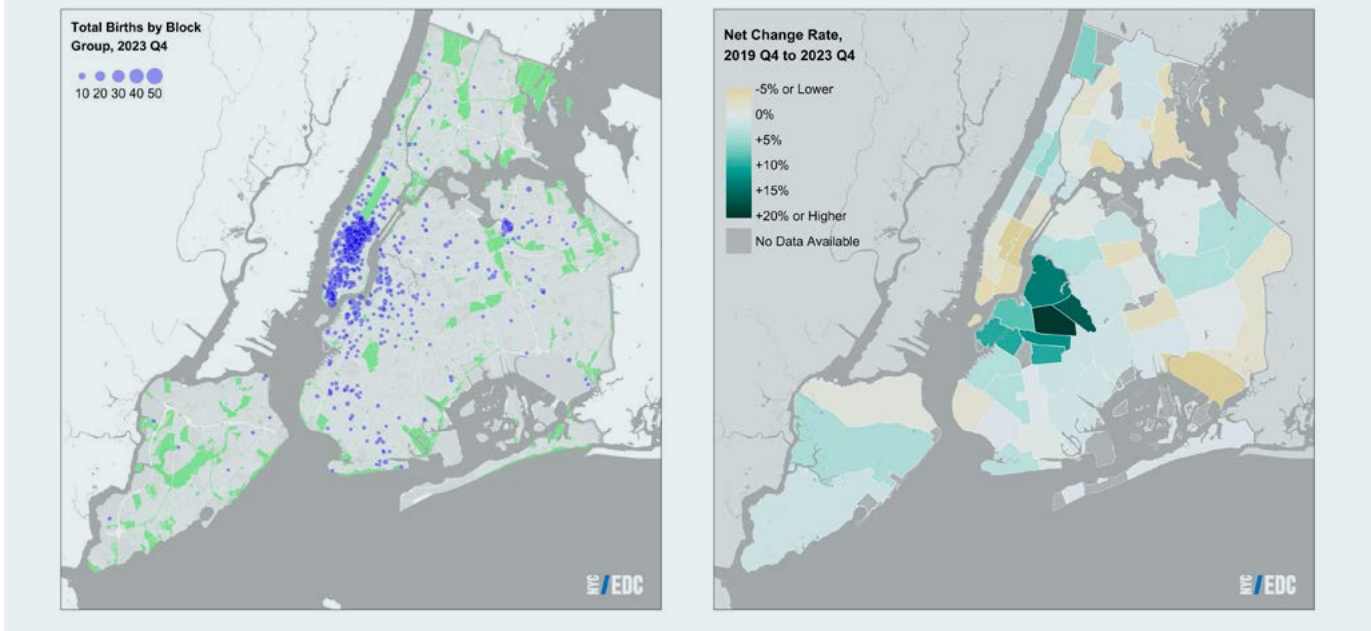
Net change in the total number of businesses in the city has been highest in North Brooklyn, where new businesses are opening faster than existing businesses close. **Between 2019 and 2023, total businesses in Bedford-Stuyvesant, Bushwick, Crown Heights, Greenpoint, and Williamsburg increased by nearly 2,000, a growth rate of almost 17% and more than the rest of the city combined.**

While these neighborhoods were experiencing growth prior to the pandemic, the last four years have witnessed an explosion in entrepreneurship.

Likely a product of remote work and an increasing prevalence of self-employment among technical and highly skilled workers, business growth across the city and in North Brooklyn in particular has been driven by consumer-facing services establishments like bars and restaurants as well as a diverse array of professional services like computer systems design and legal services.⁸³

While New Businesses Continue to be Concentrated in Traditional Business Districts, Growth Has Occurred Most Strongly in North Brooklyn

New Business Formation and Net Change



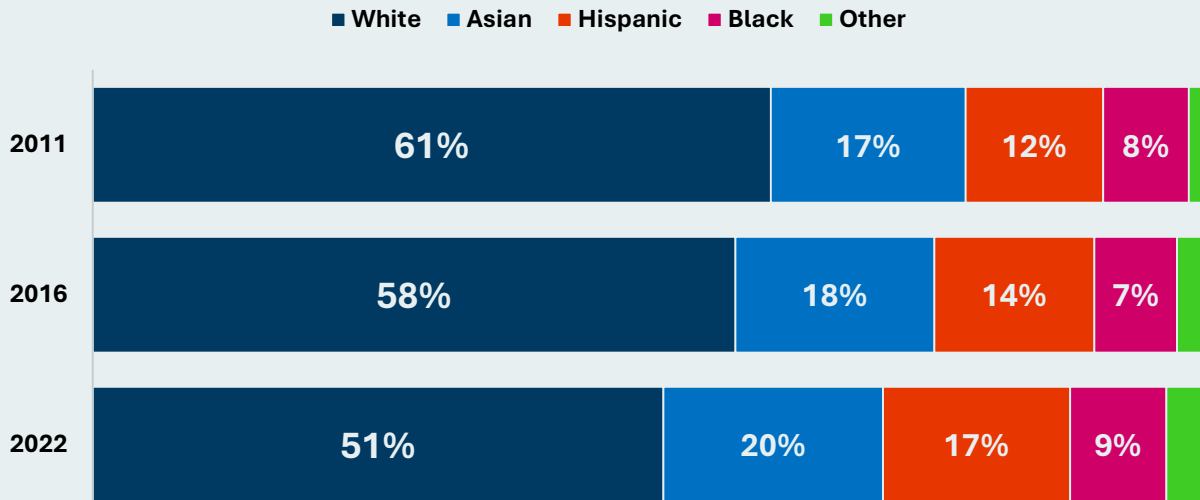
Source: NYCEDC analysis of QCEW Microdata from NYSDOL

Diversifying Entrepreneurship

In terms of demographics, nearly half of New York City entrepreneurs are BIPOC, up from 40% in 2011. Led primarily by growth among Asian and Hispanic business owners, this trend toward diversification still does not fully reflect the diversity of the city's population or workforce. In 2022 for example, while white business owners represented slightly more than half of all entrepreneurs in New York City, white workers made up 38% of the city's labor force.⁸⁴

Entrepreneurship in NYC Has Become More Diverse Over the Past Decade: BIPOC Business Owners Represent Nearly Half of All Entrepreneurs

NYC Entrepreneurs by Race and Ethnicity, 2013 to 2022



While the city continues to close the gap in BIPOC entrepreneurship overall, BIPOC entrepreneurs are still more likely to operate their businesses in boroughs outside Manhattan, employ fewer workers, and operate in lower wage industries. This suggests that the value of owning a business for BIPOC entrepreneurs is lower than for white business owners. For NYCEDC and the City, this is particularly important: Fostering an inclusive ecosystem for new business formation in high-growth, high-wage sectors has the potential to spread economic opportunity to historically marginalized communities.

NYCEDC has enacted several programs to support investment in underrepresented entrepreneurs, which aim to improve representation in the city’s entrepreneurial ecosystem and help these businesses scale.

The [Founder Fellowship](#) is designed to improve access to capital and networks for underrepresented founders across all tech-enabled sectors, through individual workplans, cohort convenings, connections to capital providers, and access to an advisor network. Since launching in 2022, the Founder Fellowship program has served more than 250 NYC-based founders, approximately two-thirds of which have at least one female founder, 77% have a Black, Latinx, and/or Asian founder, and 15% have at least one LGBT+ founder.

The [Venture Access Alliance](#) is a coalition of more than 100 New York City startup investors whose goal and mission will be to continue to increase diversity in the city's Tech and venture ecosystem. The Alliance will achieve this by working to develop diverse workforces, sourcing deals from Black, Indigenous, People of Color (BIPOC) and female founders, rethinking due diligence practices, tracking improvement in diversity data each year, and directly mentoring founders.

The \$40 million [Catalyst Fund](#) will focus on impact investments in areas such as inclusive entrepreneurship, community development, and high-wage, high-growth sectors such as Life Sciences, Technology, Offshore Wind, and the Green Economy and Climate Technology. NYCEDC plans to invest in private credit and private equity funds managed by external fund managers. The NYC Catalyst Fund is expected to generate regular distributions to NYCEDC that will fund core economic development programs.

[ConstructNYC](#) was launched in 2016 to assist small-to-mid-sized M/W/DBEs in construction trades to bid on work in NYCEDC's \$9 billion capital project portfolio. In addition to connecting small-to-mid-sized M/W/DBEs to business opportunities, ConstructNYC offers training curriculum to these firms to help learn best practices in construction and construction management.

The [Waterfront Pathways](#) program increases opportunities for M/W/DBEs interested in the Waterfront and Offshore Wind industries, by connecting participants to procurement opportunities and providing on-the-job technical assistance and top-notch training from industry experts.

Investment

Business formation and entrepreneurship have been aided by continued strong investment into New York City. Venture Capital flows are particularly vital for entrepreneurs, and they have increased dramatically in the post-pandemic period. New York City is the #2 global destination for VC funding. New York City-based companies raised \$97.3 billion in VC funding between 2021 and 2023, with \$50.4 billion of that total coming in 2021 alone. New York City-based companies raised \$50.9 billion

between 2017 and 2019. New York City companies have received an increasing share of nationwide VC funding over time; 11.2% of nationwide funding in 2023, up from 7.4% in 2014. While VC funding has slowed since 2021—mirroring the slowdown in VC funding at the national level—the likely arrival of lower interest rates should create a more favorable investment environment in the near future.

Between 2019 and 2023, 20% of VC funding went to companies with a female founder or founding partner, up from 18.3% between 2014 and 2018.⁸⁶ In 2022, 2.9% of VC funding invested in NYC companies went to Black entrepreneurs, and 2.9% went to Latinx entrepreneurs; similar shares to San Francisco (2.0% and 3.4%, respectively) and Los Angeles (3.1% and 2.2%).⁸⁷ VC funding reaches a broad group of companies within NYC’s startup community; 2,183 unique NYC companies received VC funding in 2023. While this is down from a high of 2,795 in 2021, it is higher than the total of 2,130 in 2019.⁸⁸

NYC Ranks Second Across Global Cities in Total Venture Capital Raised Since 2019

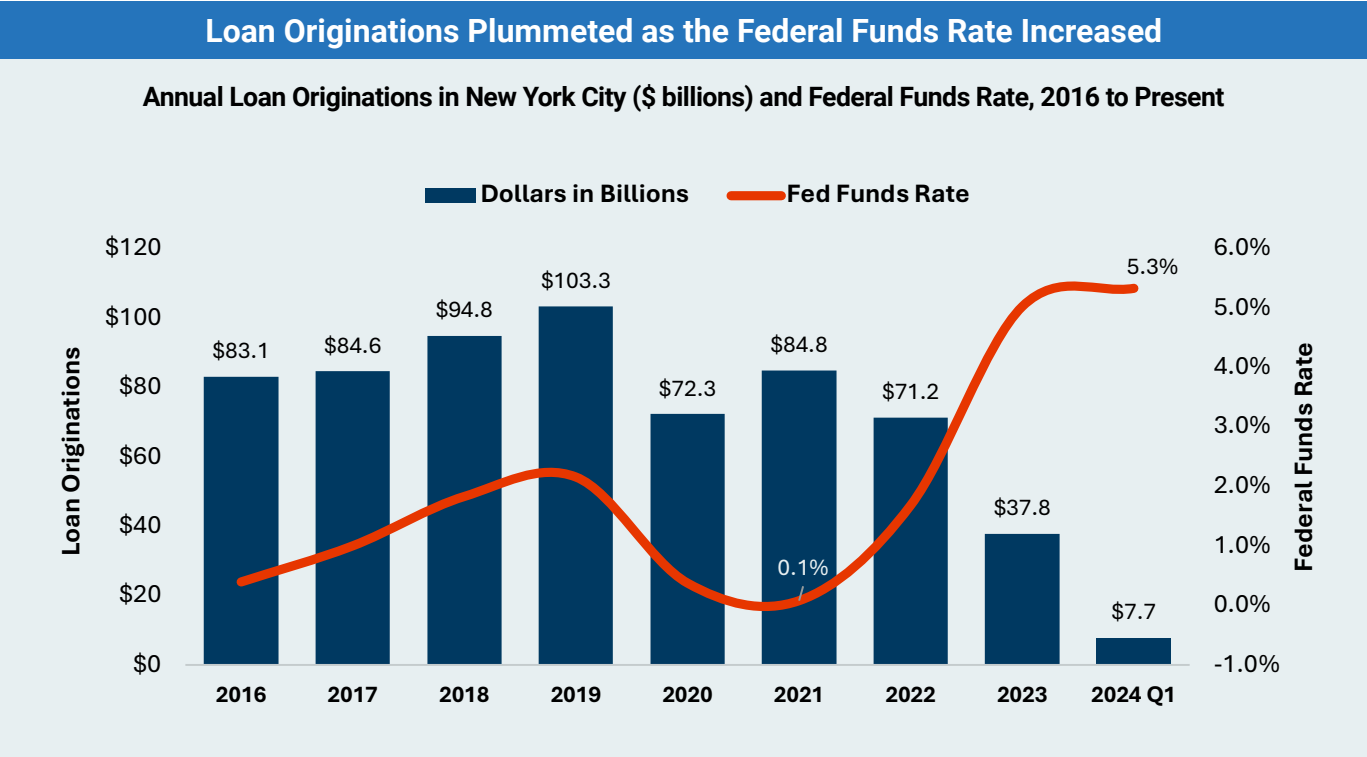
Top Global Cities for VC, 2019-2023 totals

City/MSA	Total Funding, 2019-2023 (\$B)	City/MSA	Total Funding, 2019-2023 (\$B)
Bay Area	\$358.5	Seattle	\$27.3
New York MSA	\$152.8	Seoul	\$25.6
New York	\$137.8	Tokyo	\$22.9
Beijing	\$126.3	Tel Aviv	\$18.5
Boston	\$102.7	Bangalore	\$17.3
Shanghai	\$98.1	Toronto	\$13.9
Los Angeles	\$93.0	Mumbai	\$13.2
London	\$92.6	Hong Kong	\$12.5
Singapore	\$39.4	Amsterdam	\$10.9
Paris	\$29.3	Dubai	\$5.0

Source: Pitchbook

Venture Capital funding’s growth in New York City over the past decade has been vast, from \$4.2 billion going to NYC-based firms in 2013 to \$18.5 billion in 2023 (and a high of \$50.4 billion in 2021). This growth has been propelled forward by several key and emerging verticals within the city. Artificial Intelligence and Machine Learning firms raised \$6.2 billion in 2023, compared to \$0.2 billion in 2013. CleanTech and Climate Tech firms raised \$2.0 billion in 2023, up from \$0.2 billion in 2013. FinTech, one of the longstanding keystones of New York City’s Tech industry, saw \$4.0 billion in funding in 2023—down from a high of \$12.0 billion in 2021, but higher than the \$0.4 billion raised in 2013. Software-as-a-Service (SaaS), one of the largest verticals in the city, saw \$8.0 billion in funding in 2023, compared to just \$1.6 billion in 2013.⁸⁹

Investment in real estate is also a significant reflection of the dynamism of the city’s economy, as it allows new actors to enter the market. New York City saw \$18.6 billion in direct real estate investments between Q4 2023 and Q3 2024, more than any other city in the world (Tokyo was #2 with \$17.3 billion).⁹⁰ Loans are a key tool for facilitating those investments, whether they are in office, residential, retail, or industrial buildings. Loan originations increased in value through the 2010s, peaking in 2019 at \$103.3 billion. A combination of the pandemic, higher interest rates, and uncertainty around future Federal Reserve actions have led to a harsher environment for loans, with 2023 loan originations totaling \$37.8 billion, and Q1 2024 totaling \$7.7 billion.

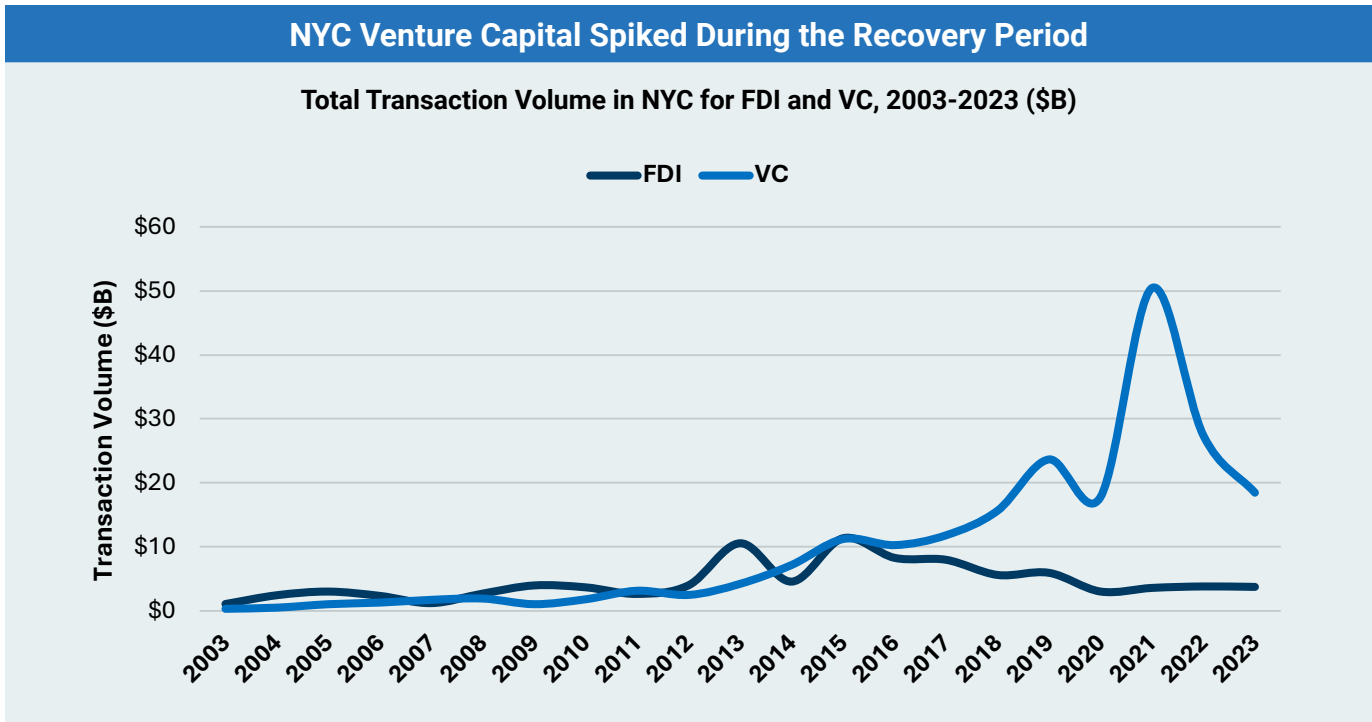


Source: Newmark Research, MSCI Real Capital Analytics (2024 shows Q1 total); St. Louis Fed

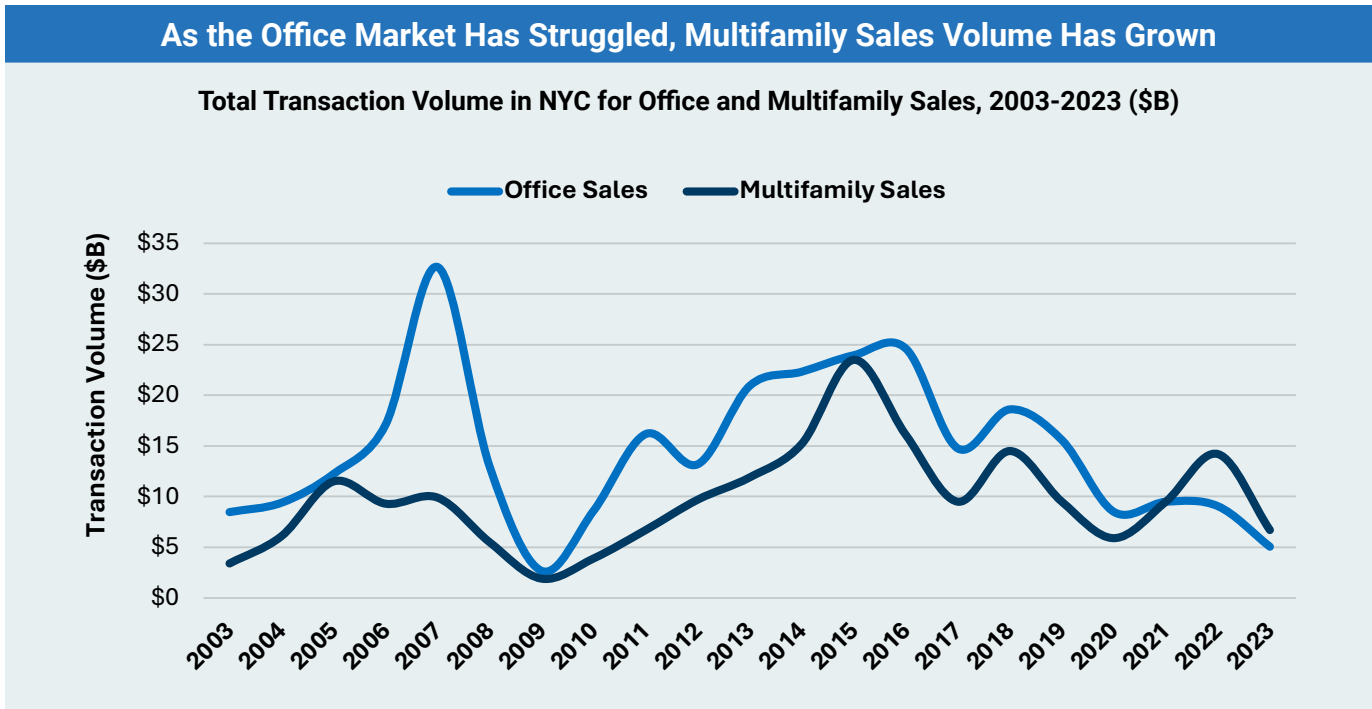
There was \$22.7 billion worth of commercial real estate sales in New York City in 2023, down from \$37.6 billion in 2022 and \$35.7 billion in 2021. Multifamily properties accounted for \$6.7 billion in sales in 2023 (29.5%); office accounted for \$5.1 billion (22.3%); retail \$3.1 billion (13.5%); and industrial properties \$1.9 billion (8.3%).⁹¹

Within the world of real estate transactions, office sales have been particularly impacted by these converging headwinds of pandemic effects and higher interest rates. Office sales were valued at \$5.1 billion in 2023, the second consecutive year of decline, and down from \$24.6 billion in 2016—the high point of the past decade. There is reason to believe that the New York City real estate market has turned a corner, in a way that is not yet reflected in office data. Rather than purchasing buildings outright, investors have been lending money to current building owners—suggesting that there is still appetite to take on risk, but not enough to translate into increased sales. Additionally, there is evidence

that current conditions are leading investors to favor non-office property types like retail, multifamily, and industrial—money is still entering New York City, and given a shift in market conditions, could be increasingly directed towards office properties.⁹²



Sources: FDI Markets, Pitchbook, CoStar



Sources: CoStar

One of the other key forms of investment into the city is Foreign Direct Investment (FDI)—a category of cross-border investment in which an investor in one economy establishes an interest or influence over an enterprise in another economy. This includes both greenfield investments, in which a parent company starts an entirely new operation in a foreign country, and mergers and acquisitions, in which a company buys an existing firm in a foreign country. It does not include simple acquisitions of real estate in which no development or construction follows. From 2021 to 2023, New York City attracted \$11.2 billion in Foreign Direct Investment—the fourth highest total of any city in the United States (behind Phoenix; Taylor, TX; and Liberty, NC), and 22nd overall among global cities.⁹³ This investment total is down from the \$19.5 billion invested in the city between 2017 and 2019, mirroring a global slowdown in cross-border capital flows in the post-pandemic era. Foreign Direct Investment totals are frequently dictated by the presence (or lack of) massive investment projects in a given year; New York City’s largest-ever three-year total investment was \$26.5 billion between 2013 and 2015, with much of that investment directed towards the Atlantic Yards project in Brooklyn and the Hudson Yards project in Manhattan.⁹⁴ The top US cities for FDI in recent years have all been hosts of megadeals—Phoenix has seen significant investment from Taiwan Semiconductor Manufacturing; Taylor, TX has seen investment from Samsung Electronics (also focused on semiconductors); and Liberty, NC was the focus of investment from Toyota Motor, which established a battery manufacturing plant there.⁹⁵

While FDI, VC, office, and multifamily building sales are not massive in the context of the entire New York City economy—Venture Capital funding peaked at 4.8% of the city’s GCP in 2021—they are important indicators of how different segments of the economy are doing, and of how much confidence different groups of investors have in the city’s economy. Capital flows are linked to job creation, new business formation, and reflect New York City’s competitiveness compared to peer cities. FDI and VC funding deals are also not just transfers of capital—they often facilitate transfers of knowledge, or transfers of technology, into New York City companies.

International buyers are a prominent part of the market for New York City real estate. In 2023, 20.8% of the dollar value of real estate purchases in New York City was attributable to cross-border buyers; the third time in the past five years that the share has eclipsed 20%, and up from 7.7% in 2022 and 17.9% in 2021.⁹⁶



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Remote Work, Mobility, and Commercial Real Estate

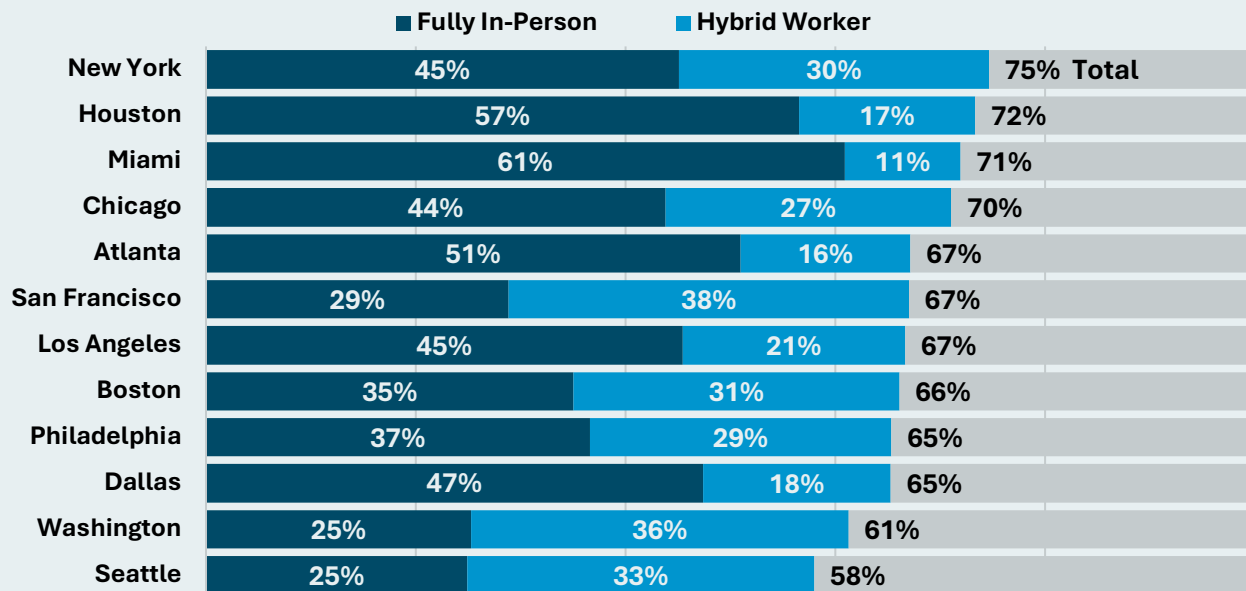
Like many other cities around the world, New York City has a high concentration of office buildings located in a central business district. Like many cities, most office workers live outside of the neighborhood they work in. New York City was significantly impacted by the global COVID-19 pandemic, just as other cities were. One of New York City's key strengths is the volume and diversity of social and professional interactions. New York City's offices are used not just for individual work at desks, or for meetings within companies, but for networking, and for interactions between companies and across industries—this makes it harder for the city to adapt to the shift in demand for office space. In this section we will discuss the shift in the relationship between workers and their workspaces, viewed through the lens of remote work, mobility, and commercial real estate.

Remote and Hybrid Work

The increased acceptance of remote and hybrid work as a permanent option for workers has created a fundamental shift in demand for office space nationwide, as well as a shift in the way people move around the city. The prevalence of remote work varies significantly across the country. **The New York City metro area has the lowest prevalence of fully remote work (no in-person workdays) among office workers, at 25%**; in the San Francisco metro area that share rises to 33%, while the share is highest in the Seattle metro area at 42%.

The New York Metro Has the Highest Share of Workers Coming into the Office at Least One Day a Week

Prevalence of Remote and Hybrid Work for Office Workers by Metro Area, 2023



Source: NYCEDC analysis of CPS Microdata

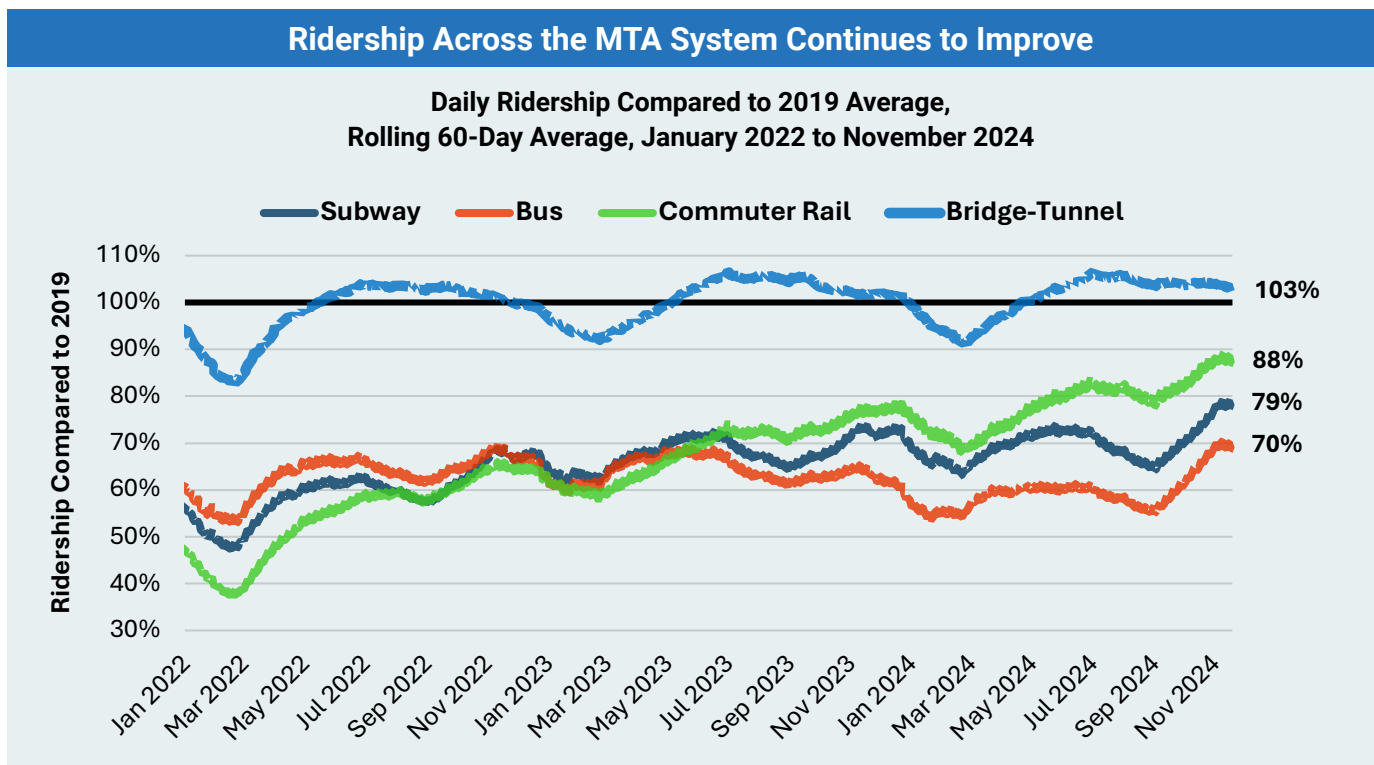
Hybrid work—a mixture of remote and in-person days—is increasingly important in the New York City metro area, with 30% of office workers maintaining such an arrangement in 2023. According to a May 2024 survey from the Partnership for New York City, the most common hybrid arrangement for New York office workers is three days in the office.⁹⁷ In this context of stabilized hybrid and remote work—with an average of three days in the office, and two at home—office occupancy remains below pre-pandemic levels. According to Kastle, which tracks key card swipes into a subset of national office buildings, average daily office occupancy in the New York metro area is roughly 50% of pre-pandemic levels.⁹⁸

While average occupancy is hovering close to 50% of pre-pandemic levels, office visitation metrics have been stronger. Office visitation metrics differ from return-to-office metrics, as visitation metrics capture all visitors to office spaces in buildings, regardless of whether they are local employees, out-of-town employees, or clients and other business partners. The Real Estate Board of New York (REBNY) produces an office visitation metric which focuses on office buildings within the Manhattan central business districts of Midtown, Midtown South, and the Financial District. REBNY estimated office visitation at 77% of pre-pandemic levels in June 2024, a new post-pandemic record high.⁹⁹ These stronger office visitation metrics show that companies may be using their offices as spaces to convene and collaborate, in addition to serving as traditional office space for their hybrid workers.

Mass Transit and Mobility

Public transit is one of the core infrastructures powering the city’s economic engine. While travel patterns have changed in the face of the COVID-19 pandemic, the subway in particular continues to be the city’s lifblood, and we see ridership levels as a key metric in the city’s economic recovery. While subway, bus, and commuter rail ridership have yet to reach pre-pandemic levels, there was strong growth in some parts of the city since 2022. In particular, ridership growth in Midtown and Lower Manhattan has added to the vibrancy of those neighborhoods. While much of that growth slowed in the first half of 2024, we have since seen strong increases in ridership. As of November 2024, Long Island Rail Road ridership was at 99% of pre-pandemic levels; Metro-North Railroad ridership was at 88%; subway ridership was at 79%; and bus ridership at 70% (suppressed by an increase in fare evasion). Bridge and tunnel traffic has fully recovered to pre-pandemic levels.¹⁰⁰

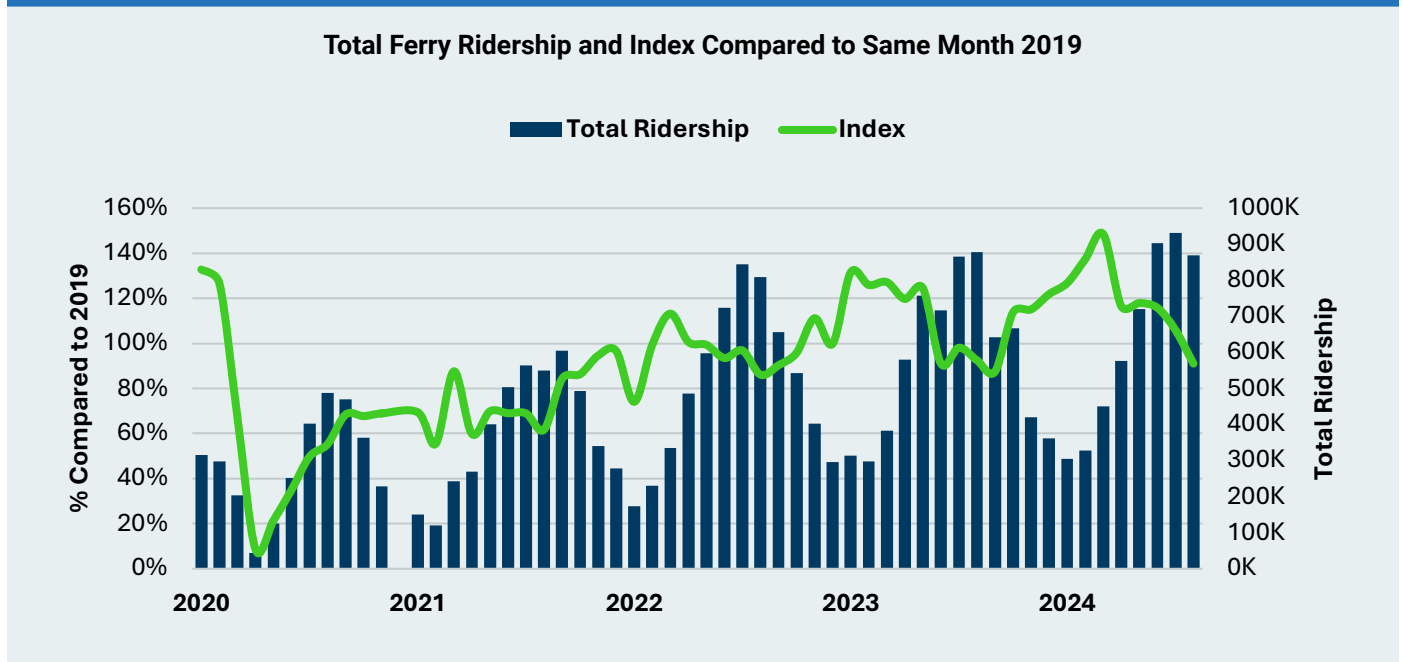
The level of recovery in New York and the surrounding metro exceeds most other regions with large public transit systems. While ridership in the New York metro averaged about 78% of pre-pandemic levels in 2024, the Boston, Chicago, and San Francisco metros were between 64% and 65%.¹⁰¹



Source: NY MTA

One transit mode that has seen promising growth over the past year is the NYC Ferry system, which saw a new peak of over 930,000 riders in July 2024. While ferry ridership is approximately 1% of the ridership levels seen on the subway system, NYC Ferry has seen growth on the five routes that existed prior to 2020 (East River, Rockaway, South Brooklyn, Astoria, and Soundview) and has added two new routes since then (the Rockaway Rocket and St. George).¹⁰²

NYC Ferry Ridership Has Seen Consistent Growth Since 2020, Setting New Records in 2024



Source: NYC Ferry

Since its launch in 2017, NYC Ferry has become an essential part of the city’s transit system, connecting New Yorkers and visitors alike to all five boroughs. At the direction of Mayor Eric Adams, NYC Ferry and NYCEDC have developed a number of new strategies for improving the system. Starting in 2022, NYC Ferry expanded its discount program for seniors, people with disabilities, and other riders already participating in the MTA’s Fair Fares program. In 2024, NYC Ferry further expanded this program to include NYC high school students, offering discounted fares for students on their way to and from school. More information about the ferry system, including discounted fares, can be found at ferry.nyc.

Another transportation mode that has seen strong growth in recent years is cycling. Ridership on New York City's Citi Bike system has more than doubled since the pandemic began. The system saw nearly 159,000 rides per day in June 2024, up from 115,000 rides per day in June 2023 and 72,000 rides per day in June 2019.¹⁰³ More broadly, we also see increases in bike ridership as a means to get to work. In 2023, an estimated 62,000 New Yorkers cycled to work, compared to 46,000 in 2013.¹⁰⁴

A key function of transit is to facilitate access to jobs. NYCEDC analysis has found that neighborhoods whose residents have longer commutes are more likely to have lower labor force participation rates.¹⁰⁵ To be more precise, each five-minute increase in average commute time is associated with a 2.3 percentage point drop in a neighborhood's labor force participation rate. The average one-way commute time for New York City workers is 40 minutes. Commute times tend to be longer in neighborhoods with less access to public transit, located in places like Staten Island, eastern Queens, eastern Brooklyn, and the north Bronx. For this reason, creating more jobs that are accessible by public transit can boost an economy, which the City hopes to do in neighborhoods like Broadway Junction and Morris Park. In addition to commute length, fare affordability can be a significant barrier to New York's workforce—according to a report by the Community Service Society, almost one in five New Yorkers are dealing with transit affordability hardship.¹⁰⁶ The city's Fair Fares program, one tool to address this hardship, offers 50% discounts on rides for eligible residents.

/ In May 2023, the City announced nearly \$500 million in public realm investments in [Broadway Junction](#), located in East Brooklyn, helping to transform a subway stop into a regional transit center, and making public realm improvements that improve street safety in the area and create open space. These investments build on a series of steps the City and state have taken to bring economic opportunities, services, and amenities to this long-underserved community.

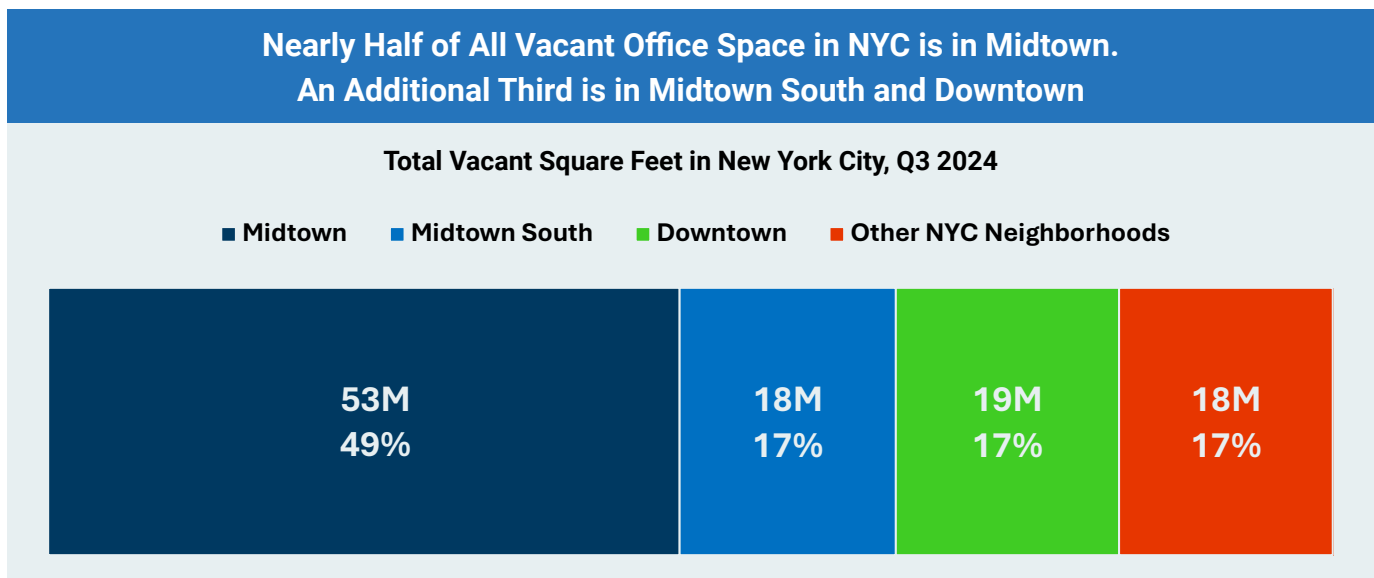
In August 2024, the New York City Council approved a neighborhood plan for [Morris Park](#) in the Bronx. In addition to four new Metro-North stations coming to the area, the neighborhood plan is expected to create approximately 7,000 homes and 10,000 permanent jobs.

Commercial Real Estate

As the future office space needs of firms have become clearer, both the size and number of office leases have gone down, leading to a rise in vacancy rates. New York City's central business districts—the core employment hubs—include Midtown, Midtown South, and Lower Manhattan, as well as Downtown Brooklyn and Long Island City. In New York City, 80% of the 730 million square feet of office space is contained within the central business districts (CBDs); 61% is in Midtown alone.¹⁰⁷

As such, the problem of elevated vacancy rates is largely a geographically concentrated problem. By the third quarter of 2024, overall office vacancy in the city stood at 14.9% according to CoStar. This is nearly double the 7.8% vacancy rate seen at the end of 2019 but lower than the 15.2% high recorded at the beginning of 2024. In Manhattan overall, vacancy remains elevated at 15.6%, with slightly lower rates in Midtown (15.4%) and Downtown (15.5%) and higher rates in Midtown South (16.8%).

These small differences, however, mask just how much office space remains empty in Manhattan's business districts. Roughly 83% of the more than 100 million square feet of vacant office space in the entire city in 2024 was in Midtown, Midtown South, and Downtown. Nearly half of all this vacant space was in Midtown alone.¹⁰⁸



Source: CoStar

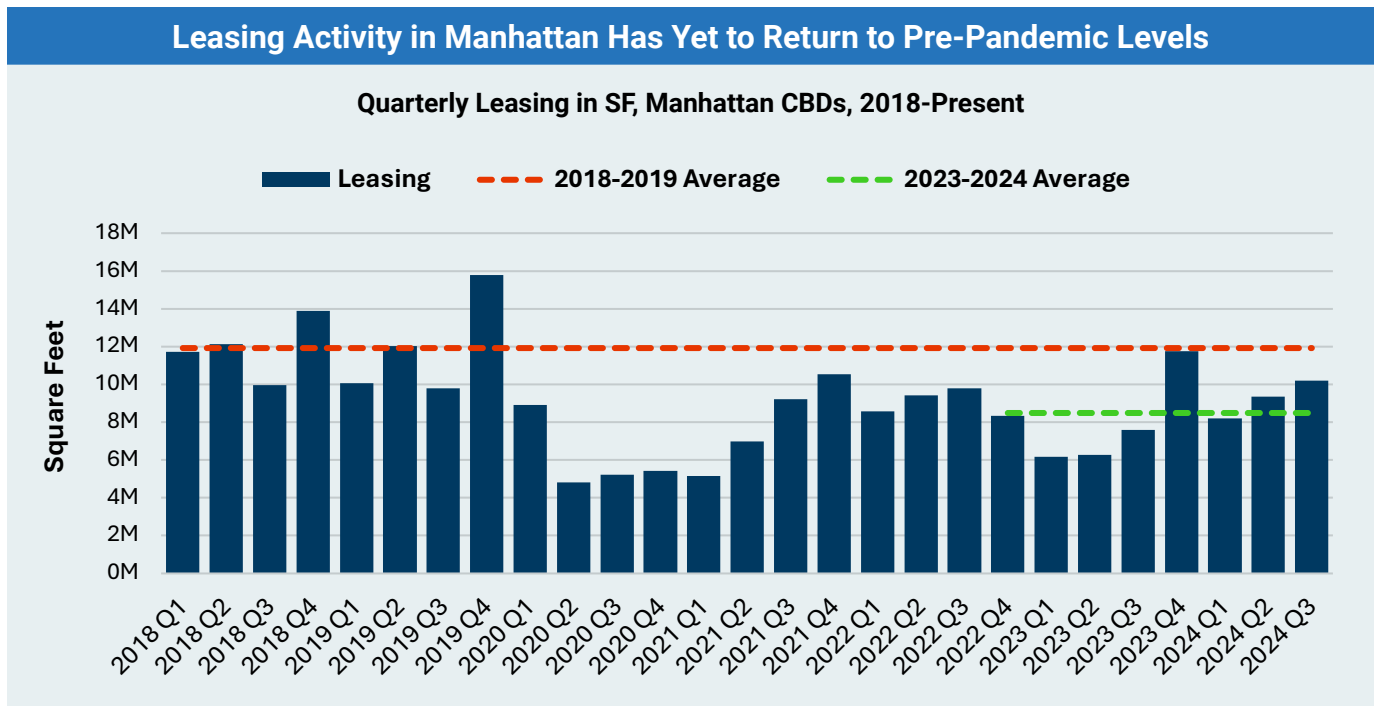
Compared to the end of 2019, nearly 53 million more square feet of office space is currently vacant in the city. Some of this is potentially explained by increased inventory: the city has added nearly 17 million square feet of new office space since 2019. However, the majority of this newly available space is driven by increased vacancies in existing office towers, nearly all of which are in Midtown and Lower Manhattan.¹⁰⁹

At a building level, the problem is even more concentrated. In Manhattan, just 12% of office buildings are responsible for 33% of vacant square footage.¹¹⁰ And the highest quality trophy buildings are outperforming the overall office market: occupied square footage in Manhattan trophy buildings is up 19% in Q3 2024 compared to Q4 2019, while occupied square footage in Manhattan non-trophy buildings is down 9% over that same time period.¹¹¹

Broadly referred to as a “Flight to Quality,” the shift in occupancy towards trophy office space has been coupled with a premium in office utilization. According to REBNY, office visitation to class A+ buildings (a proxy for trophy office) hit 91% of pre-pandemic levels in June 2024, an increase of 8 percentage points over the past year and a post-pandemic high. Non-trophy buildings, meanwhile, experienced 75% of pre-pandemic office visitation in June, an increase of 5 percentage points over the past year.¹¹²

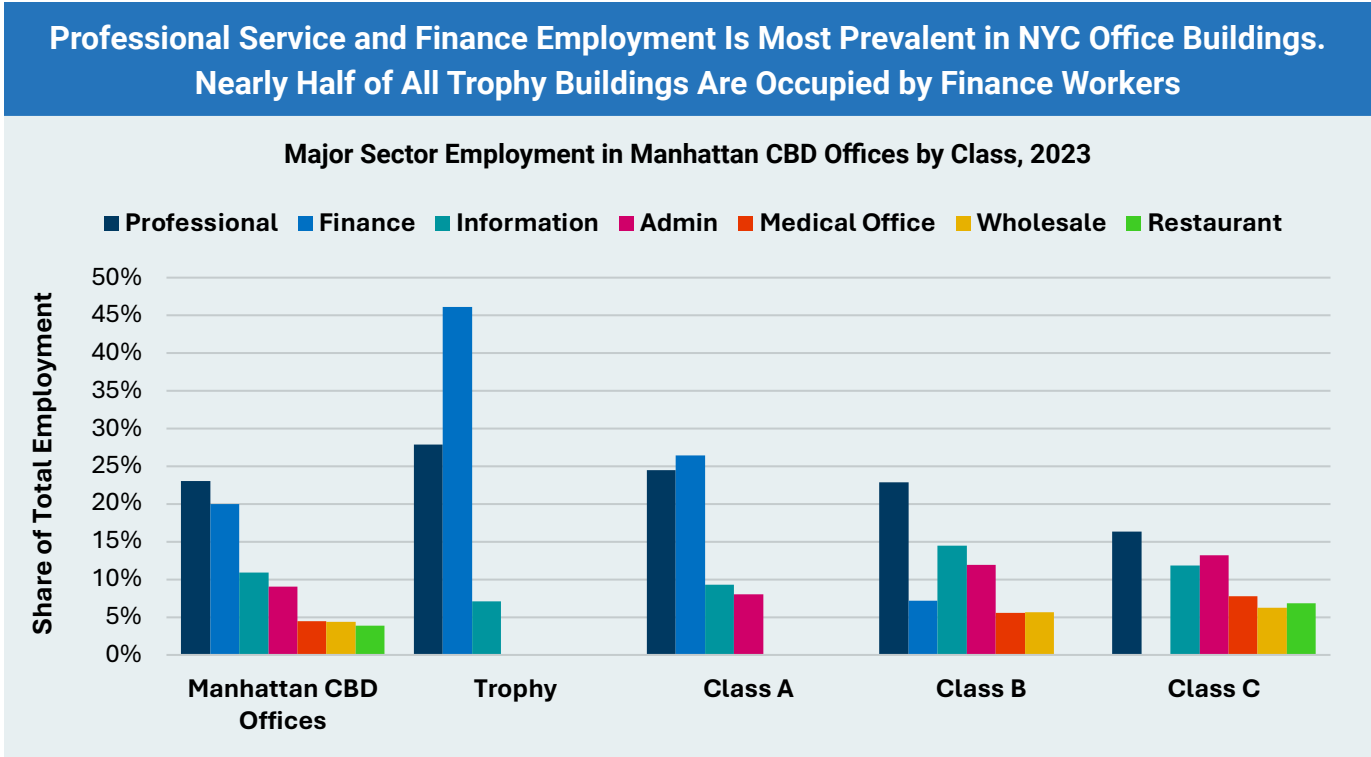
Leasing Trends

Average quarterly leasing between 2020 and 2023 was down 31% compared to the period between 2014 and 2019. The composition of leasing shifted in recent years, both in terms of industry and submarket. Among the top 500 new leases by square footage between January 2022 and November 2024, 24% were accounted for by Finance and Insurance firms, compared to 21% between 2017 and 2019.¹¹³ At a submarket level, leasing is down across all Manhattan CBDs. Looking at the total about of office space leased from Q4 2023 to Q3 2024 compared to 2019, **Downtown leasing is down 58%, Midtown South leasing is down 24%, and Midtown leasing is down 11%.**¹¹⁴



Source: CoStar

The type of occupant varies greatly by office class. Finance and Insurance and Professional, Scientific and Technical Services account for over 40% of office employment in the Manhattan CBDs. Those two sectors also occupy most of the Trophy and Class A space. In contrast, Class B and Class C have a greater diversity of tenants, with higher representation of Administrative Services, Medical Office, Wholesale, and Restaurant establishments.¹¹⁵



Source: NYCEDC analysis of QCEW and RPAD data

Global Comparisons

Office vacancy rates globally vary substantially by region. According to JLL, New York City's Q2 2024 office vacancy rate of 17.0% is lower than in other US cities like Washington DC (22.2%), Dallas (25.1%), and San Francisco (33.7%).¹¹⁶ Yet American cities also tend to see much higher vacancy rates than those seen in Asian or European cities. Much of this disparity can be traced to differing rates of remote work and office visitation, with Americans maintaining hybrid or remote work arrangements at higher rates compared to Asian or European peers.¹¹⁷

NYC Office Vacancy is Lower than Most US Metros, Remains Above Other Global Cities

Global City Office Vacancy Rates, Q2 2024

City	Country	Vacancy Rate	City	Country	Vacancy Rate
Seoul	South Korea	2.5%	Beijing	China	12.1%
Tokyo	Japan	3.6%	Stockholm	Sweden	13.5%
Berlin	Germany	5.6%	New York	United States	17.0%
Amsterdam	Netherlands	6.9%	Sydney	Australia	17.7%
Singapore	Singapore	7.8%	Washington DC	United States	22.2%
London	United Kingdom	8.4%	Dallas	United States	25.1%
Paris	France	9.0%	San Francisco	United States	33.7%
Atlanta	United States	11.7%			

Source: JLL

Path Ahead & Policy Tools

While there are significant challenges facing Commercial Real Estate over the next several years, worst-case scenarios for the city's financial situation and the broader economy (i.e., a commercial doom loop) are unlikely to transpire. In the near term, interest rates are likely to remain elevated compared to the 2010s; in the medium term, office owners are likely to face persistently lower demand. The amount of Commercial Real Estate needed in NYC when the market reaches an equilibrium (i.e., when vacancy rates reach pre-pandemic levels) is debatable, but in 2024 there is still excess supply. As labor market tightness has eased a bit, both nationally and in New York City, there are some indications that companies, particularly large companies in Tech and Finance, may ask workers to return to office more frequently.

Moreover, some office assets face financial challenges. Over 50 million square feet of office space (out of nearly 600 million square feet of office space) in Manhattan is distressed—the borrower cannot fulfill the original terms of the loan—with a total loan value of \$24.5 billion.¹¹⁸

There are positive signs, however. Citywide office vacancy declined in both Q2 and Q3 2024, falling from 15.2% to 15.0%, the first improvements in this metric since 2018.¹¹⁹ New York City office space is holding value better than office space in other metro areas; re-appraisal of delinquent properties shows little to no markdowns.¹²⁰ There is increasing certainty around the future path of interest rates and of valuations, which should increase deal flow. There is also budding interest in commercial assets that have been marketed as an option for conversion, which could provide another outlet for underutilized space through programs like 467-m.¹²¹ Converting office space to residential space will mitigate both the current oversupply of office space and undersupply of residential space in New York City.

It is worth noting that any future decline in commercial property values is not expected to have a destabilizing impact on the city's financial situation. Commercial property tax is 10% of New York City tax revenue, a relatively small percentage compared to peer metro areas (commercial property tax is 36% of Boston's total tax revenue, and 26% of Dallas').¹²² Just 6% of New York City tax revenues come from property taxes from Class A or Class B buildings in the CBDs—the buildings that have seen the weakest performance in the post-pandemic era.¹²³ This is the segment of the market targeted by interventions like office conversion and like M-CORE, a tax benefits program focused on office renovation in the Manhattan CBD. This combination of tax structure and targeted policy should aid in mitigating the risks associated with what could be a challenging few years for Commercial Real Estate in New York City.

/ In addition to commercial real estate incentives, New York City has a vision for Midtown as a 24/7 destination. With hybrid work the new normal for many office workers, the City is enacting policies which will help revitalize Midtown as a vibrant, mixed-use district.

The [Midtown South Mixed-Use Plan](#) is an attempt to update zoning rules and improve the dynamism of the Midtown South neighborhood, in part by allowing housing construction where it has previously not been permitted. This plan will also include design and delivery of world-class public realm projects at Herald and Greeley Squares.

The [City of Yes for Economic Opportunity](#) plan provides businesses with more flexibility through updated zoning, making it easier for existing businesses to find space and grow, and for new businesses to open, helping to activate unused storefront space and create bustling retail corridors.

The [New New York](#) plan called for a comprehensive public realm vision for Midtown including new parks and plazas, widened sidewalks and safer intersections for pedestrians, and faster buses and improved and expanded bike lanes to facilitate mobility. Public realm investments in Midtown should increase the desirability of the area as a place to work, to shop, and to live.

[Future of Fifth](#) will transform Fifth Avenue into a world-class, pedestrian-forward promenade from Bryant Park to Central Park. Planned improvements will prioritize pedestrians by widening sidewalks and incorporating seating, trees, plantings, sustainability measures, and spaces for gathering, community interaction, and public space activation.

New York City Department of Transportation's [Broadway Vision](#) program will increase public space and foster a safe, inviting corridor for walking, dining, and cycling. Envisioned to extend from Union Square to Columbus Circle, construction and redesign has already been completed from Union Square to Greeley Square.

8

Retail and Storefronts

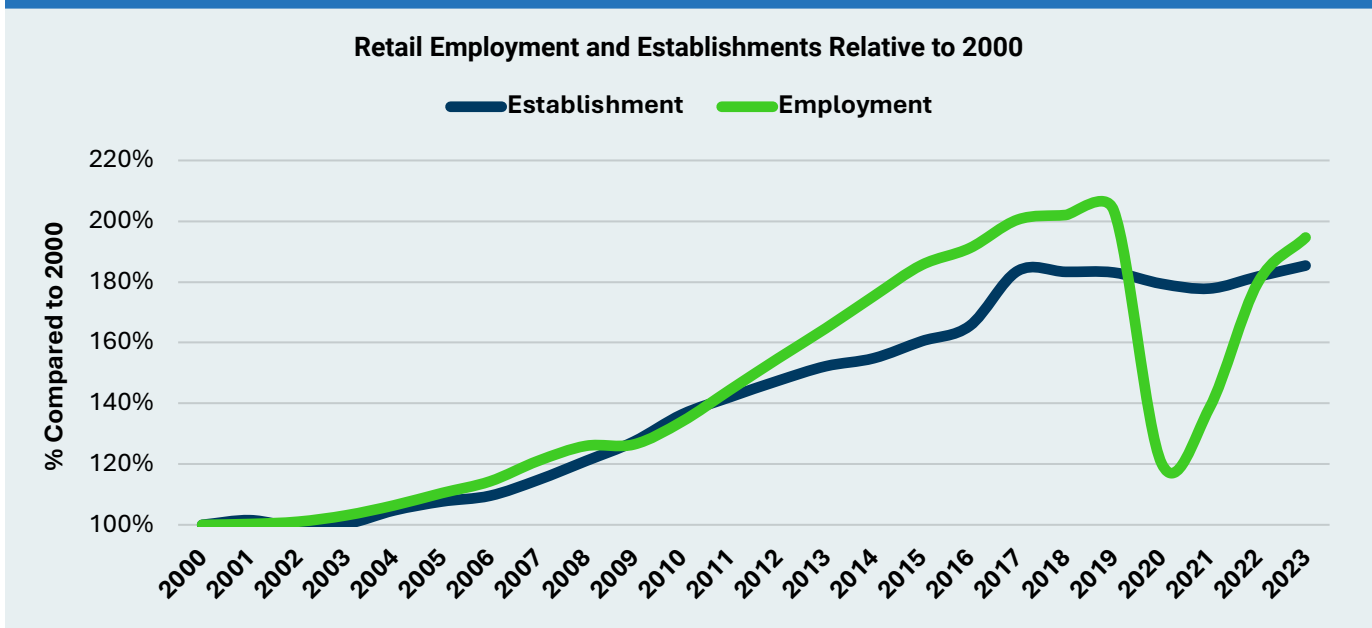
The dynamism and energy of New York City, famous across the globe, is propelled by the activation of our streets. Small businesses and chain merchants together fill the city's storefronts with interesting and unique places to shop, eat, and enjoy everything that our city has to offer. Disrupted by the COVID-19 pandemic and by the ascent of e-commerce and online shopping, many of the city's traditionally vibrant corridors continue to face heightened vacancy. At the same time, emerging areas of activity—often outside of Manhattan—are thriving. In this section, we discuss the current state of the city's storefront landscape, focusing particularly on the Retail sector and the shifts we have experienced in recent years.

Retail Employment in NYC and Nationally

In 2023, there were approximately 302,000 jobs in the Retail sector in New York City. That figure represents about 8% of all private sector jobs and is down significantly from a pre-pandemic high of 347,000 jobs in 2015. While Retail jobs saw modest declines from 2015 to 2019, with the sector losing about 700 jobs per year, the larger job losses occurred at the start of the COVID-19 pandemic, with the Retail sector losing nearly 60,000 jobs between 2019 and 2020. Though the city overall has more than recovered total private sector employment, the Retail sector has seen only modest growth (+12,000 jobs) since 2021.

Retail jobs lost during the pandemic are likely permanently displaced, caused by advances in automation and shifts to e-commerce rather than a reduction in Retail establishments. We see evidence of this when looking at the total number of Retail establishments in the city compared to pre-pandemic levels. While there has been a decline, there was no sudden drop in 2020 as we see with Retail jobs. Rather, the pandemic-era pattern is a continuation of the decline that started in the middle of the last decade. Combined, these two trends mean that that was roughly one fewer worker per Retail establishment in 2023 compared to 2019 (9.6 vs. 10.6).

NYC Retail Employment Was More Affected than Retail Establishments by the Pandemic



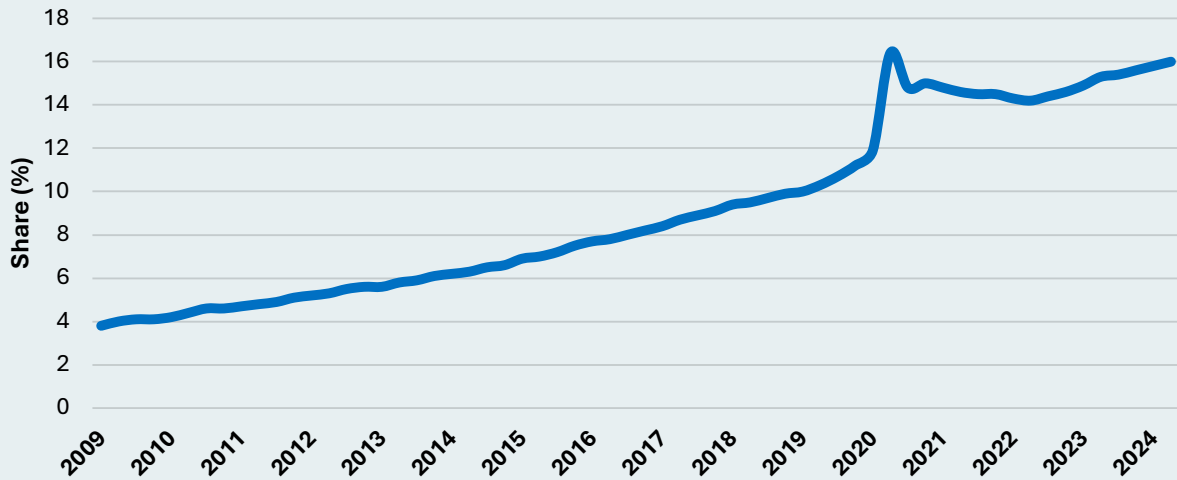
Source: QCEW from NYSDOL

Nationally, pandemic-era Retail employment has declined less dramatically than in New York City, down by about half a percentage point between 2019 and 2023 compared to the city's 12.5% decline. Meanwhile, the number of Retail establishments in the United States grew during the pandemic, up by about 3% between 2019 and 2023.

While the pandemic pushed more shoppers to make purchases online, the disruption of the Retail sector by e-commerce predates the pandemic. According to the [US Census Bureau's Quarterly E-Commerce Sales report](#), e-commerce represented about 16% of all Retail sales in the United States in the second quarter of 2024, double the share seen in the second quarter of 2015. Prior to the pandemic, the share of total Retail sales going toward e-commerce experienced a steady climb, followed by a sharp increase in 2020 that has been maintained. This rise corresponds with the loss of Retail jobs experienced at the onset of the pandemic.

Nationally, 16% of All Retail Spending Occurs Online. The Pandemic Saw a Significant Increase in E-Commerce Retail Spending.

E-Commerce Retail Spending as a Share of All Retail Spending in the United States, Q1 2009 to Q4 2024

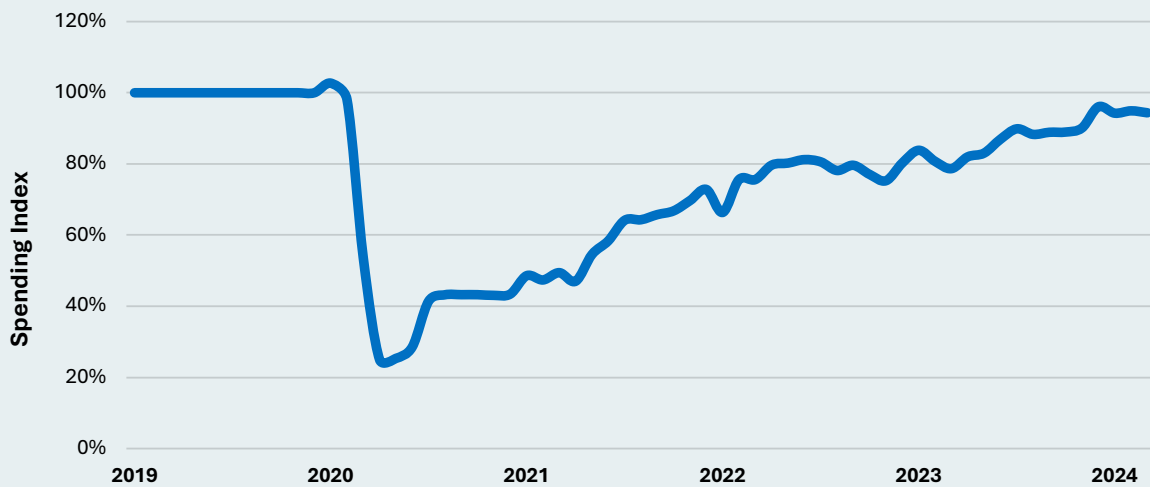


Source: US Census Bureau Quarterly E-Commerce Retail Report

In contrast, consumer spending at brick-and-mortar retail stores in New York City is just now approaching recovery, led by growth in spending on weekend days. As of 2024, the city is at 95% of pre-pandemic levels of brick-and-mortar retail spending on an inflation-adjusted basis, with weekend spending at 100% of pre-pandemic levels.

Spending at NYC Brick and Morter Retailers Has Nearly Recovered to Pre-Pandemic Levels

Inflation-Adjusted Mastercard Retail Spending Index



Source: Mastercard

While spending remains concentrated in Manhattan, there has been growth in spending in other boroughs. Compared to 2019, inflation-adjusted consumer spending for the 12 months ending March 2024 was 32% higher in Queens, 9% higher in Staten Island, 7% higher in the Bronx, and 2% higher in Brooklyn. Spending in Manhattan, meanwhile, despite accounting for 65% of the city's overall spending, was 85% of pre-pandemic levels.¹²⁴

This trend mirrors that of business formation in New York City, with Brooklyn and Queens in particular driving much of the citywide dynamism, reflecting a shift in consumption patterns caused by new remote and hybrid work arrangements. There has been a similar shift in the geography of employment in the city, with 43.9% of jobs located outside of Manhattan in 2023, compared to 41.4% in 2019.¹²⁵

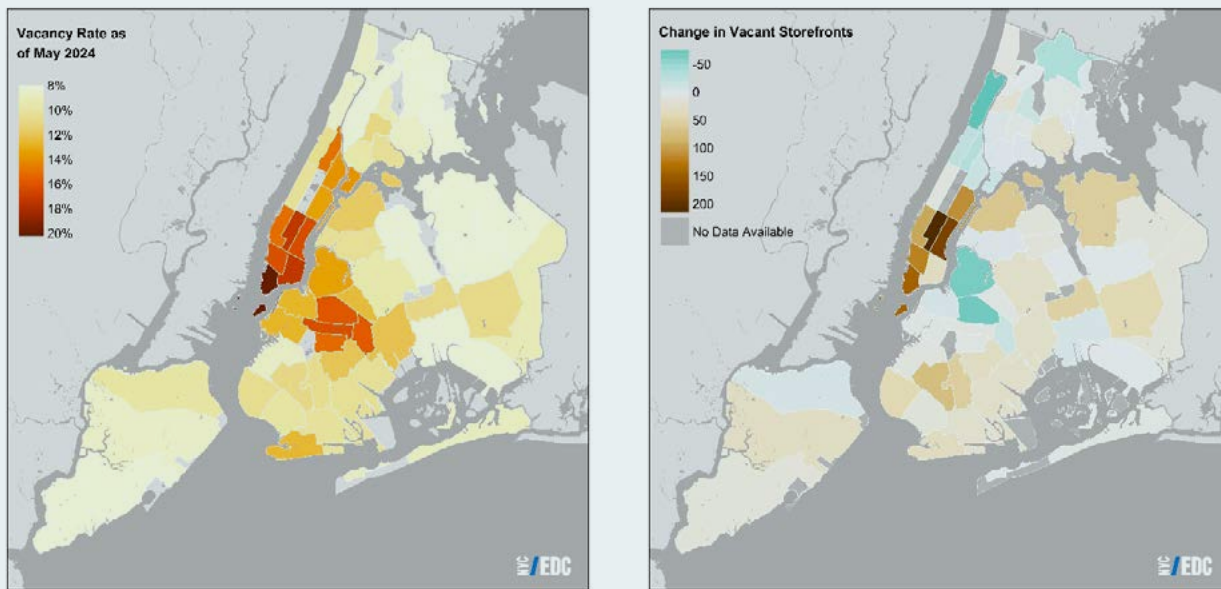
Due to the shifting shopping habits of consumers, from brick-and-mortar to e-commerce, we see some evidence that declines in Retail employment are somewhat offset by an increase in Warehousing jobs associated with last-mile delivery of e-commerce packages. From 2019 to 2023, the New York City economy shed about 43,000 Retail jobs while adding about 10,000 Warehousing workers, or to put it another way, for every four Retail jobs lost in New York City, one Warehousing job is added.¹²⁶ Moreover, Warehousing jobs tend to pay lower wages compared to Retail. Median wages for full-time warehouse workers in New York City were roughly \$43,300, about 11% lower than the median wage of \$48,700.¹²⁷

Storefront Vacancy and Shift to Bars and Restaurants

As the pandemic has taken a toll on Retail sector employment and establishments in New York City, it has also affected the city's storefronts. Particularly in areas of Manhattan, where daytime populations have dropped due to remote and hybrid work, we have seen a significant increase in vacant storefronts. According to new data available from LiveXYZ and the City's Department of City Planning, there were roughly 16,200 vacant storefronts (11.3%) throughout the city in the second quarter of 2024.¹²⁸ In the first quarter of 2020, those same numbers were 15,300 and 10.5%, suggesting a net decrease of nearly 1,000 active storefronts since the pandemic began.

Storefront Vacancy Remains Elevated, Especially in Manhattan Business Districts

Storefront Vacancy as of May 2024 and Change in Total Vacancy Storefronts from 2019 to 2024



Source: Live XYZ

Despite this pandemic era increase in vacancy, recent trends show signs of improvements across much of the city. Between the third quarter of 2023 and the second quarter of 2024, overall vacancy in the city declined from 11.6% to 11.2%. By borough, the most notable decline occurred in Manhattan, the borough hit hardest by the pandemic, where vacancy declined from 15.7% to 14.5% over the same period.

One level below these topline numbers, we see evidence that the character of occupied storefronts in New York City is also shifting. As Retail storefronts have declined, bars and restaurants have grown, following a longer-term trend that has seen an explosion in these types of establishments in the city. Between 2009 and 2019, the number of bars and restaurants in the city grew from 16,500 to 23,800, and following a small decline during the height of the pandemic, this trend has continued: in 2023, there were about 24,000 bars and restaurants operating in city, a record high. This pandemic era growth is mirrored in the LiveXYZ storefront data, which shows a growth of 1,130 storefronts classified under Food and Drink. Meanwhile, the total number of dry goods Retail storefronts has fallen by roughly 2,000.

Activating the city's storefronts was one of the initiatives outlined by the "New" New York Panel. Among the policies designed to address this ambition are a new business portal, zoning changes via the City of Yes for Economic Opportunity plan that will make it easier for businesses to open and grow, and a new storefront startup competition.

A New Normal

Overall, the trends discussed in the section show that the pandemic only exacerbated a longer-term trend in the decline of brick-and-mortar Retail. Storefront vacancy spiked but is trending downward as growth in restaurants and bars continues to shift the character of New York City streets. As the city moves forward, these trends are unlikely to change. The same technology that allows us to work from home and shop online will continue to challenge commercial corridors in traditional business districts as well as traditional retailers while creating opportunities for business growth in boroughs outside Manhattan. Retail establishments and employment overall will likely continue to see moderate levels of decline, replaced by spaces that draw people to gather, to eat and drink, and to be entertained.

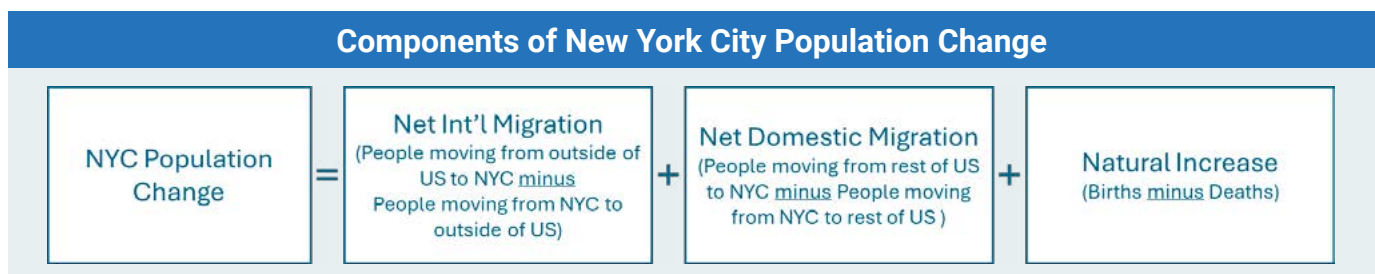


9

Population and Migration

New York City's population plays a crucial role in driving its economy due to the vast and diverse labor force it provides, as well as serving as the base for one of the largest consumer markets in the world. According to the US Census Bureau, New York's total population was 8,258,000 in July 2023. Overall, we see the city returning to pre-pandemic trends in population growth, and early evidence that 2024 may be an inflection point where the city begins to add residents again.

To better understand the population dynamics in New York City, it is helpful to break down the change in population into its component parts: net international migration, net domestic migration, and natural increase (i.e., births minus deaths).

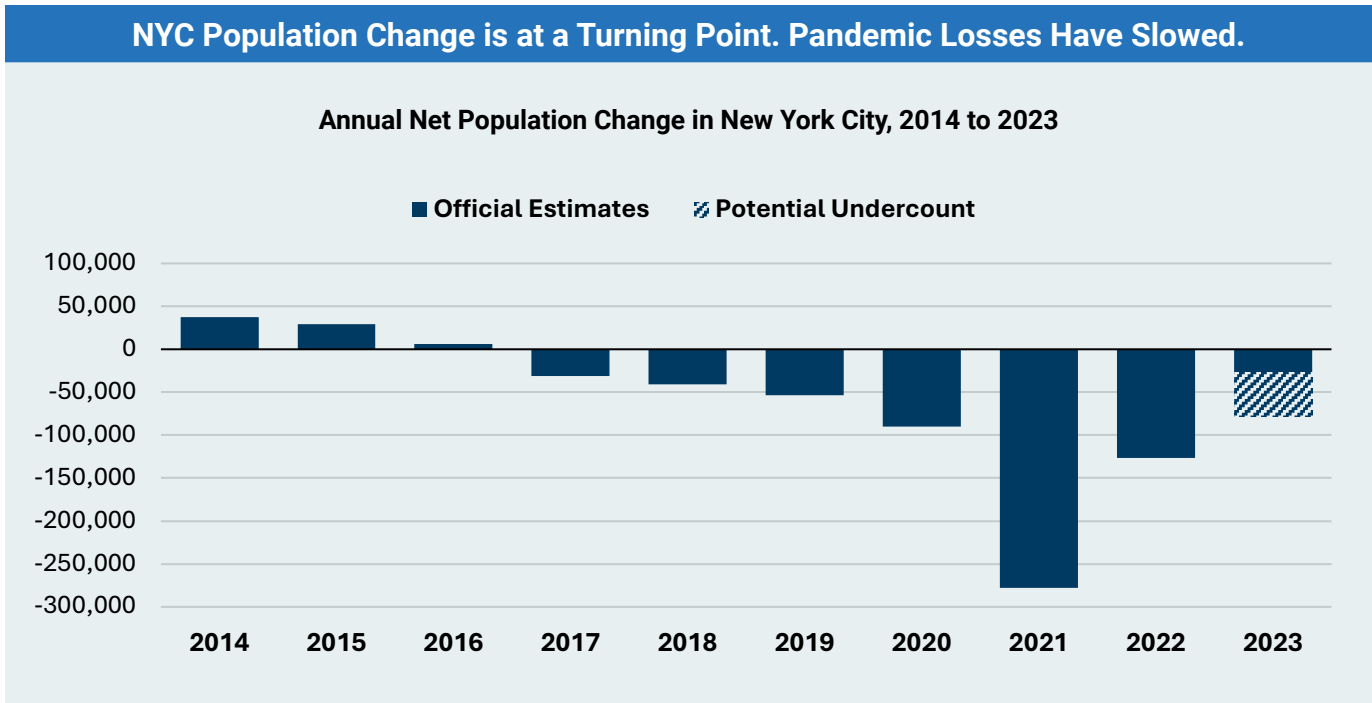


Net domestic migration has been negative in New York City since 1940, meaning more New Yorkers have moved to the rest of the country compared to people moving from the rest of the country to New York City for the past 80 years.

Population growth in New York City over the past 80 years has been driven by natural increase (i.e., births minus deaths) and by international immigration. From roughly 2004 to 2016, net international migration contributed about 60,000 net new residents to New York City per year. Over that same time frame, natural increase contributed about 65,000 net new residents to New York City per year.¹²⁹

The COVID-19 pandemic influenced all three components of population change, resulting in population loss. While the latest estimate from the US Census put New York City's total population at 8,258,000 in July 2023, this was a decline of 546,000 (6.2%) from the April 2020 census. The bulk of the losses were concentrated in the Bronx (-116K), Brooklyn (-175K), Queens (-153K), and Manhattan (-97K). Staten Island's population declined by just 5,000 over the same time period.¹³⁰

While this population loss is significant, there are signs of a change in fortunes for the city: 84% of the city’s population loss between July 2020 and July 2023 occurred in the first two years of the pandemic. The loss of 78,000 between July 2022 and July 2023 is the smallest loss the city has experienced since the pandemic began. Manhattan has even experienced population growth since 2021, adding 16,000 residents between 2021 and 2022 and an additional 3,000 residents between 2022 and 2023.¹³¹



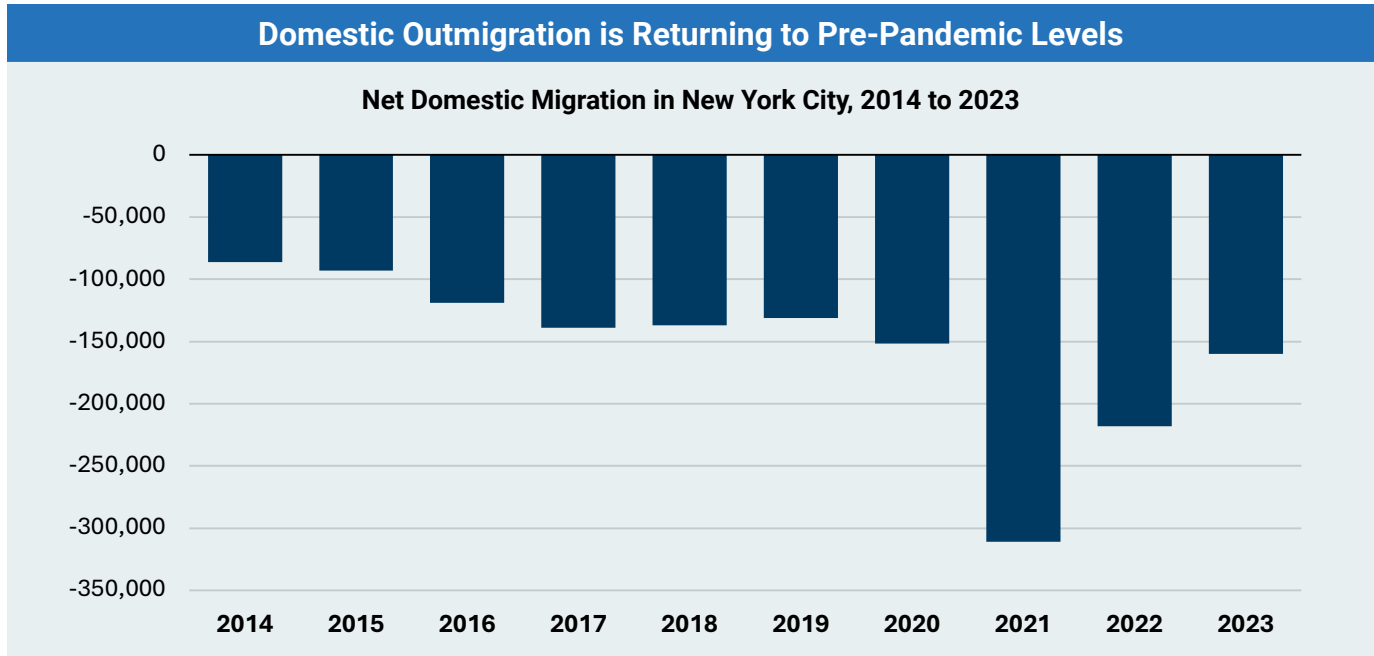
Note: Census population estimates are for July to June. The years here reflect the end of the Census period. For example, 2023 represents July 2022 to June 2023.

Source: US Census Bureau Population Estimates

The Population Division at the City’s Department of City Planning has stated that that Census Bureau has underestimated the city’s shelter population, obscuring a significant portion of the city’s overall population. While the Census Bureau’s “group quarters” population estimate increased by roughly 1,000 between 2022 and 2023, the city’s shelter population increased by more than 50,000 according to data from city agencies. If this discrepancy were factored into the overall population change, then the estimated decline from 2022 to 2023 would fall from 78,000 to roughly 25,000.¹³²

New York City’s experience of large losses at the beginning of the pandemic followed by smaller losses in subsequent years has been mirrored in other cities. Though New York City saw the largest population loss, Los Angeles, Chicago, and San Jose all experienced declines. On the other hand, Sun Belt cities including Houston, Dallas, San Antonio, and Phoenix, have experienced population growth.¹³³

Domestic outmigration experienced a sharp increase between 2020 and 2021, with New York City losing 300,000 residents on net to other parts of the country, a doubling of the loss of 150,000 net residents who moved to other parts of the country between 2019 and 2020. Net domestic outmigration returned to a more typical pre-pandemic level of -150,000 between 2022 and 2023. After a surge in individuals leaving the city in the first year of the pandemic, we have since seen a return to pre-pandemic patterns.¹³⁴



Note: Census population estimates are for July to June. The years here reflect the end of the Census period. For example, 2023 represents July 2022 to June 2023.

Source: US Census Bureau Population Estimates

At the same time, annual births and international net migration have both trended lower since 2000, reflecting broader demographic shifts in births, as well as policy-driven constraints in international immigration, particularly between 2016-2020. However, net international migration experienced a sharp increase in 2022, which was then maintained in 2023.¹³⁵

DCP further believes that population declines in the city have likely stopped: net domestic migration has returned to pre-pandemic levels and net international migration now exceeds pre-pandemic levels. At the same time, housing production in the city has increased, the housing vacancy rate has dropped, and rents have continued to increase; all signs suggesting that total households have increased while household size has likely remained the same.

We see further evidence that population declines have stopped or reversed when examining data from Placer.ai. Based on their estimates, which use cell phone mobility data, the city's negative net migration trend slowed significantly between 2022 and 2023 and has potentially been reduced further

in 2024. Per Placer, the city’s net domestic migration was about -50,000 in the 12 months ending June 2023 and just -30,000 in the 12 months ending June 2024. Placer’s estimates show that **fewer people are leaving the city—and more people are moving in—than at any point since the pandemic began.**

Nevertheless, thousands of people continue to move in and out of the city each month according to Placer’s data. Top cities for new arrivals include major east coast cities like Philadelphia, Washington, and Boston as well as college towns across the United States, with Ithaca, Ann Arbor, and Durham sending the most.¹³⁶ These findings provide evidence that New York continues to draw talent and be a place where young professionals want to live and work.

For out-migrants, top destinations are overwhelmingly within the New York metro, continuing the decades-long trend of suburbanization. In 2023, 41% of people moving out of the city remained in the New York metro, with nearby Jersey City, Yonkers, and Newark being top destinations. For those moving outside of the metro, the Miami, Philadelphia, Washington, Boston, and Los Angeles metros were top destinations.¹³⁷

New York Continues to Attract People from Across the Country. Those that are Leaving are Most Likely to go the Suburban Areas in the Metro.	
Top Destination and Origin Cities For New York City Domestic Migration, 2023	
Origin (In-Migration)	Destination (Out-Migration)
Philadelphia	Jersey City
Washington, DC	Yonkers
Boston	Philadelphia
Jersey City	Newark
Los Angeles	Boston

Source: Placer.ai

New York City’s Foreign-Born Population

New York’s rich history of immigration has for centuries been a source of innovation, entrepreneurship, and economic growth. And this tradition continues today. In 2022, more than 3 million residents of New York City were born outside of the United States. Representing nearly 37% of the city’s total population and 43% of the city’s labor force—a much higher share than the 14% and 17% seen nationally—immigrants are incredibly important to the city’s character and economy.

According to the US Census Bureau and the City’s Department of City and Regional Planning, net international migration was more than 126,000 between April 2020 and July 2023. That means

that 126,000 more immigrants arrived in New York City during the pandemic than left the city for a foreign destination. Along with natural increases from births, this net increase from immigration has traditionally helped to drive the city’s overall population growth.

Beyond the population in general, immigrants are incredibly important to the city’s economy. With a similar rate of labor force participation as the city’s native-born population (about 63% in 2022), foreign-born residents are more likely to work in construction, transportation and warehousing, and accommodation and food services.¹³⁸ While these workers are on average less likely to have a bachelor’s degree and earn lower wages, their industries of employment, skills, and wages remain incredibly diverse. In 2022, for example, just under half of all entrepreneurs in the city (48%) were foreign-born, higher than their share of the population (37%) and labor force (43%), further evidence that immigrants continue to drive innovation and economic growth. In 2018, the Mayor’s Office of Immigrant Affairs estimated that the foreign-born population contributed \$195 billion to the city’s Gross City Product, or about 22% of the city’s total GCP.

Attracting Young Talent

Though overall domestic migration in New York City is almost always negative—as more people leave the city each year than arrive from other parts of the country—one area where we know New York City excels is attracting young talent. New York City is the top destination for recent college graduates. According to data from Lightcast, which pulls from publicly available employee profiles, New York was the top destination for students graduating between 2021 and 2024. About 490,000 graduates from across the country ended up in New York, roughly twice as the number currently working in Los Angeles, the second highest destination.

NYC is the Top Destination for Recent College Graduates		
2021 to 2024 US College Graduates by City of Employment in 2024		
City of Employment	Recent Graduate Workers	Share of Total
New York, NY	490,300	5.7%
Los Angeles, CA	236,300	2.7%
Chicago, IL	218,600	2.5%
Boston, MA	179,800	2.1%
San Francisco, CA	158,900	1.8%
Houston, TX	134,700	1.6%
Atlanta, GA	133,600	1.6%

Source: Lightcast

This same data shows that the New York metro performs particularly well at student retention. About 47% of the 490,300 graduates working in New York City graduated from a New York City college or university.

Including graduates from 2014 to 2024 and expanding to look at the metro area, about two-thirds of graduates from the New York metro continued to work in the metro in 2024. Tied for first in this stickiness factor with Houston, New York City and the surrounding region are a magnet for college graduates, attracting educated workers from across the country and globe as well as retaining the students educated here.

Overall, we see the city as returning to pre-pandemic trends in population growth. Net domestic outmigration is likely to continue, with out-movers most likely to land in the suburbs surrounding New York City. Net international migration should continue to be a source of population growth in New York City, as well as the natural increase in the size of its resident population. While it's too soon to tell if the city's population is already growing again via official Census estimates, we believe we are close to an inflection point here in 2024.

Importantly, despite population decline from 2020 to 2023, total city tax revenues increased over the same period. New York City tax revenues totaled \$61.5 billion in 2019 and have increased each year since. In particular, property taxes, sales taxes, and income taxes (which together make up 80% of New York City tax revenue) all reached record highs in 2023. The growth in tax revenues is solid evidence against the idea that a commercial doom loop is impacting New York City.

That's not to say that the pandemic did not impact tax revenues. Sales tax revenues declined in 2020 and 2021 due to pandemic-related shutdowns and reduced tourism. Property taxes fell in 2022, and have since recovered. Personal income taxes continued to increase throughout 2020 to 2023, boosted by strong financial market performance in 2021. And corporate taxes also increased each year from 2020 to 2023. The net effect was that city tax revenues increased every year since 2019.¹³⁹

NYC Tax Revenue Continued to Experience Growth During the Pandemic and Recovery Periods					
Annual NYC Tax Revenues (\$B), 2019 to 2023					
Year	2019	2020	2021	2022	2023
NYC Tax Revenues (billions)	\$61.5	\$63.1	\$65.5	\$69.6	\$73.4
Growth		2.6%	3.9%	6.2%	5.5%

Source: NYCOMB Tax Revenue Forecasting Documentation, October 2024.

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Tourism

Economic Importance

New York City had 62.2 million visitors in 2023, over 80% of tourist visits were domestic, and over 80% of visits were for leisure. New York City is also the top destination for international tourism in the US, with the US Department of Commerce reporting nearly 9 million international visitors to NYC in 2023, more than double second place Miami.¹⁴⁰ The tourism sector is unsurprisingly an important part of the city's economy.

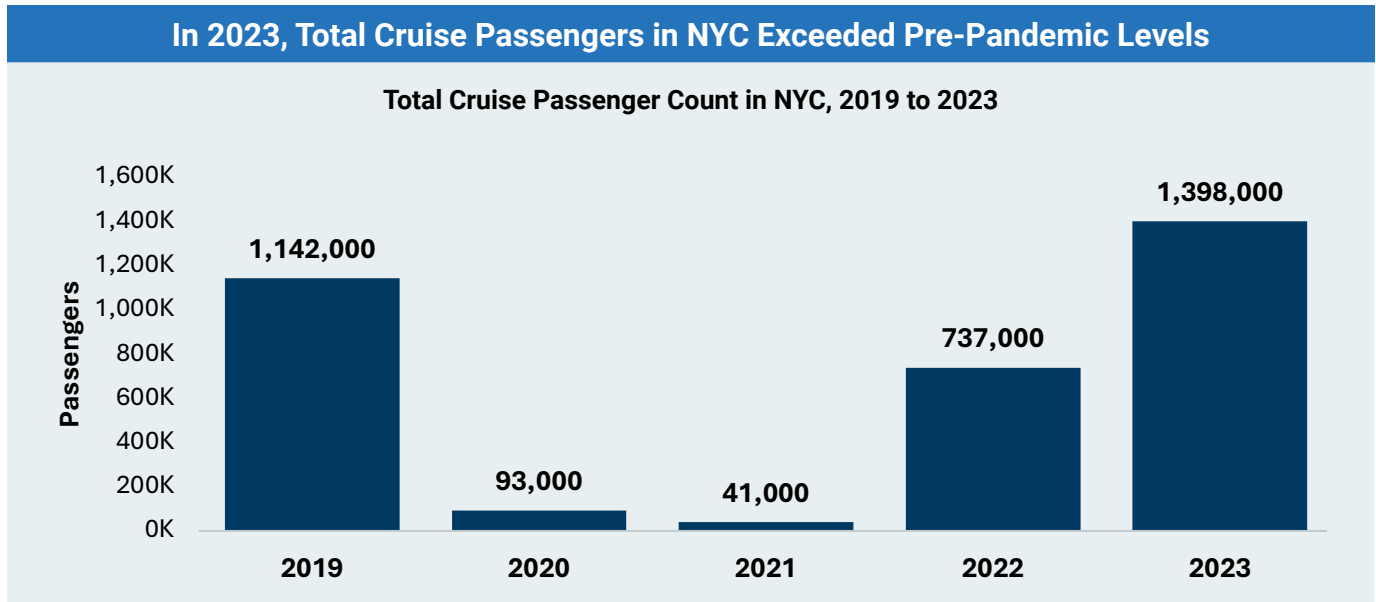
The city's tourism sector accounts for 483,000 jobs—one in eight jobs in NYC—and \$28.5 billion in wages as of 2023. Tourism employment in New York City fell by 60% during the COVID-19 pandemic, but had recovered to 93% of pre-COVID levels by Q3 2023 (compared to 98% for the private sector overall). 64% of tourism-related jobs are found within the restaurant sector; the next highest concentration of jobs is found in arts, entertainment, and recreation, with 18%.¹⁴¹

The total number of visitors grew again in 2024, reaching nearly 65 million, and a record 68 million visitors are expected in 2025. While just 386,000 people from China visited NYC in 2023, NYC Tourism and Conventions is forecasting Chinese tourism to increase to 676,000 in 2024.¹⁴² This will be aided in part by a September 2023 agreement through which the US and Chinese governments agreed to double the number of weekly flights between the two countries.

Transportation

New York City's regional airports have seen passenger counts nearly recover to pre-pandemic levels for both domestic and international flights. The share of leisure trips increased by 3 percentage points from 2019 to 2023. While the share of international travelers fell from 34% in 2019 to 27% in 2020, the share had recovered to 33% by 2023.¹⁴³

Cruises have seen an even stronger recovery, as cruise ridership now far surpasses pre-pandemic levels. Total cruise ridership was 1.4 million in 2023, compared to 1.1 million in 2019. The cruise industry has an annual economic impact of over \$16 billion in NYC.¹⁴⁴



Source: NYCEDC Asset Management

Accommodations

One way to maintain the growth of tourism is to try to ensure that there are enough hotel rooms in the city to meet demand. Hotel inventory has grown steadily since 2010. Most of the growth took place prior to the pandemic—44,000 units were added between January 2010 and January 2020.¹⁴⁵ The Citywide Hotel Special Permit became law in December 2021, adding more requirements for approval of hotel developments, including approval by the City Council. Since then, only 5,000 rooms have been added, with much of the new development coming in the form of projects either exempt from the new law or grandfathered into the old rules.

The Brooklyn-Queens waterfront has seen the strongest inventory growth of any part of the city since 2010, with an increase of 265% during that period. Although further development is likely to be constrained by the Special Permit, the Brooklyn-Queens Waterfront now accounts for 8% of the city's total hotel inventory. Nevertheless, the majority of the city's hotel inventory is still in Manhattan—Midtown holds the largest share, at 58%, followed by Soho, Tribeca, and Greenwich Village with 9%.¹⁴⁶

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Conclusion

The data and analysis in this report are clear: New York City's economy is strong, with record jobs and labor force participation in 2024. There has been incredible growth in our innovation industries—Life Sciences, the Green Economy, Tech and Applied AI—and our city is the top destination for young talent in the country. New York City continues to attract business, investment, and tourism from around the world. While the city faces challenges like housing affordability and economic disparities between our communities, New York City has taken concrete actions to move toward a more fair, more affordable city.

As the entity charged with driving New York City's economic growth, it is important that we understand the economic trends in New York City. In this Annual State of the Economy report and in our Monthly Economic Snapshot, we track and analyze a wide range of metrics. By examining objective data across diverse sectors, we can uncover trends that impact employment, business growth, and investment. NYCEDC can better develop data-informed interventions that deliver on our mission: growing innovation sectors with a focus on equity, delivering sustainable infrastructure, strengthening business confidence, and building neighborhoods where people can live, learn, work, and play.

By committing to an annual report on the State of the New York City Economy, we hope to inform policymakers, business leaders, researchers, and other stakeholders in the city's economy about the bright spots and challenges facing New York City as we build an economy that works for all.

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Benchmarking New York City: A Comparative Analysis of Global Cities and Other Major US Cities

New York City holds an important position both within the United States and on the global stage. As a global financial center, cultural hub, and driver of innovation, it is often used as a benchmark against which other cities are measured.

A comparative analysis of cities is an objective tool for evaluating key trends. By relying on quantitative metrics, we can move beyond anecdotal evidence to develop a more accurate picture of New York City's economic performance. This approach enables us to make unbiased assessments of how New York City measures up against domestic and international counterpart cities. A comparative analysis also allows us to identify shared challenges among major cities, from rising prices over the past four years, to elevated office vacancy rates, to the relative unaffordability of housing in many cities.

For the global cities comparison, we rely heavily on the Oxford Economics Global Cities Index. This index allows for “apples-to-apples” comparisons, which is helpful since individual

countries have their own individual ways of presenting similar data. The Global Cities Index ranks cities on a number of metrics, and we have selected 14 of their metrics for the basis of this analysis. We also selected 9 other global cities to compare against, covering Europe, Asia, the Middle East, and Australia.

New York City leads on both the size of the economy, as well as per-capita gross city product (GCP). However, the largest economies (New York, Tokyo, London, and Paris) are also the slowest growing, trailing Asian and Middle East megacities like Beijing, Shanghai, and Dubai. New York City is in the middle of the pack for job growth, outpacing Tokyo and Beijing, but trailing London and Paris.

New York City ranks ninth on economic diversity, ahead of London, another global financial hub. But the Asian financial hubs of Tokyo and Singapore are more economically diverse, with Tokyo having strong automotive and electronics sectors, and Singapore as a major global shipping and logistics sector.

New York City ranks well on both universities (fifth) and corporate headquarters (third), reflecting a desire for institutions and businesses to locate here. Only Beijing and Tokyo are ahead of New York City on both metrics, reflecting the consolidated activity for China and Japan within those two cities. New York City is in the middle of the road on its foreign-born populations, where, Dubai leads with 92% of its population being expatriates.

Despite having relatively high levels of income inequality and facing a housing affordability crisis, New York City ranks third among megacities for housing expenditure.

New York City ranks highly on environmental indicators, leading megacities in air quality and ranking fourth on emissions intensity. Asian and Middle East megacities fare the worst on these metrics.

Global City Comparisons using 2023 Oxford Economics Global Cities Data

Indicator	New York	London	Tokyo	Paris	Hong Kong	Singapore	Shanghai	Beijing	Dubai	Sydney
GCP	1	3	2	4	9	7	5	6	10	8
GCP Growth	9	8	10	7	5	4	2	1	3	6
GCP Per Capita	1	2	7	4	6	3	9	10	8	5
Job Growth	5	3	7	4	6	9	8	10	2	1
Economic Diversity	9	10	3	6	5	1	8	7	2	4
Population Growth	4	3	7	6	8	2	9	10	5	1
Universities	5	1	2	3	8	9	6	4	9	7
Corporate HQs	3	4	1	5	6	8	7	2	10	9
Foreign Born Population	5	4	8	6	3	7	10	9	1	2
Income Inequality	8	6	1	2	7	4	10	9	5	3
Housing Expenditure	3	9	8	7	2	1	4	5	10	6
Recreation & Cultural Sites	4	3	7	1	8	5	10	9	6	2
Air Quality	1	4	3	2	6	10	7	8	9	5
Emissions Intensity	4	1	7	2	3	6	9	8	10	5

Source: © Oxford Economics Limited 2024

For comparing New York City to other US cities, we examine 15 metrics for the New York City metro areas, 12 other major metro areas, and the US overall. Having the US overall as a comparison point is helpful, as many cities faced similar challenges during the pandemic. Moreover, jobs in cities tend to pay higher wages but also tend to have higher housing costs.

Unsurprisingly, the New York City metro area stands out in terms of scale; the NYC metro area is home to 10.2 million jobs. To put it another way, one out of every 15 jobs in the US is located in the NYC metro area. The NYC metro area has also added more than 120,000 jobs over the past year, or about 50% more than any other metro area. New York City ranks second in Venture Capital funding behind the San Francisco metro area, and fourth in average wages behind San Francisco, Seattle, and Boston. And while office vacancy rates in New York City were 17% in 2023, that's lower than the US national average vacancy rate of 22% (and lower than all other major metro areas except Atlanta and Miami).

While Sun Belt metro areas (Houston, Dallas, Atlanta, and Miami) have experienced strong population growth and strong job growth, Sun Belt metro residents have also experienced higher inflation than either the US overall or New York City, as prices over the past

five years have increased 29% in both Miami and Atlanta, and 25% in Dallas (compared to 20% in the New York City metro area and 23% in the US). Moreover, many of these Sun Belt metros struggle with housing affordability challenges. Comparing the monthly average wage in each city with the median rent paid, Miami (28% of average wages needed to pay median rent), Atlanta (25% of average wages needed to pay median rent), and Dallas (23% of average wages needed to pay median rent) all fare worse than the New York City metro area (where 21% of average wages are needed to pay median rent, lower than the 22% needed in the US).

Many major cities have not yet recovered to pre-pandemic levels of either population or jobs. The New York City metro area had 2.9% fewer residents in July 2023 than it did in April 2020, similar to Los Angeles (-3.0%) but better than San Francisco (-3.8%). In terms of jobs, San Francisco (-2.0%) and Boston (-0.8%) are the farthest from recovering to pre-pandemic employment levels, but Los Angeles and Detroit are also yet to recover. The New York City metro area has about 1.5% more jobs than it did before the pandemic, similar to Seattle, but behind cities like Dallas (+10.9%), Miami (+7.9%), Houston (+7.4%), Atlanta (+7.1%), and Philadelphia (+4.1%).

US Metropolitan Area Comparisons

Indicator	US Overall	New York	Los Angeles	Chicago	Dallas	Houston	Atlanta	Washington DC	Philadelphia	Miami	Boston	San Francisco	Detroit	Seattle
Population, July 2023 (in millions)	334,914,895	19,498,249	12,799,100	9,262,825	8,100,037	7,510,253	6,307,261	6,304,975	6,246,160	6,183,199	4,919,179	4,566,961	4,342,304	4,044,837
Population Growth, April 2020 - July 2023	1.0%	-2.9%	-3.0%	-2.0%	6.1%	5.0%	3.3%	0.4%	0.0%	0.7%	-0.5%	-3.8%	-1.1%	0.6%
Total Jobs, June 2024 (#, thousands)	158,609	10,213	6,305	4,783	4,278	3,435	3,101	3,410	3,127	2,976	2,829	2,473	2,047	2,155
Job Growth, Pre-Pandemic to June 2024 (%)	4.1%	1.5%	-0.2%	0.1%	10.9%	7.4%	7.1%	0.8%	4.1%	7.9%	-0.8%	-2.0%	-0.2%	1.5%
Job Growth, June 2023 - June 2024 (%)	1.6%	1.2%	1.3%	0.0%	1.5%	2.3%	1.2%	0.9%	2.0%	2.5%	0.7%	0.2%	0.4%	1.2%
Job Growth, June 2023 - June 2024 (#, thousands)	2518.0	120.8	84.0	1.2	64.0	78.0	37.0	29.2	61.1	72.7	19.9	6.2	7.3	25.0
CPI Inflation, June 2019 - June 2024	22.7%	20.1%	21.1%	21.3%	25.5%	19.5%	28.8%	19.3%	22.0%	28.9%	19.6%	18.9%	25.7%	27.3%
CPI Inflation, June 2023 - June 2024	3.0%	4.2%	3.2%	3.0%	4.1%	2.1%	2.6%	3.7%	3.6%	3.5%	3.5%	3.2%	3.4%	3.8%
Office Vacancy Rate	22.1%	17.0%	27.7%	23.1%	25.1%	26.2%	11.7%	22.2%	19.2%	15.8%	22.3%	33.7%	19.6%	21.9%
Average Wages, 2023	\$72,357	\$95,375	\$79,915	\$77,756	\$77,530	\$79,782	\$75,073	\$94,888	\$75,764	\$72,788	\$98,850	\$128,453	\$72,252	\$106,059
Average Wage Growth, 2019-2023	22.2%	18.7%	20.2%	20.2%	21.0%	16.1%	21.7%	20.1%	17.5%	30.1%	20.4%	25.8%	18.8%	27.8%
Median Rent Paid, 2023	\$1,300	\$1,685	\$1,887	\$1,294	\$1,467	\$1,317	\$1,549	\$1,864	\$1,358	\$1,712	\$1,859	\$2,300	\$1,121	\$1,848
Average Asking Rent, June 2023 - June 2024	\$2,034	\$3,434	\$2,961	\$2,055	\$1,844	\$1,729	\$1,934	\$2,418	\$1,847	\$2,780	\$3,034	\$3,094	\$1,446	\$2,266
Average Rent Growth vs. Previous 12 Months (%)	3.4%	3.9%	2.3%	5.5%	0.5%	2.4%	0.5%	4.3%	3.7%	2.6%	5.5%	0.4%	3.7%	2.3%
Venture Capital, 2023 (\$, billions)	\$165.9	\$19.1	\$11.4	\$2.8	\$1.1	\$1.6	\$1.6	\$5.2	\$2.4	\$1.9	\$15.1	\$56.9	\$0.8	\$3.0

Sources: Census Bureau; Current Employment Statistics; Consumer Price Index; JLL; Quarterly Census of Employment and Wages; Zillow; Pitchbook

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Endnotes

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- ¹¹⁷ <https://www.wsj.com/articles/as-americans-work-from-home-europeans-and-asians-head-back-to-the-office-db6981e1>
- ¹¹⁸ Newmark
- ¹¹⁹ CoStar
- ¹²⁰ Moody's
- ¹²¹ Bloomberg
- ¹²² Tax Policy Center, The Future of Commercial Real Estate And Big City Budgets, August 2023
- ¹²³ NYCEDC analysis of NYC OMB and RPAD data
- ¹²⁴ Mastercard Daily Transactions Data. NYCEDC uses an indexed version of this data to analyze trends in consumer spending across the city. Daily and zip code level data are indexed to average regional spending in 2018.
- ¹²⁵ NYSDOL Quarterly Census of Employment and Wages (QCEW)
- ¹²⁶ QCEW from NYSDOL
- ¹²⁷ American Community Survey 1-Year Estimates 2022.
- ¹²⁸ "Storefront Activity in NYC Neighborhoods." NYC Department of City Planning. November 2024. https://www.nyc.gov/assets/planning/download/pdf/planning-level/housing-economy/nyc_dcp_storefront_report_1024.pdf
- ¹²⁹ "New York City's Current Population Estimates and Trends". NYC Department of City Planning Population Division. Updated June 2024.
- ¹³⁰ U.S. Census Bureau
- ¹³¹ U.S. Census Bureau
- ¹³² NYC Department of City Planning
- ¹³³ US Census Bureau
- ¹³⁴ US Census Bureau; NYC Department of City Planning
- ¹³⁵ US Census Bureau; NYC Department of City Planning
- ¹³⁶ Placer.ai
- ¹³⁷ Placer.ai
- ¹³⁸ US Census Bureau, American Community Survey
- ¹³⁹ NYC Office of Management and Budget. Tax Revenue Forecasting Documentation. October 2024. <https://www.nyc.gov/assets/omb/downloads/pdf/tax/methodology-2024-11.pdf>
- ¹⁴⁰ <https://www.trade.gov/us-states-cities-visited-overseas-travelers>
- ¹⁴¹ Quarterly Census of Employment and Wages
- ¹⁴² NYC Tourism and Conventions
- ¹⁴³ Port Authority NY NJ
- ¹⁴⁴ NYCEDC analysis
- ¹⁴⁵ CoStar
- ¹⁴⁶ CoStar





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