



# SPECIAL DATA RELEASE

## OUT OF REACH 2019

HUDSON VALLEY  
PATTERN  
for  
PROGRESS

### Renters' wage rates are not keeping up with housing costs

Hudson Valley Pattern for Progress and its Center for Housing Solutions have been analyzing rental housing and wage data for many years and providing statistics and trends to help communities, developers, builders and non-profit agencies plan and construct housing that is affordable in the Hudson Valley region. These latest statistics show further proof of the need for additional affordable housing in every county in the Hudson Valley. The **National Low Income Housing Coalition (NLIHC)** released its annual "Out of Reach" report on June 18, 2019. Based on this data, Pattern for Progress provides an analysis of the affordability of rental housing in every county in the Hudson Valley region.

The demand for rental units in the Hudson Valley is high, especially affordable rental units. The rental vacancy rate in a vast majority of market rate apartment complexes is under 5%, and affordable housing complexes all have waiting lists ranging from two years to as long as five years.

According to the "Out of Reach" 2019 report, renter wage rates in Greene and Rockland counties are lower than in 2014. However, wages in seven out of nine counties have improved since 2014. Putnam and Sullivan County show the largest increase in wage rates for renters at 35.9% and 22.7%. Greene County has shown a continual decline since 2014.

#### Renter Hourly Wage Rate: 2014 - 2019

County	2014	2015	2016	2017	2018	2019	\$ change 2014 to 2019	% change 2014 to 2019
Columbia	\$10.67	\$10.48	\$10.19	\$10.27	\$10.33	\$11.08	\$0.41	3.8%
Dutchess	\$12.63	\$12.59	\$12.53	\$12.84	\$13.41	\$13.72	\$1.09	8.6%
Greene	\$10.03	\$9.70	\$9.68	\$9.06	\$8.80	\$8.70	(\$1.33)	-13.3%
Orange	\$9.58	\$9.55	\$9.65	\$10.22	\$10.53	\$11.10	\$1.52	15.9%
Putnam	\$9.10	\$9.35	\$8.67	\$10.17	\$11.19	\$12.37	\$3.27	35.9%
Rockland	\$12.25	\$12.02	\$11.47	\$11.90	\$11.13	\$10.98	(\$1.27)	-10.4%
Sullivan	\$9.21	\$9.59	\$10.02	\$10.42	\$10.45	\$11.30	\$2.09	22.7%
Ulster	\$9.20	\$9.54	\$9.26	\$9.41	\$9.64	\$10.35	\$1.15	12.5%
Westchester	\$17.29	\$17.57	\$17.81	\$18.25	\$18.38	\$19.01	\$1.72	9.9%

Source: NLIHC Out of Reach 2019; Special Note on Methodology: In the case where the renter wage rate is lower than the minimum wage it is likely due to the average number of hours worked per week is fewer than 40. The mean renter wage calculation assumes that weekly compensation is the product of a full-time week. For example, mistakenly assuming earnings from 20 hours of work were the product of a full-time workweek would underestimate the actual hourly wage by half, but it would still accurately reflect the true earnings.

#### Renter Hourly Wage Rate: 2018 - 2019

County	2018	2019	\$ change 2018 to 2019	% change 2018 to 2019
Columbia	\$10.33	\$11.08	\$0.75	7.3%
Dutchess	\$13.41	\$13.72	\$0.31	2.3%
Greene	\$8.80	\$8.70	(\$0.10)	-1.1%
Orange	\$10.53	\$11.10	\$0.57	5.4%
Putnam	\$11.19	\$12.37	\$1.18	10.5%
Rockland	\$11.13	\$10.98	(\$0.15)	-1.3%
Sullivan	\$10.45	\$11.30	\$0.85	8.1%
Ulster	\$9.64	\$10.35	\$0.71	7.4%
Westchester	\$18.38	\$19.01	\$0.63	3.4%

In a year-over-year comparison from 2018 to 2019, renter hourly wage rates have declined in Greene and Rockland County by 1.1% and 1.3%, respectively. All other counties show an increase in wage rates with Putnam County having the largest jump of 10%.

The rise in wage rates is welcome news for renters. However, as the following charts indicate, the gap in monthly housing costs for renters still remains very high.

The 2BR Fair Market Rent (FMR) from 2018 to 2019 has declined only in Columbia County, by a mere \$15. All other counties show an increase, with Westchester showing the largest jump of \$88 per month, or 5.2%. When comparing renter wage rates against fair market rents, the data shows a decline in wage rates in both Greene (-1.1%) and Rockland (-1.3%) counties, while the monthly rent increased by 4.2% and 2.3%, respectively. Renter wage rates show a larger increase than the fair market rents, but the affordability gap remains extremely high.

County	2BR FMR FY 2018	2BR FMR FY 2019	\$ change 2018 - 2019	% change 2018 - 2019
Columbia	\$951	\$936	-\$15	-1.6%
Dutchess	\$1,321	\$1,346	\$25	1.9%
Greene	\$918	\$957	\$39	4.2%
Orange	\$1,321	\$1,346	\$25	1.9%
Putnam	\$1,789	\$1,831	\$42	2.3%
Rockland	\$1,789	\$1,831	\$42	2.3%
Sullivan	\$948	\$964	\$16	1.7%
Ulster	\$1,155	\$1,210	\$55	4.8%
Westchester	\$1,687	\$1,775	\$88	5.2%

County	2BR FMR FY 2019	Hourly Wage to Afford 2BR FMR	Annual Wage to Afford 2BR FMR	Hourly Renter Wage Rate	# hrs/wk @ Renter Wage Rate needed to Afford 2BR FMR	Monthly Rent Affordable at Renter Wage Rate	Monthly Gap in Rent 2019
Columbia	\$936	\$18.00	\$37,440	\$11.08	65	\$576	-\$360
Dutchess	\$1,346	\$25.88	\$53,840	\$13.72	75	\$714	-\$632
Greene	\$957	\$18.40	\$38,280	\$8.70	85	\$453	-\$504
Orange	\$1,346	\$25.88	\$53,840	\$11.10	93	\$577	-\$769
Putnam	\$1,831	\$35.21	\$73,240	\$12.37	114	\$643	-\$1,188
Rockland	\$1,831	\$35.21	\$73,240	\$10.98	128	\$571	-\$1,260
Sullivan	\$964	\$18.54	\$38,560	\$11.30	66	\$588	-\$376
Ulster	\$1,210	\$23.27	\$48,400	\$10.35	90	\$538	-\$672
Westchester	\$1,775	\$34.13	\$71,000	\$19.01	72	\$989	-\$786

The "Out of Reach" data for 2019 continues to show tremendous disparity in rental costs in the Hudson Valley vs. the ability to pay. Rockland and Putnam County show the largest affordability gap per month, while Columbia and Sullivan have the smallest gap at just under \$400 per month. The average monthly gap in the Hudson Valley is \$727 per month. This data clearly point to the tremendous need for additional affordable rental housing for the workforce in the Hudson Valley. The NY Metropolitan Area, of which Putnam and Rockland are a part, according to HUD, is the 2<sup>nd</sup> most expensive areas in the state, while Westchester County is the 3<sup>rd</sup> most expensive.

County	Change in the Monthly Rent Gap			
	Monthly Rent Gap 2018	Monthly Rent Gap 2019	\$ change 2018 to 2019	% change 2018 to 2019
Columbia	\$414	\$360	-\$54	-13.0%
Dutchess	\$623	\$632	\$9	1.4%
Greene	\$460	\$504	\$44	9.6%
Orange	\$773	\$769	-\$4	-0.5%
Putnam	\$1,207	\$1,188	-\$19	-1.6%
Rockland	\$1,210	\$1,260	\$50	4.1%
Sullivan	\$405	\$376	-\$29	-7.2%
Ulster	\$654	\$672	\$18	2.8%
Westchester	\$731	\$786	\$55	7.5%

The monthly rent gap continues to grow in Dutchess, Greene, Rockland, Ulster, and Westchester, while it has declined in Columbia, Orange, Putnam, and Sullivan declined from 2018 to 2019. Westchester shows the largest dollar increase and Greene County shows the largest percentage increase.

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