POVERTY TRACKER

CENTER ON POVERTY & SOCIAL POLICY at Columbia University

Columbia | CPRC Columbia Population Research Center

ROBIN HOOD

MONITORING POVERTY AND WELL-BEING IN NYC

Spotlight:

HOUSING AFFORDABILITY

and the threat of cuts to federal housing assistance programs

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INTRODUCTION

In 2023, the New York City poverty rate rose to 25%, with 100,000 more New Yorkers living in poverty than just a year earlier.[1] This increase was largely driven by the rapidly rising cost of basic necessities, including housing. Put differently, increasing prices and rents pushed New Yorkers into poverty. Anyone struggling to pay rent was also unlikely to find a more affordable apartment: the net vacancy rate for apartments renting for less than $2,400 per month was under 1% in 2023.[2] As rents continue to rise,[3] housing affordability remains a central economic challenge for New Yorkers, especially for lower-income renters who must juggle monthly rental payments with other necessary expenses on a constrained budget. While housing affordability is a widespread issue in the city, a variety of housing assistance programs[4] are also in place to help renters with the lowest incomes afford housing.

Federal, state, and local housing assistance programs reduce the strains associated with high housing costs and play a significant role in moving recipients out of poverty.

The largest are federally funded. This includes the New York City Housing Authority's public housing program and the Section 8 housing assistance programs, such as the Housing Choice Voucher Program. In 2023, an estimated 360,000 families in New York City received housing assistance from these federally-funded programs.[5] New York City is also one of the only localities with its own housing voucher program — the Family Homelessness and Eviction Prevention Supplement (CityFHEPS) — which provides rental assistance for more than 50,000 families in the city.[6,7] These programs support New Yorkers with the lowest incomes by ensuring that rent amounts to no more than 30% of household income and reducing their risk of poverty.

For those who receive it, housing assistance can ease the financial burdens associated with keeping a roof over one's head. However, these programs are not sufficiently funded to ensure that all New Yorkers who qualify receive support. The gap between funding and demand is substantial: at the end of 2023, more than 285,000 New York City families were on the waiting list for public housing or a Section 8 voucher.[8] Expanding access to housing assistance is a logical avenue for addressing poverty in the city and the housing affordability crisis. However, the limited housing assistance programs available in New York City today may

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[1] *Poverty Tracker Research Group at Columbia University, "The state of poverty and disadvantage in New York City, volume 7."*

[2] *Gaumer, "The 2023 New York City Housing and Vacancy Survey: Selected initial findings."*

[3] *U.S. Bureau of Labor Statistics, "Consumer Price Index for all urban consumers: rent of primary residence in New York-Newark-Jersey City, NY-NJ-PA (CBSA)."*

[4] *In this report, we use the term "housing assistance programs" to refer to federally, state, and locally supported programs that either provide rent subsidies (e.g., the Housing Choice Voucher Program) or more affordable housing units (e.g., NYCHA public housing units). See section 2 of this report for a more detailed summary of these programs.*

[5] *NYU Furman Center, "Federal housing programs in New York City."*

[6] *Campion, "CityFHEPS hits 1 billion."*

[7] *The recently passed New York State budget also includes $50 million to fund a pilot housing assistance program (the Housing Access Voucher Program, or HVAP). The state also funds the Mitchell-Lama program, which subsidizes affordable rental apartments to moderate- and middle-income families, as well as provides opportunities for cooperative homeownership.*

[8] *New York City Housing Authority, "NYCHA fact sheet 2024."*

face severe cuts this fall when Congress negotiates the discretionary budget. The proposals put forward in the President's budget — which will likely form the backbone of the budget negotiated by Congress in the fall — could reduce federal support for housing assistance programs such as public housing and Section 8 by an estimated 42%.[9] These potential cuts could further the city's housing affordability crisis and increase the number of New Yorkers living in poverty. However, it is important to note that these negotiations are still underway and funding decisions around these programs have not been finalized.

This spotlight leverages the wealth of data collected by the Poverty Tracker to highlight the issue of housing affordability in New York City, the benefits of housing assistance programs, and how cutting these programs could affect New Yorkers. We begin by examining high rates of rent burden across the city and how these vary by income level. We also explore acute experiences of housing hardships, like falling behind on rent, needing to double up, or staying in a shelter. Next, we assess the current impacts of housing assistance programs in the city, zeroing in on federally provided assistance, including Section 8 programs and NYCHA-administered public housing. We then provide a profile of those who could be affected by cuts to these programs, the hardships and health problems they already face, and consider how such cuts could further worsen their housing conditions and increase their risk of poverty.

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[9] Office of Management and Budget, "Discretionary budget recommendations FY2026." National Low-Income Housing Coalition, "President Trump releases "skinny" budget request foreshadowing historic cuts to HUD in full FY26 request."

KEY FINDINGS

69% OF RENTERS
LIVE IN POVERTY OR HAVE LOW INCOMES.

Most of New York City's renters are either **in poverty or have low incomes (69%)**, devoting a substantial portion of their incomes to rent.

2 MILLION NEW YORKERS
ARE RENT BURDENED

30%
INCOME

Roughly **2 million New Yorkers** are rent burdened, with more than **30% of their family income** devoted to rent. Renters in poverty are more than **nine times as likely to be rent burdened** than those living above 200% of the poverty line (**76% vs. 8%**).
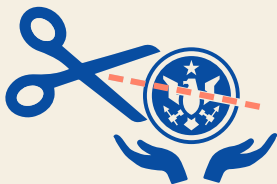
HOUSING ASSISTANCE LIFTS

150,000 NEW YORKERS

ABOVE THE POVERTY LINE

Federal, state, and local housing assistance programs reduce the strains associated with high housing costs and play a significant role in moving recipients out of poverty. Housing assistance programs reduce the poverty rate among recipients by roughly a third (from **55% to 37%**), lifting more than **150,000 New Yorkers** above the poverty line.
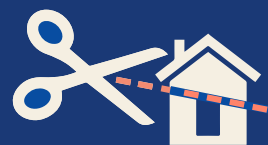
The consequences of federal cuts to housing assistance programs will be borne by New Yorkers already disproportionately facing severe financial challenges and health problems.

Beneficiaries of federal housing assistance programs are more likely to experience **all forms of material hardship than the average renter in the city**.

Close to half of current beneficiaries have a work-limiting health condition, more than twice the rate of the average renter (**44% vs 21%**).

Cuts to federal housing assistance programs could **increase the poverty rate among current beneficiaries by nearly 20%**, pushing **50,000 additional New Yorkers** below the poverty line. Such cuts could nearly double the share of current beneficiaries living in deep poverty (i.e., **below 50% of the poverty line**).

The population potentially affected by cuts to federal housing assistance will also be disproportionately affected by decreased funding for federal food assistance and health insurance programs. **More than half of federal housing assistance recipients in New York City receive either SNAP or Medicaid (55% and 54%, respectively).**

50,000 NEW YORKERS
BELOW POVERTY LINE

MORE THAN HALF
OF FEDERAL HOUSING ASSISTANCE RECIPIENTS

RECEIVE EITHER SNAP OR MEDICAID

ABOUT THE POVERTY TRACKER

Launched in 2012, the Poverty Tracker surveys a representative sample of New Yorkers several times throughout the year, providing critical information on the dynamics of poverty and other forms of disadvantage in the city. Unlike other surveys, the Poverty Tracker explores how New Yorkers experience poverty and material hardship over time, rather than in a single day, month, or year. In addition, the Poverty Tracker focuses on more than just income poverty; annually, the study collects data on other core measures of disadvantage, such as material hardships and health problems. We use these alternative measures to understand how certain forms of disadvantage, or multiple, overlapping forms of disadvantage, make it harder for New Yorkers to get by. The Poverty Tracker also collects data on other aspects related to New Yorkers' well-being, from asset and debt accumulation, to social service program utilization, to spending and consumption patterns, in order to form a better understanding of how New Yorkers are faring within the city.
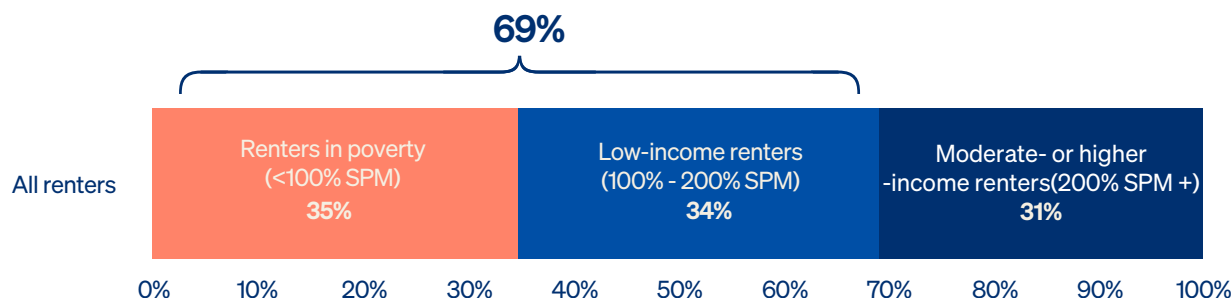
ABOUT THIS ANALYSIS

This analysis primarily utilizes annual Poverty Tracker data from 2023 to better understand housing affordability in New York City, renters' circumstances, and the role that housing assistance programs play in reducing poverty. Poverty Tracker surveys ask respondents detailed information about their housing circumstances, including whether they receive housing subsidies or live in government housing. Our sample consists of 2,812 renters in New York City, 693 respondents of whom receive any federal or local housing subsidy, and 481 who specifically receive either a Section 8 voucher or live in public housing administered by NYCHA. More details on how we determine respondents' housing arrangements, as well as how we estimate the value of respondents' housing assistance, can be found in Appendix A. Throughout this spotlight, poverty in New York City is measured using the Supplemental Poverty Measure (SPM).

How the city's housing affordability crisis is affecting New Yorkers in poverty and with low incomes

Most New Yorkers (62%) live in rental housing. Figure 1 suggests that many have limited financial resources, **as the substantial majority of renters in the city (69%) are either in poverty or have low incomes** (with low incomes defined as living between 100% and 200% of the poverty threshold). In 2023, the latest year for which we have data representative of the city's population, the poverty threshold was $33,004 for a single parent with one child and $47,191 for a two-adult, two-child family. The low-income thresholds (or 200% of the poverty threshold) for these family types were $66,008 and $94,382, respectively.

Figure 1

New York City renters by income level

69%

| All renters | Renters in poverty (<100% SPM) **35%** | Low-income renters (100% - 200% SPM) **34%** | Moderate- or higher -income renters(200% SPM +) **31%** |

0%   10%   20%   30%   40%   50%   60%   70%   80%   90%   100%

Source: Poverty Tracker annual survey data, 2023. Results are weighted using poverty-unit level weights and account for the number of people in each unit. In 2023, the Supplemental Poverty Measure (SPM) threshold for a two-adult, two-child family in rental housing was $47,191, and 200% of this threshold was $94,382.

Rents are taking up a substantial share of renters' incomes. Overall, 2 in 5 (40%) of the city's renters are rent-burdened, defined as spending more than 30% of their income on rent, and nearly 1 in 5 (19%) are severely rent burdened, with rent amounting to more than 50% of their incomes (Figure 2).[10] According to this definition, **2 million New Yorkers live in unaffordable apartments**. Experiences of rent burden are notably more common among New Yorkers with the lowest incomes. **New Yorkers in poverty are more than nine times as likely to be rent burdened as those living above 200% of the poverty line (76% vs. 8%), and low-income New Yorkers are five times as likely (40% vs. 8%).** Nearly all New Yorkers experiencing severe rent burden live in poverty. And while rent burden is defined as spending more than 30% of a family's income on rent, for rent-burdened New Yorkers in poverty, rent actually amounts to 72% of their income at the median.[11] As discussed further in the next section of this report, housing assistance programs are designed to protect beneficiaries from rent burden.

High rates of rent burden, especially severe rent burden, among New Yorkers in poverty are troubling. With the poverty threshold for a two-parent, two-child family in rental housing at $47,191, spending upwards of 30% (or even 50%) of resources on rent leaves little else available to spend on other necessities. Moreover, for the substantial share of rent-burdened New Yorkers in poverty, there are essentially no other affordable

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[10] *See Appendix A for additional information on how we identify rent-burdened New Yorkers.*
[11] *Poverty Tracker Research Group at Columbia University, "The state of poverty and disadvantage in New York City, volume 7."*

housing alternatives. As noted earlier, the city's vacancy rate for affordable apartments was less than 1% in 2023. In contrast, higher-income, rent-burdened New Yorkers living above 200% of the poverty line face a different landscape: according to the 2023 New York City Housing and Vacancy Survey, the vacancy rate for units renting for $2,400 per month or more, while still low, was 3.4% in 2023.[12]

Share of New York City renters who are rent burdened by income level
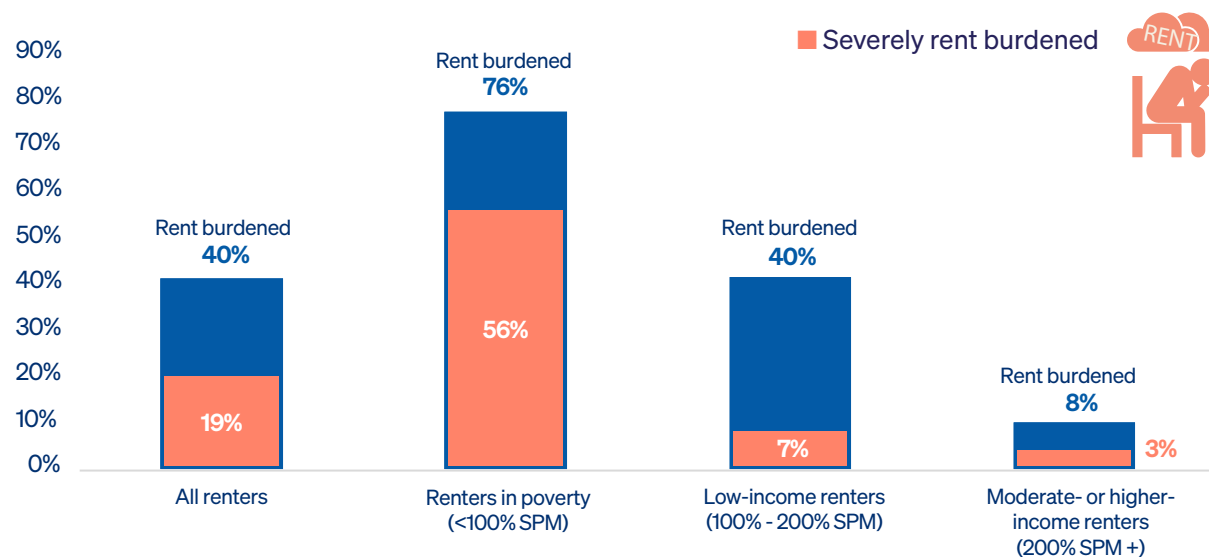
Note: Rent burden is defined as spending upwards of 30% of family income on rent. Severe rent burden is defined as spending upwards of 50% of family income on rent. Poverty is defined as living below 100% of the poverty threshold determined by the Supplemental Poverty Measure (SPM). Low-income is defined as living between 100% and 200% of this threshold, and moderate- or higher-income, as above 200% of this threshold.
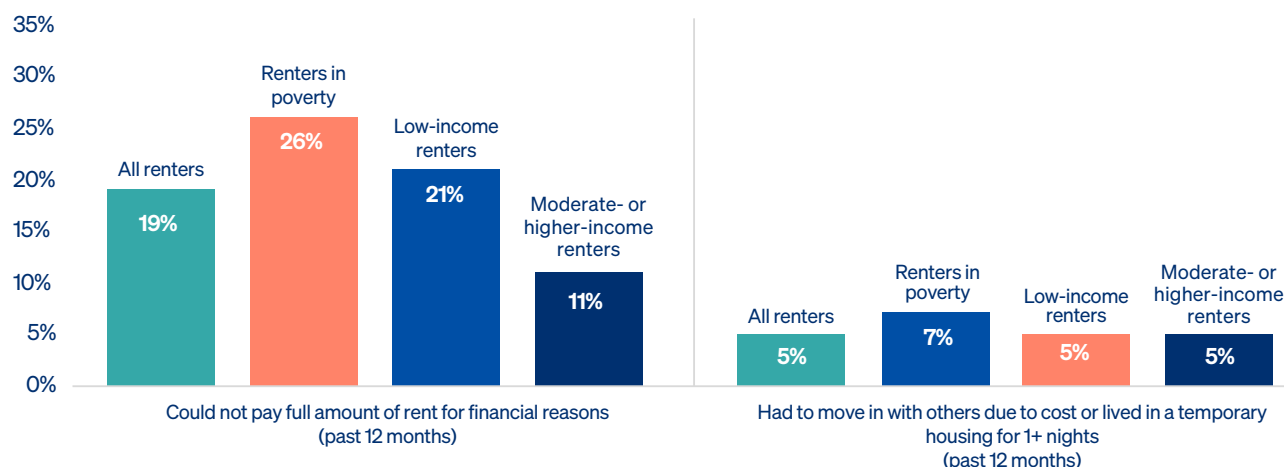
Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights, and account for the number of people in each unit.

The lack of affordable housing and high rates of rent burden mean that many New Yorkers cannot keep up with their rent and are at elevated risk of eviction or becoming unhoused. **In 2023, roughly 1 in 5 (19%) New Yorkers fell behind on rent because it was unaffordable (Figure 3). Falling behind was even more common among the lowest-income renters, with 1 in 4 (26%) renters in poverty reporting that they could not consistently afford their rent.** Renters living in poverty were also slightly more likely than those above the poverty line to have to move in with others because of costs or to stay in a shelter. These results suggest that many renters in the city, especially those with the lowest incomes, could greatly benefit from housing assistance programs that provide renters with more affordable housing options.

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[12] Gaumer, "The 2023 New York City Housing and Vacancy Survey: Selected initial findings."

Figure 3

Housing hardship among renters by income level

Note: Poverty is defined as living below 100% of the poverty threshold determined by the Supplemental Poverty Measure (SPM). Low-income is defined as living between 100% and 200% of this threshold, and moderate- or higher-income, as above 200% of this threshold.

Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights and account for the number of people in each unit.

The results discussed so far highlight how, in New York City, unaffordable rents create ongoing economic hardships for low-income renters and those in poverty. Various policy solutions are in place to mitigate these hardships, including federal, state, and locally funded housing assistance programs. Next, we explore the role that housing assistance programs play in reducing poverty and lowering housing costs among New Yorkers who benefit from them.

How housing assistance programs make housing more affordable and reduce poverty

There are a variety of housing assistance programs that New Yorkers may benefit from. Some of the largest are federally funded, including the Section 8 programs (such as the Housing Choice Voucher Program) and public housing, administered by NYCHA (see textbox). Many state and local housing assistance programs are also in place, including the Mitchell-Lama program and CityFHEPS rental assistance. Most housing assistance programs are designed to reduce rent burden by capping the rent contributions from their recipients at 30% of their incomes and subsidizing the remaining portion of their rent. However, high rates of rent burden persist in New York City because not all renters who are eligible for housing assistance receive it due to the limited availability of subsidies and affordable units. Still, housing assistance programs in the city serve many residents, and given the limited stock of affordable housing, they enable many of their recipients to reside in apartments they otherwise could not afford.

HOUSING ASSISTANCE PROGRAMS IDENTIFIED IN THE POVERTY TRACKER SURVEYS

→ **Section 8** comprises several federally funded rental assistance programs. This includes the Housing Choice Vouchers (HCVs) and Project-Based Vouchers (PBVs) programs, which provide housing vouchers to New Yorkers with extremely low incomes. Voucher recipients are expected to pay 30% of their household income towards rent, while the voucher covers the remaining rental payment. Section 8 also funds Project-Based Rental Assistance (PRBA) and the Permanent Affordability Commitment Together program (PACT).

→ **Public housing** is federally supported through Section 9, which provides funding for the upkeep and construction of publicly owned housing developments. In New York City, NYCHA administers public housing, and tenants do not pay more than 30% of their household income on rent.

→ **CityFHEPS** is a city-funded rental voucher program that helps individuals and families — primarily those living in shelter — find and keep housing.

→ **Senior citizen and disability housing assistance** are provided through various federal and local channels. Some examples are the Section 811 program for persons with disabilities, the Senior Citizen Rent Increase Exemption program (SCRIE), the Disability Rent Increase Exemption (DRIE), and the Senior Affordable Rent Apartments (SARA) program.

→ **The Mitchell-Lama program** is a New York State housing program that subsidizes the development of affordable housing units for middle-income families.

→ **Other housing assistance programs** for New York City residents include the Housing Opportunities for People with AIDS program (HOPWA), the HOME Investment Partnership Program, and more.

By increasing the resources available to recipients, housing assistance programs can substantially reduce the likelihood that they are living below the poverty line. With the Poverty Tracker data, we can examine how much these programs lower recipients' poverty rates and how many New Yorkers are lifted out of poverty as a result. Figure 4 shows poverty rates before and after accounting for housing assistance programs among recipients of the above-listed housing assistance programs, as well as among specific subgroups.[13] **Housing assistance programs reduce the poverty rate among recipients by roughly a third (from 55% to 37%), lifting more than 150,000 individuals above the poverty line.** The effects are similar in magnitude when looking specifically at the impact of NYCHA public housing, and even greater among recipients of Section 8 programs. **Section 8 assistance reduces the poverty rate of recipients by 34%, moving nearly 80,000 recipients out of poverty.[14]** Consistent with other data sources, the average incomes of Section 8 recipients in the Poverty Tracker are somewhat lower than those of NYCHA recipients, which is why their poverty rates are higher.

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[13] All results are representative of 2023. See Appendix A for details on how we estimate the value of housing assistance programs.

[14] Additional results for the anti-poverty impacts of housing subsidies, including citywide estimates, can be found in Appendix B.

Figure 4

Poverty rates with and without housing assistance
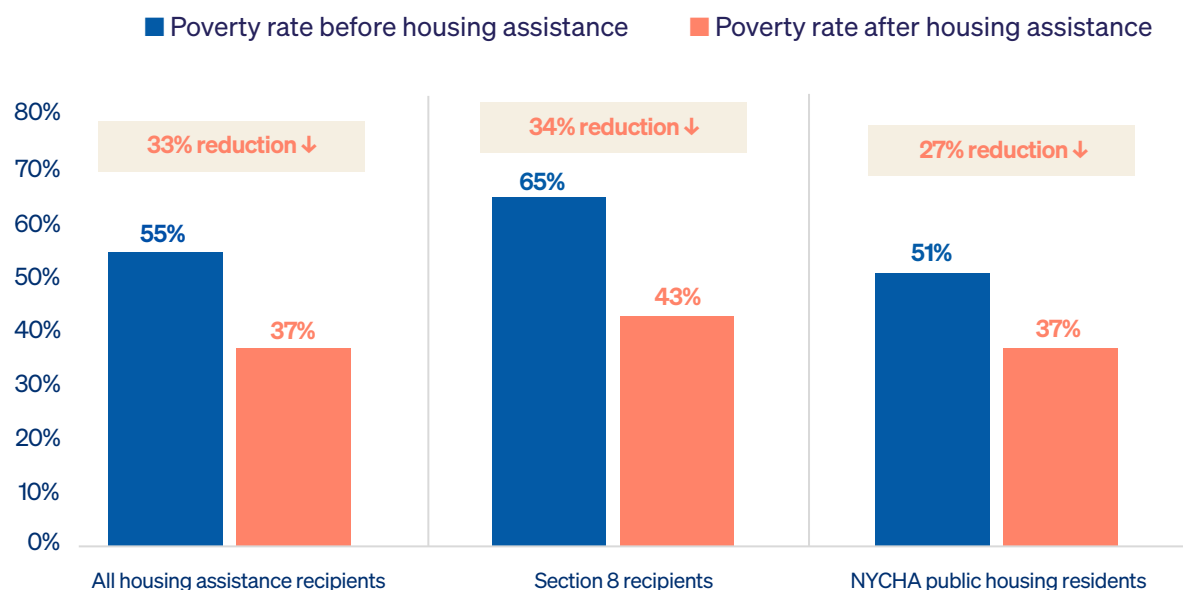
■ Poverty rate before housing assistance   ■ Poverty rate after housing assistance

Note: All housing assistance recipients include beneficiaries of Section 8 programs, CityFHEPS, and senior- or disability- specific rental assistance programs, as well as those residing in NYCHA-administered public housing or Mitchell-Lama developments. Poverty is defined as living below the poverty threshold, as defined by the Supplemental Poverty Measure (SPM). Poverty rates before housing assistance also account for other income transfers, including tax credits and in-kind transfers.
Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights and account for the number of people in each unit.
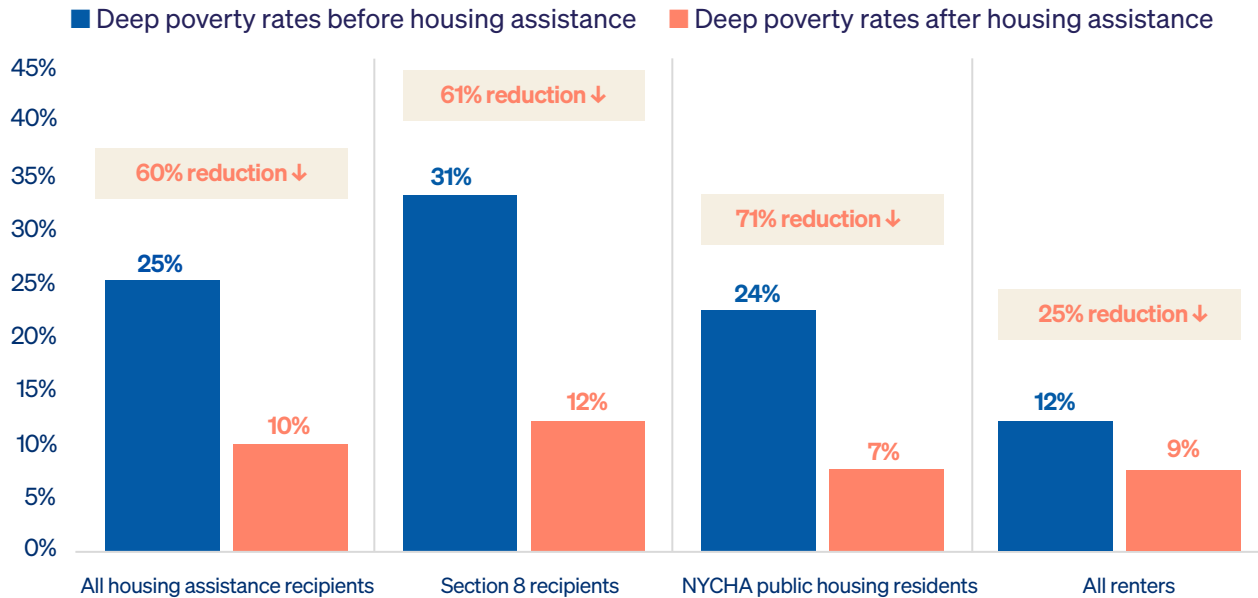
Housing assistance programs also significantly reduce the share of beneficiaries living in deep poverty, defined as living below 50% of the poverty threshold, or with less than $16,502 for a single parent with one child and $23,595 for a two-adult, two-child family in 2023.[15] Deep poverty represents a severe form of economic deprivation, and absent the resources from housing assistance, 1 in 4 beneficiaries of these programs are living below the deep poverty threshold (Figure 5). **Housing assistance programs reduce recipients' deep poverty rates by well more than half (60%), lifting roughly 140,000 recipients out of deep poverty. We find an even more substantial reduction for NYCHA residents, where housing assistance reduces the share of recipients living in deep poverty by 71% — from 24% to 7%. This translates to 60,000 NYCHA public housing residents moved out of deep poverty by this program.[16]**

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[15] These thresholds are specific to residents of rental housing.
[16] Additional results for the anti-poverty impacts of housing subsidies, including citywide estimates, can be found in Appendix B.

Figure 5

Deep poverty rates with and without housing assistance

■ Deep poverty rates before housing assistance   ■ Deep poverty rates after housing assistance

Note: All housing assistance recipients include beneficiaries of Section 8 programs, CityFHEPS, and senior- or disability- specific rental assistance programs, as well as those residing in NYCHA-administered public housing or Mitchell-Lama developments. Deep poverty is defined as living below 50% of the poverty threshold, as defined by the Supplemental Poverty Measure (SPM). Deep poverty rates before housing assistance account for other income transfers, including tax credits and in-kind transfers.
Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights and account for the number of people in each unit.

As seen above, housing assistance programs play a significant role in reducing poverty among recipients. Since these programs are rationed, and not available to all who are eligible, the effects of these programs among all renters are more muted.[17] While expanding the reach of housing assistance programs could help bring down the poverty rate citywide, federal budget discussions suggest the opposite: cuts to the funding for federal housing assistance programs are on the horizon. Below, we zero in on the city's Section 8 recipients and NYCHA public housing residents, who are left most vulnerable by cuts to federal housing assistance programs, and explore the potential adverse effects of these cuts and the disadvantages that these recipients already face.

The threat of cuts to federal housing assistance: Who could be affected, the economic challenges they already face, and how cuts could increase the risk of poverty

New York City receives roughly $7.2 billion in federal funding for housing assistance programs, both via direct funding and tax expenditures. Approximately $5.86 billion is received annually for the city's Section 8 programs (such as the Housing Choice and Project-Based Voucher programs and the Project Based Rental Assistance program) and Section 9 public housing (which funds NYCHA public housing).[18] The recent budget proposal released by the Trump Administration includes a plan to collapse these programs

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[17] *Additional results for the anti-poverty impacts of housing subsidies, including citywide estimates, can be found in Appendix B.*
[18] *NYU Furman Center, "Federal housing programs in New York City."*

into a single block-grant and cut their total funding by roughly 42%.[19] Such a block-grant would shift the responsibility of administering these funds from the federal government to states, which could further affect how the funds are then distributed to New York City.

The exact implications of cutting funding for these programs by 42% and delivering the remaining funding as a block grant are unclear. For example, it is uncertain if a 42% cut at the federal level will result in a proportional cut to New York City, or one of a different magnitude than other cities nationwide. A 42% cut in funding for these programs could lead to fewer available rental assistance vouchers or subsidized units, decreases in the value of recipients' housing vouchers and increases in the share of rent that they are expected to pay, or both. Regardless, over the long run, such a large funding cut can likely not be implemented without reducing the number of people who receive housing assistance from Section 8 programs or who are able to live in NYCHA public housing units, and potentially exacerbating other disadvantages that these recipients face.

Profile of Section 8 recipients and NYCHA public housing residents in New York City

In New York City, the consequences of cuts to federal housing assistance could be felt across boroughs, age groups, and family types (Table 1). Section 8 recipients and NYCHA residents live across all boroughs, and are most likely to live in Manhattan, followed by Brooklyn and the Bronx. The programs also benefit New Yorkers of all ages, but seniors and children comprise 44% of the beneficiaries. More than 40% of families that benefit from these programs have a child under age 18.
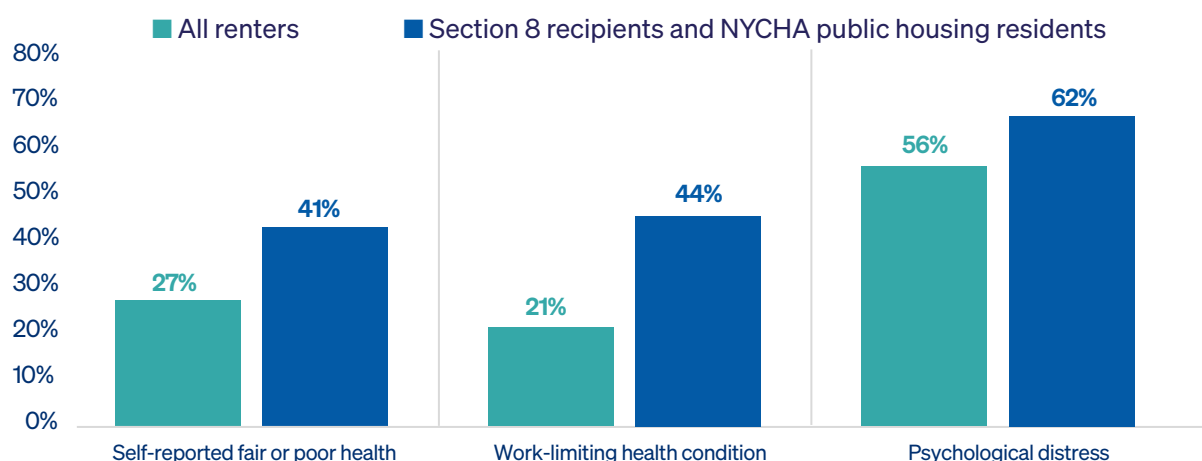
Table 1

Characteristics of Section 8 recipients and NYCHA residents in New York City

Borough residence of beneficiaries	Ages of beneficiaries
35% in Manhattan **29% in Brooklyn** **24% in the Bronx** **11% in Queens** **3% in Staten Island**	**21% are children** **56% are adults ages 18-64** **23% are seniors ages 65+**

Family type
43% of the families that benefit **are families with children**

Source: Poverty Tracker annual survey data, 2023. Results by borough and age weighted using poverty-unit level weights and account for the number of people within each unit. Results by family type weighted at the poverty-unit level.

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[19] *Federal funding for these programs is estimated at over $63 billion and the proposed budget cuts funding by approximately $26.7 billion, or a 42.39% cut. See: National Low-Income Housing Coalition, "President Trump releases "skinny" budget request foreshadowing historic cuts to HUD in full FY26 request." In New York City, the equivalent of a 42.39% cut to these programs would be roughly $2.5 billion.*

New Yorkers potentially affected by these cuts are already disproportionately facing severe financial challenges and health problems (Figure 6). About 2 in 5 (41%) Section 8 recipients and NYCHA residents have self-reported fair or poor health, compared to just 1 in 4 renters citywide (27%). **Close to half have a work-limiting health condition, more than twice the rate of the average renter (44% vs 21%).** Section 8 recipients and NYCHA residents are also more likely to experience moderate or serious psychological distress (62% vs 56%). If cuts to federal housing assistance programs include the imposition of work requirements, high rates of work-limiting health conditions suggest that many current recipients might experience difficulties meeting them.

Figure 6

Health challenges among Section 8 recipients and NYCHA residents compared to renters citywide

Legend: ■ All renters ■ Section 8 recipients and NYCHA public housing residents

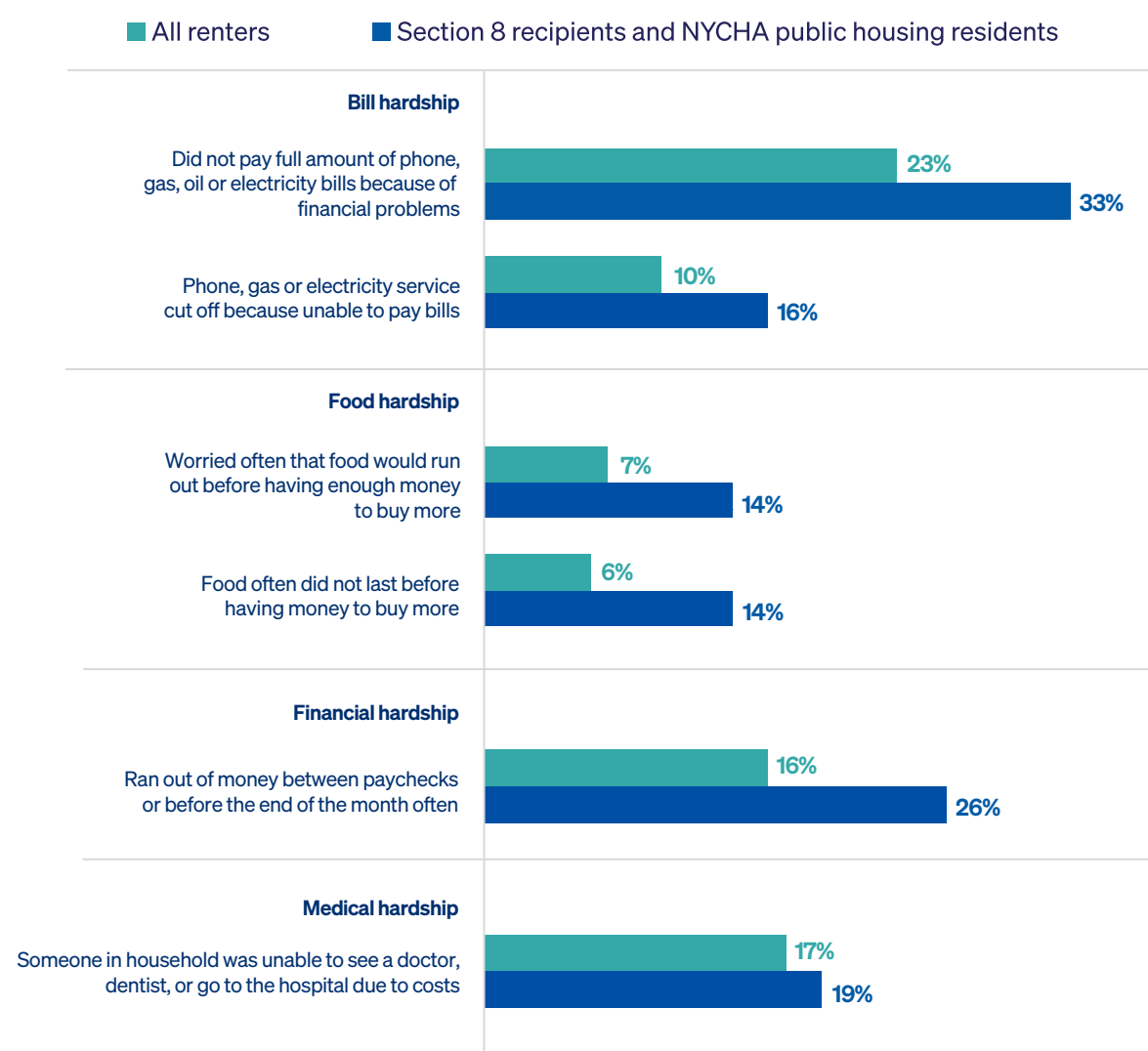| Category	All renters	Section 8 recipients and NYCHA public housing residents
Self-reported fair or poor health	27%	41%
Work-limiting health condition	21%	44%
Psychological distress	56%	62%

Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights, and account for the number of people within each unit. Psychological distress measured using the Kessler 6 scale.

Section 8 recipients and NYCHA residents are more likely to experience all forms of material hardship than the average renter in New York City. For example, **current beneficiaries of these programs are twice as likely as the average renter to often run out of food without having money for more (14% vs 6%).** And some forms of hardship are particularly common among current Section 8 recipients and NYCHA residents: **1 in 3 (33%) reported falling behind on utility payments in 2023 because they were unaffordable, and 1 in 4 (26%) reported that they often ran out of money before the end of the month.** While these housing assistance programs provide necessary financial support, current beneficiaries clearly continue to struggle economically. If potential federal funding cuts increase the cost of housing for current beneficiaries, we would expect these experiences of hardship to become even more common.

Figure 7

Experiences of material hardship among Section 8 recipients and NYCHA residents compared to renters citywide

■ All renters ■ Section 8 recipients and NYCHA public housing residents

Bill hardship

Did not pay full amount of phone, gas, oil or electricity bills because of financial problems
- 23%
- 33%

Phone, gas or electricity service cut off because unable to pay bills
- 10%
- 16%

Food hardship

Worried often that food would run out before having enough money to buy more
- 7%
- 14%

Food often did not last before having money to buy more
- 6%
- 14%

Financial hardship

Ran out of money between paychecks or before the end of the month often
- 16%
- 26%

Medical hardship

Someone in household was unable to see a doctor, dentist, or go to the hospital due to costs
- 17%
- 19%

Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights, and account for the number of people within each unit.

## The increased risk of poverty resulting from federal funding cuts

Potential cuts to federal housing assistance programs could also increase current recipients' risk of poverty if they reduce the number of available housing vouchers or increase recipients' expected rent contributions. Here, we explore the potential impacts that cuts to these federal housing assistance programs could have on poverty among their recipients. We model two scenarios: 1) a 42% decline in the share of New Yorkers receiving support from federal housing assistance programs, in line with the magnitude of the proposed cut to these programs, and 2) a 21% decline in the share of federal housing assistance recipients, assuming

a less drastic implementation of the budget proposal. We also tested alternative versions of these models where recipients' expected rental contributions are increased, described in Appendix A, and results were relatively consistent across approaches.

If 21% of Section 8 and NYCHA recipients lost their federal housing assistance, poverty among these recipients would increase by 10%, or roughly 29,000 recipients would be pushed below the poverty line. A 42% decline in federal housing assistance in the city could lead to an even greater relative increase in poverty among recipients of 18%, pushing 50,000 recipients below the poverty line. The relative increases in deep poverty — defined as living below 50% of the poverty line — would be even greater. Deep poverty could increase by 44% under a 21% loss in federal housing assistance in the city (from 9% to 13%), and could almost double under a 42% loss (from 9% to 17%). Almost 60,000 more recipients could fall into deep poverty in this scenario. Without housing assistance, these New Yorkers could also be displaced from their apartments as they fall below the poverty line, and there are hardly any affordable apartments that they could move to.

Figure 8

Potential increase in poverty with a 21% and 42% decline in availability of federally-supported housing assistance programs (NYCHA and Section 8) in New York City

- ■ Baseline under current policy
- ■ With a 21% reduction in availibility of federally-supported housing assistance programs
- ■ With a 42% reduction in availibility of federally-supported housing assistance programs
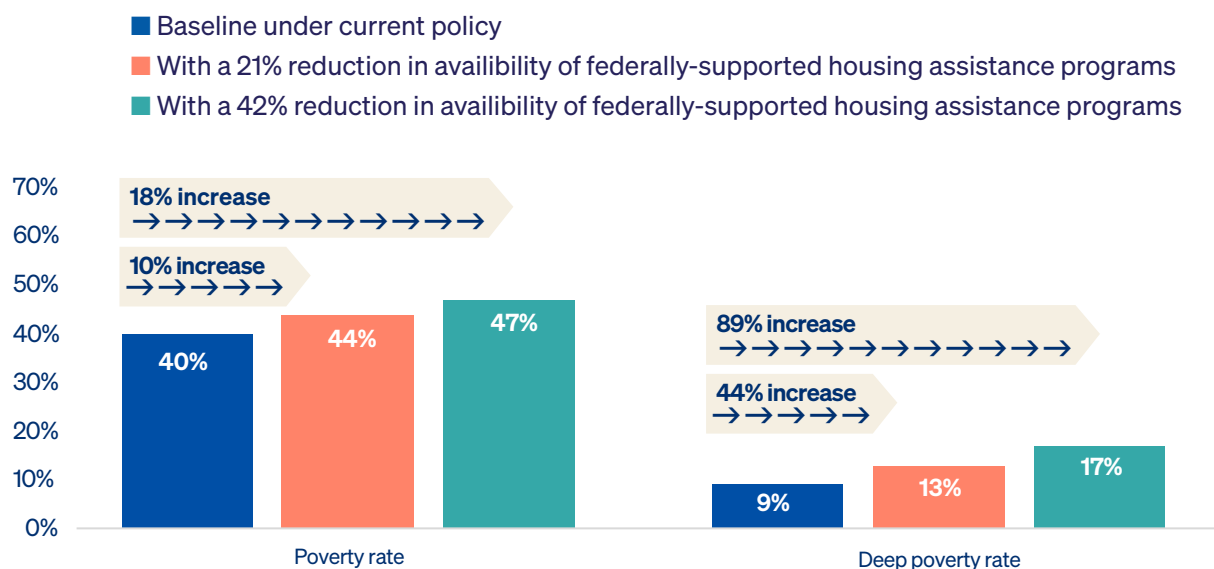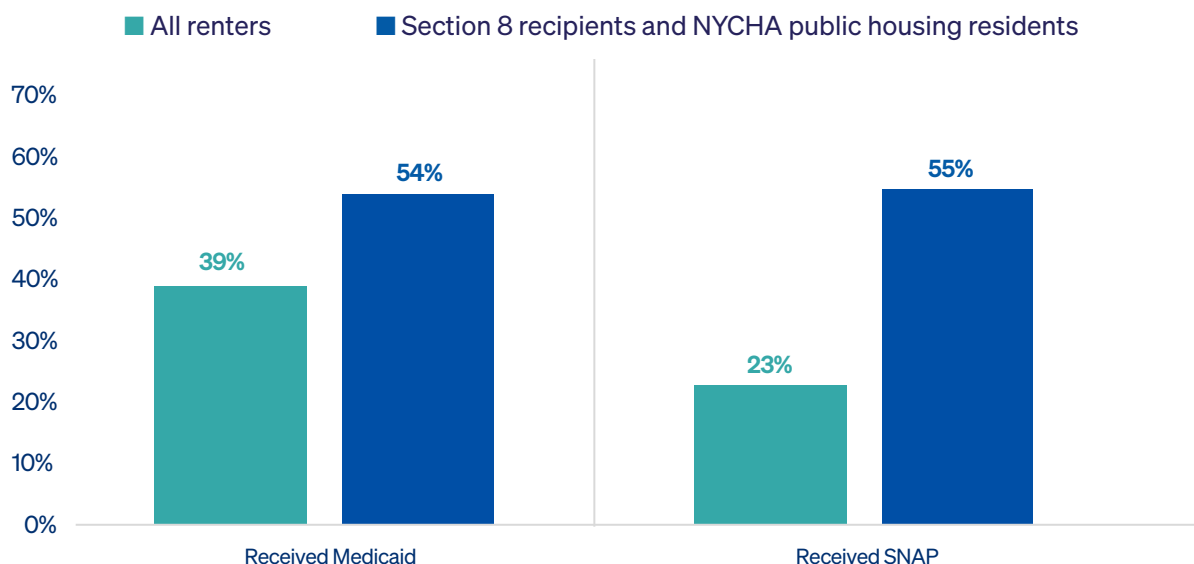
Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights and account for the number of people in each unit. Poverty measured using the Supplemental Poverty Measure (SPM), and analysis restricted to recipients of Section 8 or residents of NYCHA public housing. Simulation methodology available in Appendix A.

A potential decline in funding for federal housing assistance programs might not just lead to a reduction in the share of New Yorkers who receive assistance, but also to the deterioration of the quality and preservation of recipients' apartments. It is well known that NYCHA apartments and units rented to Section 8 recipients are less well-maintained by landlords than the average apartment in the city.[20] This is also true in the Poverty Tracker data: **over a third (37%) of Section 8 recipients and NYCHA residents have damaged walls, floors, or ceilings; roughly two-thirds (66%) have seen pests in their residence; and only three in four (75%) feel safe in the public spaces of their residences (compared to 89% of renters citywide)**. In absence of sufficient funding for funding for federal housing assistance programs, many of these conditions could not only persist, but worsen.

Rates of SNAP and Medicaid coverage among Section 8 recipients and NYCHA residents compared to renters citywide

■ All renters   ■ Section 8 recipients and NYCHA public housing residents

Received Medicaid: 39% (All renters), 54% (Section 8 recipients and NYCHA public housing residents)
Received SNAP: 23% (All renters), 55% (Section 8 recipients and NYCHA public housing residents)

Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights, and account for the number of people within each unit.

Moreover, the population potentially affected by cuts to federal housing assistance programs will also be disproportionately affected by cuts to federal food assistance and health insurance programs being negotiated by Congress this summer.[21] Figure 9 shows that **more than half of Section 8 recipients and NYCHA residents receive SNAP, and more than half are covered by Medicaid**. Should any or all of these programs see a decline in funding, many recipients of federal housing assistance could observe even more serious losses in their resources, which could compromise their ability to meet their basic needs and further increase their risk of poverty.

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[20] *Stein, Mironova, Thompson and Portis, "The other housing crisis"; Mailman School of Public Health at Columbia University, "Public housing service outages are frequent and prolonged, endangering residents' health."*

[21] *For descriptions, see: Bergh, Rosenbaum, and Tharpe, "House reconciliation bill proposes deepest SNAP cut in history, would take food assistance away from millions of low-income families," and Ives-Rublee, "Federal Medicaid cuts would force states to eliminate services for disabled adults, older adults, and children."*

Another federal housing program that stands to impact New York City's affordable housing market and housing stability for low-income New Yorkers is the Low Income Housing Tax Credit. This program was recently expanded by Congress (see textbox).

The Low Income Housing Tax Credit in New York City

While not a direct form of housing assistance, the Low Income Housing Tax Credit (LIHTC) is a federal tax credit which supports the construction and rehabilitation of affordable housing units nationwide. 4% credit rates are awarded to help cover up to 50% of aggregate development costs, and 9% credit rates are more scarcely awarded to help cover 70% of development costs for units designated for low-income households. To be eligible for the LIHTC, developments must reserve at least 20% of units for families with incomes below 50% of the area median income (AMI), or 40% of units for families below 60% of the AMI.[22] In 2025, the New York City AMI for a four-person family is $162,000.

In early July 2025, the LIHTC program was expanded by the U.S. Senate- and House-passed versions of the H.R. 1 budget reconciliation bill. The bill included provisions that are estimated to make 30,000 LIHTC units available in New York State.[23] However, it is important to consider that without direct housing assistance programs, even units designated to be affordable may still be out of reach for the lowest-income New Yorkers. The monthly rent for a two-bedroom LIHTC apartment available to families with incomes below 60% of AMI is $2,187 as of 2025.[24] A family of four must have an income of $87,480 for this to be an affordable rent. Thus, despite being affordable housing, LIHTC apartments are still unaffordable for many, but would not be if complemented with housing assistance.

Altogether, these potential cuts to federal housing assistance programs would be borne by a population already facing disproportionate economic distress, further increasing their risk of poverty, hardship, and health problems. A loss of housing assistance could also put many New Yorkers at risk of housing instability, compromising children's long-term outcomes,[25] and worsening the consequences of the city's housing affordability challenges.

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[22] Tax Policy Center, "What is the Low-Income Housing Tax Credit and how does it work?"
[23] Novogradac, "House passes FY 2025 budget reconciliation bill that includes biggest LIHTC expansion in a quarter century"
[24] New York City Department of Housing Preservation and Development, "Area median income."
[25] Bess, Miller, and Mehdipanah, "The effects of housing insecurity on children's health: A scoping review." Galvez & Luna, "Homelessness and housing instability: The impact on education outcomes."

CONCLUSION

Renters in New York City face a series of affordability challenges; a majority live in poverty or with low incomes and devote a significant portion of their incomes towards rent. A variety of housing assistance programs are in place in the city that are supported by federal, state, and local funding. These programs help reduce poverty among recipients in the city by roughly a third. Despite the fact that many of these programs are rationed, with waiting lists thousands of families long, funding cuts to federal housing assistance programs could be on the horizon. Recipients of federal housing assistance in New York City, such as public housing and Section 8 programs, already face elevated levels of health problems and hardships compared to the average renter. Potential cuts would likely notably increase poverty among these recipients, and exacerbate the other forms of economic disadvantage that they are already enduring. In the face of a loss of their housing assistance, limited other affordable housing options throughout the city would leave many of these families with nowhere to go. Thus, as housing affordability continues to be top of mind for many of the city's renters, the role that housing assistance programs play in helping the lowest-income New Yorkers secure affordable housing should not only be recognized, but also preserved.

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APPENDIX A. METHODOLOGY

Defining rent burden in the Poverty Tracker

The Poverty Tracker collects information on respondents' incomes, as well as their rental contributions. To determine if a family is rent-burdened, we first identify their total annual resources before accounting for taxes and income transfers. We then determine the share of their incomes that is spent on rent annually. Families who contribute more than 30% of their annual family income to rent are defined as rent burdened, and families who contribute more than 50% of their annual family income to rent are defined as severely rent burdened.

Identifying recipients of housing assistance in the Poverty Tracker

There are six key questions asked on Poverty Tracker surveys that allow us to: (a) identify who is a beneficiary of housing assistance programs, and (b) calculate the value of housing assistance that is included in a family's resources when determining poverty status. These questions are outlined below:

Is the place where you live currently under rent control or rent stabilization?

1. Yes
2. No

In the past 12 months, did you or your spouse receive public housing or government rental assistance such as Section 8?

1. Yes
2. No

Is the place where you live in any of the following?

1. NYCHA or public housing
2. Mitchell Lama housing
3. Another kind of affordable or subsidized apartment
4. None of the above

Does your household currently receive any of the following?

1. A Section 8 or Housing Choice Voucher
2. A senior citizen or disability rent increase exemption (SCRIE or DRIE)
3. Rent assistance from CityFHEPS
4. Free or subsidized rent from the leaseholder's employer
5. Another kind of rent assistance or subsidy

How many bedrooms are in your apartment or house? (Open-ended response)
How much do you and all other relatives living with you currently pay in monthly rent? (Open-ended response)

For this report, we identify beneficiaries of housing assistance programs as those residing in NYCHA or public housing, those residing in Mitchell Lama housing, those receiving Section 8, SCRIE or DRIE, CityFHEPS, free or subsidized rent from their employer, or another form of rental assistance/subsidy. Respondents to these categories must also have reported living in a rent-controlled/stabilized residence or receiving public housing or Section 8 per the first two questions in this list, in order to receive a potential value for their housing assistance program, according to Poverty Tracker methodology.

Determining the value of housing assistance programs among recipients

Housing assistance programs are an important source of income support for their recipients, helping them keep and maintain affordable housing. As such, they are accounted for in the resources used to determine poverty status. It is important to note that in terms of poverty measurement, the estimated value of recipients' housing assistance may not be directly equivalent to the precise value of the housing subsidy that beneficiaries receive from each respective program. Below, we explain the methods for determining the value of recipients' housing assistance as it is accounted for under the SPM.

1. First, we determine the fair market rent value for each family (or "poverty unit") based on the number of bedrooms. The Department of Housing and Urban Development (HUD) produces fair market rents every year at the county level.[26] The FMRs are used to determine the standard maximum rent for a unit leased to a participant in the Housing Choice Voucher program.

2. Next, we isolate the shelter and utilities component of the SPM poverty thresholds. The poverty threshold is designed to represent the cost of "basic needs," or what is needed to achieve a minimally adequate standard of living. The five basic needs represented in the poverty threshold are: food, shelter, utilities, clothing, and telephone/internet — plus an additional amount for "other" needs.[27] The shelter and utilities component of the threshold is thus meant to represent what is needed to achieve a minimally adequate standard of shelter and utilities. The shelter and utilities portion of the threshold is also regionally adjusted to account for differences in housing costs across the country. In 2023, the shelter and utilities portion of the SPM poverty threshold for a two-adult, two-child family in New York City was valued at $22,399. It was larger for larger families and smaller for smaller families.

3. We then calculate a theoretical maximum value of housing assistance (or "cap") for each poverty unit. This cap is set to the lower of two values: the annual Fair Market Rent (FMR) for the unit or the shelter and utilities portion of the Supplemental Poverty Measure (SPM) threshold. The cap reflects the fact that while a housing subsidy may cover a higher rent, its value for poverty measurement is limited to covering only shelter and utility needs. For example, a family might receive housing assistance that covers $2,500 in rent per month ($30,000 per year), but this assistance cannot be used for food or other necessities included in the SPM threshold. Therefore, when calculating resources for poverty measurement, the value of housing assistance is capped at the shelter and utilities component of the threshold, or the annual FMR in the case where that is lower than the shelter and utilities component of the threshold.

[26] HUD Office of Policy Development and Research, Fair Market Rent and Income Limits Data.
[27] For additional discussion, see: Poverty Tracker Research Group at Columbia University, "State of poverty and disadvantage in New York City, volume 7."

4. For all eligible respondents, we calculate the final value of their housing assistance by subtracting their annual rent amounts (which are either self-reported or imputed) from the maximum value of housing assistance identified in step 3. In some cases, the value of the housing assistance is set to $0 after subtracting rental contributions from the maximum value of housing assistance. In the Poverty Tracker data, the only respondents who may be assigned housing assistance are those who report living in a rent-controlled or rent-stabilized unit, receiving some government housing subsidy, and/or indicating that they live in a rental unit but report $0 in monthly rent.

To calculate the anti-poverty effects of housing assistance, as done in this report, we compare resources before and after accounting for housing assistance for respondents who benefited from the housing assistance programs described in the previous section of this methodology.

Simulating a loss in federal housing assistance programs in New York City

In this report, we examine how possible effects of cuts to federal housing assistance – which are estimated to reduce funding for federal housing assistance programs by 42.39% – could increase the poverty rate using a microsimulation. In the body of the report, we present estimates of changes in poverty that could result from these funding cuts if they translated to either a 21% or 42% reduction in the number of families receiving federal rental assistance, with the 21% cut representing a more modest possible effect of the cuts on the supply of housing assistance, and the 42% cut representing the upper-bound.

To perform this simulation, we first identify respondents who would be specifically impacted by cuts to federal housing assistance programs. In the Poverty Tracker data, this category includes respondents who reported living in public housing or benefiting from a Section 8 program, such as the Housing Choice Voucher Program (HCVs), Project-Based Rental Assistance (PBRAs), and the Permanent Affordability Together (PACT) program. Among these respondents, we assign beneficiaries to lose their housing assistance at random: we first select 21% of recipients to lost their housing assistance, as a conservative estimate of cuts to these programs, and then select 42% of all original recipients, matching the cut in funding for federal housing assistance programs put forward by the discretionary budget. Given that it is uncertain how the changes in the discretionary budget (including cutting funding for federal housing assistance programs and collapsing these programs into a single block-grant) will directly affect recipients (for example, if all programs will experience a 42% cut in funding or it will be concentrated more around certain programs) our random assignment of losses in benefits treats all recipients of Section 8 programs and public housing equally.

We perform the process of randomly assigning beneficiaries to lose their housing assistance 100 times. In each of these 100 simulations, we calculate a new poverty rate after removing the value of housing assistance from the resources of beneficiaries who were selected to lose assistance. We then take the average of all such poverty rates to estimate a new poverty rate for current beneficiaries under a 21% or a 42% cut in the supply of federal housing assistance (e.g., in the supply of vouchers).

As a sensitivity test, we also model a second approach for estimating the impact of cuts to funding for federal rental assistance. In this scenario, instead of a share of recipients losing their housing assistance entirely,

we examine the potential impacts of reducing the value of recipients' housing assistance and increasing their required rental contributions. For Section 8 programs, we estimate that a 42% cut in funding would be equivalent to an average monthly rent increase of $382 per month, and for NYCHA public housing residents, $468 per month. The procedure for determining these amounts is outlined in Table A1.

Table A1

Cost estimates for certain federal housing assistance programs in New York City

	COST	N UNITS	Estimated cost per unit (monthly)	Equivalent of a 21% cut	Equivalent of a 42% cut
Section 8 programs (including HCVs, PBVs, PACT, and PBRA)	$2,244,219,008	$207,212	$902.55	$191.29	$382.59
NYCHA public housing	$2,042,619,000	154,198	$1,103.89	$233.97	$467.94

Source: NYU Furman Center, "Federal Housing Programs in New York City."

Under the scenario of both a 21% cut in funding and a 42% cut in funding, we assume that recipients absorb the impact of this funding shortfall, such that their rental contributions increase by the above-specified amounts. According to the methods for calculating the value of housing assistance in the poverty measure that is described in the section above, we recalculate housing assistance values by subtracting these new rental contributions from the maximum value of housing assistance rental. This effectively reduces the value of the housing assistance received by families, as it is valued under the SPM poverty measure. This approach shows slightly larger effects of the funding cuts on poverty rates of current beneficiaries of federal housing assistance programs (a 23% increase in poverty among current recipients).

APPENDIX B. ADDITIONAL RESULTS

Rates of poverty with and without housing assistance

	Poverty rate before housing assistance	Poverty rate after housing assistance
SPM poverty (<100% SPM)		
Citywide	27%	25%
Renters citywide	33%	30%
Section 8 recipients	65%	43%
NYCHA public housing residents	51%	37%
Section 8 or NYCHA	58%	40%
All housing assistance recipients	55%	37%
Deep poverty (<50% SPM)		
Citywide	9%	8%
Renters citywide	12%	9%
Section 8 recipients	31%	12%
NYCHA public housing residents	24%	7%
Section 8 or NYCHA	27%	9%
All housing assistance recipients	25%	10%

Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights, and account for the number of people within each unit.

	Current poverty rate	Poverty rate - 21% cut

Potential increase in poverty with a 21% and 42% decline in availability of federally-supported housing assistance programs (NYCHA and Section 8) in New York City

	Current poverty rate	Poverty rate - 21% cut	Poverty rate - 42% cut
SPM poverty (<100% SPM)			
Citywide	25%	25%	25%
Renters citywide	30%	30%	31%
Section 8 or NYCHA	40%	44%	47%
Deep poverty (<50% SPM)			
Citywide	8%	8%	8%
Renters citywide	9%	9%	10%
Section 8 or NYCHA	9%	13%	17%

Source: Poverty Tracker annual survey data, 2023. Results weighted using poverty-unit level weights and account for the number of people in each unit. Simulation methodology available in Appendix A.