

A Penta White Paper

Penta Policy Insiders

New York Insights Review Series

Cost of Living

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Cost of Living in New York

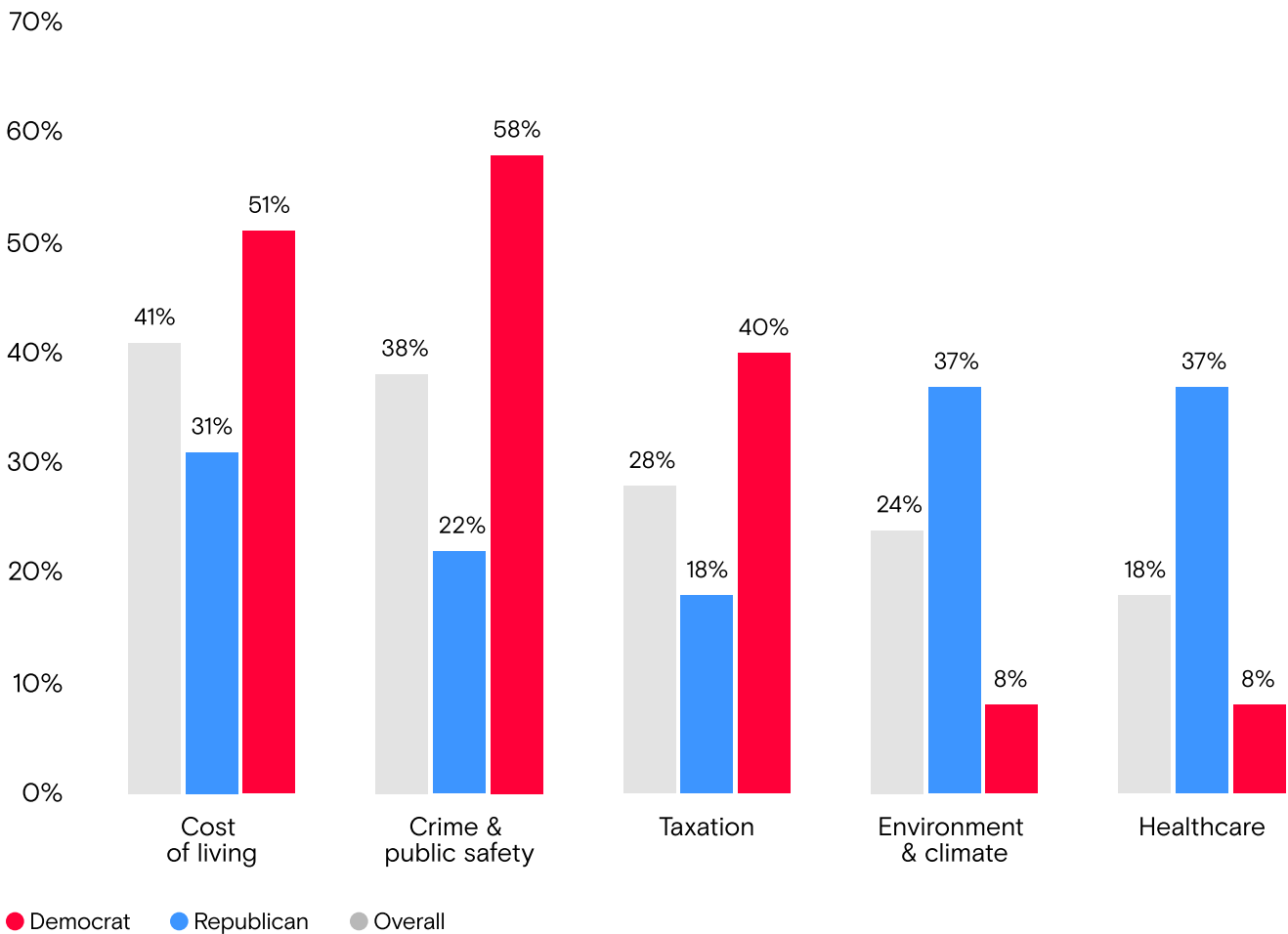
We are pleased to share our findings in this year's New York Insights Review. From May to August 2023, we spoke to over 270 policymakers in the state about their policy priorities and the top issues facing their communities.

Cost of living is the top priority for New York policymakers this year, who have placed particular focus on addressing the lack of affordable housing options throughout the state. Policymakers also note the state's high tax rates as another issue they would like to spend time on. Crime and public safety, environment and climate, and healthcare are all also at the top of policymaker priorities this year.

This report is the first in a series that examines five of New York policymakers' top priorities, which include (i) cost of living (ii), crime and public safety (iii), taxation (iv), environment and climate and (v) healthcare.

Top policy priorities in New York

Multiple selections permitted



Source: Penta Policy Insiders

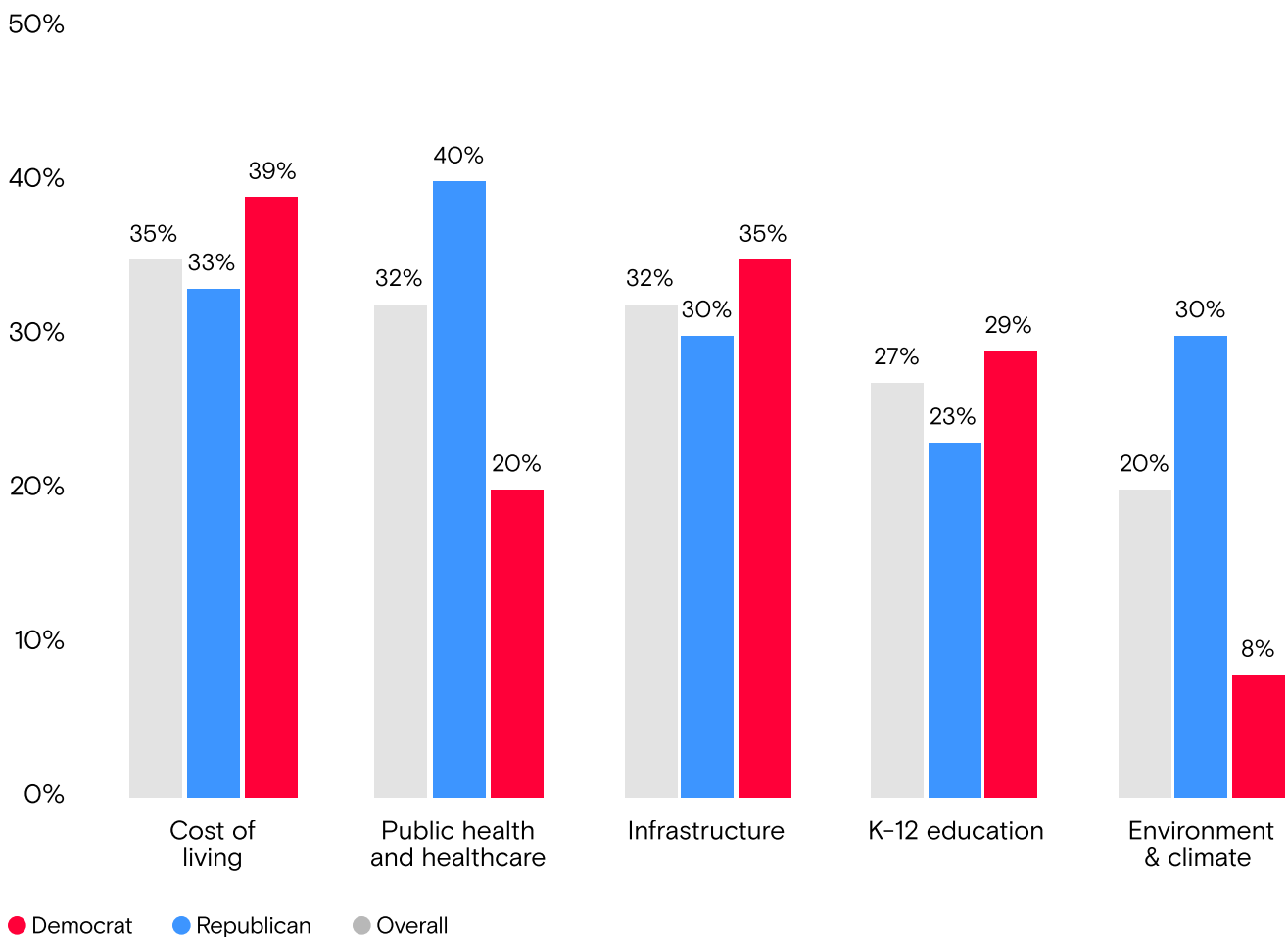
New York deep dive

New York policy leaders raise cost-of-living concerns

In 2023, more than eight in 10 voters in New York agreed that the cost of living is a major problem, making it no surprise that rising living costs is a top-of-mind priority for almost half of New York policymakers we surveyed.¹ Republican policy leaders and voters alike find cost of living to be a particularly troubling concern. A recent poll shows that 86 percent of voters said the cost of living was a major problem. Our findings reflect a similar concern among Republican policymakers, with 51 percent saying it's a major worry – compared to less than a third of Democrats. Leaders on both sides of the aisle cite specific concerns about the cost of rent, homelessness, and home ownership.

Top issues regarding housing in New York

Multiple selections permitted



Policymakers want to see more affordable housing options

Policymakers want to see more affordable housing options throughout the state. New York Democrats emphasize the importance of collaboration between the public and private sectors to introduce more accessible options for New Yorkers.



For those [companies] that are doing mixed-income projects, which seems to be more and more, we work with them to ensure that those projects include affordable housing. And **the more that the state can do to help us to make the numbers work for the developers for affordable housing, that would be amazing.**

Deputy Mayor, New York Municipality, D



It's remarkable that rents [in New York City] can climb that high, but also I think that's a big part of the conversation.

Chief of Staff, California State Senate, D



The housing stock in the suburbs has gone through the roof. And **[the private sector hasn't] figured out how to make money off of affordable housing.** They're only building high-end rentals or high-end sales. And so, frankly, **their response has been inadequate.**

Executive Director, New York Municipality, D



If the prices go up too high, somewhere between four and seven percent, which is unprecedented in recent years, **there will be more people on the street and fewer housing options for them, so it could make the situation even worse.**

Director, Executive Agency, D



Short-term rental showdown

In September 2023, New York City adopted the Short-Term Rental Registration Law, which requires hosts of short-term rentals to register their listings with the Mayor's Office of Special Enforcement.¹ The law prohibits booking service platforms from processing transactions from unregistered units. This legislation is aimed at cracking down on landlords the city claims have been illegally collecting booking fees for their properties. Policymakers across the state are divided on the potential effects of the bill. Some leaders emphasize that short-term rentals provide tourists with more affordable housing options, while others say the prevalence of such rentals makes it more difficult for New Yorkers to access affordable housing.²



Ultimately, [short-term rentals] are a legislative issue. And **I think legislation has to pass in order for anything to really change because they don't have any incentive right now to change.**

State Senator, New York State Senate, D



We [should] look to establish some type of simple registration, so we know that that address is what that address is. So if there's ever a situation, we know exactly the ownership

Deputy Mayor, New York Municipality, D

Conclusion

Policymakers in New York say they want more affordable housing options for communities across the state, making issues such as the cost of renting, homelessness, the cost of home ownership, and the presence of short-term rentals top-of-mind concerns. When it comes to short-term renting, New York policy leaders have mixed views. Some policymakers support recent legislation regulating short-term rentals, believing this will help improve the housing supply, while opponents say the law is a blow to the state's tourism industry and may impact rent prices.



About Penta Policy Insiders

Penta Policy Insiders provides direct feedback from policymakers to government relations professionals, improving advocates' ability to understand, validate, and improve the efficiency and effectiveness of their engagement.

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Maddie Markenson

Senior Content Associate
Kinda Ahmed

Associate Director, Government Insights & Research Products
Natalie Bahmanyar

Director, Research
Sehare Hemani

Chief Research Officer
Michael Griffin

Vice President, Policy Insiders
Scott Luginbill

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Michael Gottlieb

Citation

1. <https://www.nyc.gov/site/specialenforcement/registration-law/registration.page>
2. <https://www.forbes.com/sites/rogervaldez/2023/12/07/nycs-short-term-rental-laws-makes-things-worse-for-all-renters/?sh=2d04f5187ea8>

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