

## **How the demographics of NYC are changing in response to the pandemic**

Is New York City Dead? on March 1st, 2020, NYC documented its first known case of coronavirus. The city was already the epicenter of the pandemic by the end of the month, seeing cases of over 38,000 and over a thousand deaths (New York Times). With the city and state on lockdown, there was a sense of morbidity from news articles about inmates from Riker Island digging mass graves (Grim) and FEMA (Federal Emergency Management Agency) sending refrigerated trucks to hospitals to store the dead (Marsh). The Bureau of Labor Statistics reported a total of 865,000 lost jobs a month into the pandemic and saw a migration of net 70,000 residents out of the city between January and December which cost \$35B in lost income (Eustachewich). Now, a year later, the coronavirus hasn't gone away, but people (the ones who chose to stay), have learned to live with it. There has been continuous debate on the fate of the beloved city of New York on whether or not it would bounce back to what it once was.

According to author, comedy club owner and former hedge-fund manager James Altucher, New York City is indeed dead forever. With friends and colleagues packing up and leaving the city for places like Texas and Florida, the author credits it all to bandwidth and the ability to work remotely from home. He says this pandemic is different from any other historical event that the city has gone through because all previous events happened in a time *Before Bandwidth* and currently, we live in a time of *After Bandwidth* where it is possible to live and work virtually.

Ravaged by the coronavirus, rising crime rates, homelessness and a mass exodus, New York City has been left a ghost town. Surely all this death and destruction has caused some demographic shifts that will shape the future of NYC in years to come.

According to the NYC Health website, there have been a total of 31,598 coronavirus deaths as of April 7th, 2021, with Hispanics and Latinos being the most impacted. The age group of over 75 years has seen the greatest number of deaths across the board for all races and ethnicities, totaling over 12,000 deaths. Although the number of cases for people living in low-poverty neighborhoods was lower than those in high-poverty neighborhoods, the death rate was significantly higher in poorer neighborhoods. While Staten Island and the Bronx saw the highest number of cases and deaths, Manhattan saw the lowest numbers in both cases and deaths, which may be a cause for socio-economic changes in New York City. Siena College Research Institute and Manhattan Institute surveyed NYC residents with incomes over 100,000 between the months of July and August to understand their “views on the future of work and the quality of life in the city and their likelihood of leaving” (Hendrix). They found that 44% of the 782 survey respondents considered leaving New York City with cost of living being the most popular reason, especially among black and Hispanic respondents.

In March 2020, the city’s USPS reported 56,000 change-of-address forms and in April this number rose to 81,000. Wealthier areas and neighborhoods saw the biggest movement in (Paybarah et al.). Tech and finance companies based in New York like Goldman Sachs and JetBlue are considering moving headquarters to Florida and trimming their presence in NYC by about 20% (Kaplan). Thanks to the power of bandwidth as James Altucher states, the wealthy who have the ability to work from home have no obligation to stay. If the large tech and finance companies that brought in huge revenue for New York leave their NYC offices, it would only add to the exodus and see an increase in the wealthy residents moving out and an even greater demographic shift. This is already true according to Descartes Lab’s smartphone location data which shows a 40% or greater population decrease in the Upper East Side, West Village, Soho

and Brooklyn Heights neighborhoods which are classified as wealthy areas with college-educated residents. (Kincer). Residents in the neighborhoods that remained had an average household income of lower than \$35,000 and were considered essential workers.

According to Zumper’s 2020 National Rent Report, New York City, which was one of the priciest housing markets pre-pandemic, saw a 7% rent decrease for one-bedroom rentals from 2019. Although this is bad news for landlords, it’s good news for renters who can now afford to move to upscale neighborhoods that have been abandoned by their previous wealthy residents. New York City, which had grown increasingly expensive and unaffordable with rising rents and housing prices before the pandemic, might just be affordable for its longtime residents now.

Although there is no concrete data of the racial and ethnic demographic shifts in NYC yet, it has surely been altered from before the pandemic now that we are a year into it. Nancy Parkes Data Services’ did a study to understand migration patterns in NYC due to COVID-19 and projected a positive inward migration in April of 2021 (Fig. 1).

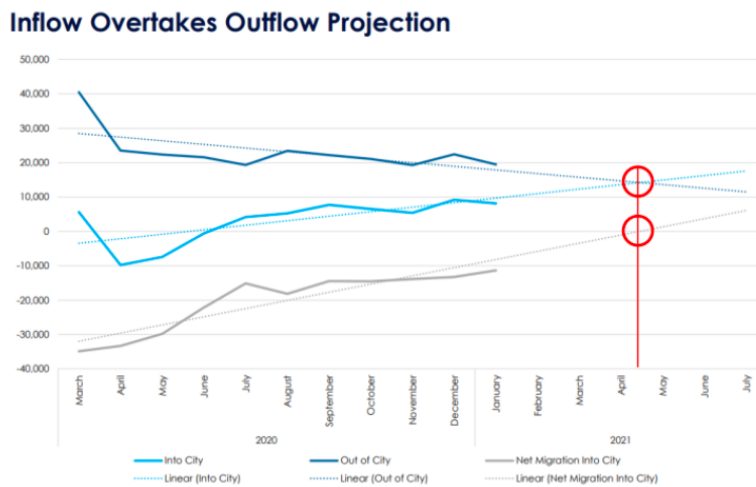


Fig 1: NYC Migration Projection by Nancy Parkes Data Services

Although this projection gives hopes of New York City's return, much is unknown about who would return and for what reasons. The city lost some of its wealthier residents to other states and might see an even larger decline if big corporate companies shift their headquarters elsewhere where cost isn't so high. It is expected that Manhattan will be home to residents of a wider income range and that Brooklyn will become the default destination for buying a home (Wu), which would mean changes in the demographics of the residents in both boroughs. Also, with work-from-home taking the world by storm, many New Yorkers, especially affluent, middle-aged residents with children and families might not return from their new suburban homes. A younger population will come to the city for its culture and it's working class, essential workers who stayed throughout the pandemic will also remain.

## Bibliography

- Altucher, James. "NYC is dead forever." *NY Post*, 17 August 2020, <https://nypost.com/2020/08/17/nyc-is-dead-forever-heres-why-james-altucher/>.
- Chen, Crystal. "Zumper National Rent Report: August 2020." *Zumper*, 2020, <https://www.zumper.com/blog/zumper-national-rent-report-august-2020/>.
- "COVID-19: Data." *NYC Health*, <https://www1.nyc.gov/site/doh/covid/covid-19-data-totals.page>.
- Eustachewich, Lia. "NYC's mass COVID-19 exodus cost \$34B in lost income, study says." *NY Post*, 15 December 2020, <https://nypost.com/2020/12/15/nycs-mass-covid-19-exodus-reportedly-cost-34b-in-income/>.
- Grim, Ryan. "RIKERS ISLAND PRISONERS ARE BEING OFFERED PPE AND \$6 AN HOUR TO DIG MASS GRAVES." *The Intercept*, 31 March 2020, <https://theintercept.com/2020/03/31/rikers-island-coronavirus-mass-graves/>.
- Hendrix, Michael. "A Survey of New York City's High-Income Earners: The Future of Work and the Quality of Life." *Manhattan Institute*, [https://www.manhattan-institute.org/survey-nyc-high-income-earners-future-work-and-quality-life?utm\\_source=press\\_release&utm\\_medium=email](https://www.manhattan-institute.org/survey-nyc-high-income-earners-future-work-and-quality-life?utm_source=press_release&utm_medium=email).
- Kaplan, Talia. "Coronavirus mass exodus puts NYC in 'very fragile situation': Home Depot's Langone." *Fox Business*, 2020, <https://www.foxbusiness.com/business-leaders/home-depot-co-founder-very-concerned-about-the-future-of-new-york-city>.
- Kincer, H. Blair. "Pandemic Exacerbates Urban Exodus in New York City." *Novogradac*, 2020, <https://www.novoco.com/notes-from-novogradac/pandemic-exacerbates-urban-exodus-new-york-city>.
- Marsh, Julia. "NYC morgues, cemeteries overwhelmed as coronavirus death toll rises." *NY Post*, 31 March 2020,

<https://nypost.com/2020/03/31/nyc-morgues-cemeteries-overwhelmed-amid-coronavirus-official/>.

Nancy Packes Data Services. "Homeward Bound." *Nancy Packes Inc*, 2020,  
<http://www.nancypackesinc.com/wp-content/uploads/2021/04/Homeward-Bound-PDF-4.1.pdf>.

Nancy Parkes Data Services. "The Great Migration." *Nancy Parkes Inc*, 29 October 2020,  
<http://www.nancypackesinc.com/wp-content/uploads/2020/10/New-York-City-Migration-Memo-10.29.2020.pdf>.

New York Times. "914 Dead in N.Y.C., and City's Virus Case Count Tops 38,000." *New York Times*, 2020,  
<https://www.nytimes.com/2020/03/30/nyregion/coronavirus-new-york-update.html>.  
Accessed 8 April 2021.

Paybarah, Azi, et al. "Where New Yorkers Moved to Escape Coronavirus." *New York Times*, 2020,  
<https://www.nytimes.com/interactive/2020/05/16/nyregion/nyc-coronavirus-moving-leaving.html>.

Wu, Nancy. "2021 NYC Housing Predictions: What New Yorkers Should Expect Next Year and Beyond." *StreetEasy Reads*, 2020,  
<https://streeteasy.com/blog/2021-nyc-housing-predictions/>.