MARK LEVINE
NEW YORK CITY COMPTROLLER

NEW YORK BY THE NUMBERS

Monthly Economic and Fiscal Outlook

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A Message from the Comptroller

Dear New Yorkers,

Budget season is in full swing and I just returned from Albany, where I testified about the state of the City's finances, the significant challenges we currently face, and the urgent need for greater investment in New York City through State funding.

As you've likely heard, the City faces a multi-billion-dollar budget gap in the next two years.

It's not all doom and gloom, however; revenue is high and revised tax receipts are up this year. Still, New York remains a city of contradictions.

The stock market is at an all-time high — the Dow above 50,000 for the first time ever — yet nearly 90,000 New Yorkers slept in our shelters last night.

New York City is home to more billionaires than any other city in the world. And yet nearly one in four New Yorkers live in poverty. That's 2 million people, including 420,000 children.

And this month's *New York by the Numbers,* our monthly economic snapshot, reflects that disconnect.

While New York City's office market has continued its steady and robust rebound in early 2026, job growth remains stagnant, with weekly jobless claims creeping upward in January and persistent hiring challenges for recent graduates which could further hamper future job growth.

Rents continue to soar, which means shelter costs and the City's contribution to rent subsidy programs are also rising. At the same time, New York City remains a preeminent destination with tourism numbers coming in stronger than last January and higher consumer confidence than the rest of the country.

These contradictions are also evident in the City's budget. With a fiscal gap not seen since the Great Recession, all options are on the table and a stronger partnership with Albany will be essential — after all, New York City sends far more money to the state than we receive in return; by one recent estimate, more than $20 billion.

If we act now with clarity, urgency, and a real partnership with Albany, we can create a more resilient fiscal foundation, steel ourselves for the uncertainty ahead, and be a city and state that leaves no one behind.

As always, we will continue to track these trends closely and share clear, data-driven insights to help New Yorkers understand what's happening in our economy, and what it means for the City's future.

Sincerely,

Mark D. Levine
New York City Comptroller

Highlights

- The U.S. unemployment rate, which had reached a 4-year high in December, receded slightly in January, and private-sector employment notched its largest monthly gain in just over a year (+172K). However, job creation during 2024 and 2025 was revised down substantially.
- In NYC, both initial weekly jobless claims and continuing claims, which had remained fairly subdued up until mid-January, have risen in recent weeks—likely driven by the nurses' strike and harsh weather.
- Consumer confidence fell nationwide for the sixth straight month in January; in New York State, confidence retreated from its highest level of the year, but it remained above the U.S. average.
- Regional business sentiment improved somewhat in January but is still at tepid levels, based on the New York Fed's surveys of manufacturers and service firms.
- While the nationwide office market has struggled to recover, New York City's market has continued its steady and fairly robust rebound in early 2026.
- Tourism in New York City registered a bit less of a seasonal slowdown in January than usual, as both hotel occupancy and Broadway attendance were up noticeably from a year earlier.
- Over the past 12 months, the average asylum seeker shelter census decreased by 38%, while the non-asylum-seeking population declined by 2%.
- As of the end of January, the City's total full-time staffing headcount was 292,483, compared to 305,777 authorized positions in the FY 2026 November Financial Plan, resulting in a vacancy rate of 4.3%.
- Total tax revenue collected over the first half of this Fiscal Year (through December 2025) has risen by 6.8% ($3.15 billion) over a year earlier, led by strong growth in Personal Income Taxes & PTET.
- As of February 2nd, the cash balance stood at $9.04 billion, down from $13.52 billion at the same time last year.

The U.S. Economy

- The U.S. unemployment rate, which had reached a 4-year high in December, receded slightly in January, and private-sector employment notched its largest gain in just over a year (+172K). However, job creation during 2024 and 2025 was revised down substantially—data now show that payroll employment excluding Healthcare fell by more than 350K over the course of 2025.
- Both weekly jobless claims and continuing claims have remained at subdued levels nationwide in recent months.
- Holiday spending was sluggish: retail sales were flat in December, falling short of forecasts, and were up just 2.4% from a year earlier—or down marginally, after adjusting for inflation.
- Consumers have remained discouraged about the U.S. economy. The Conference Board's index of consumer confidence fell to a more than 10-year low in January. Michigan's sentiment index, which is less focused on the job market, rose in January and early February but is still at a historically low level.
- Business surveys improved somewhat in January but continue to point to a sluggish economy. The Institute for Supply Management (ISM) January survey of manufacturers points to a modest upturn in economic activity, while its service-sector survey continues to signal modest growth. These surveys suggest little change in inflationary pressures.
- Despite the broad weakness in the economy, stock markets have continued to show resilience into early 2026.

New York City Economy

Payroll Employment Trends

- New York City payroll employment growth picked up in December 2025, with the private-sector adding 16,300 jobs over the month, as shown in Table 1 below. However, the underlying trend remains weak.

- High wage sectors, and those occupying much of the office space in NYC, such as Financial Activities, Professional and Business Services, and Information have seen no growth in employment over the course of 2025, although Professional & Business Services did show a slight pickup over the month.
- Health Care and Social Assistance added 7,000 jobs in December and has been the only significant job creator over the past 12 months; excluding that sector, private-sector employment would have fallen by 38K over the 12 months ending in December.

Table 1. Seasonally Adjusted NYC Employment, by Industry

(1,000s)	Seasonally Adjusted NYC Employment					December 2025 Change over		
Industry:	**Dec. '24**	**Sept. '25**	**Oct. '25**	**Nov. '25**	**Dec. '25**	**12 Months**	**3 Months**	**1 Month**
Total Non-farm	4,842.99	4,865.50	4,862.11	4,856.17	4,873.18	30.20	7.69	17.01
Total Private	4,246.36	4,260.81	4,263.23	4,263.00	4,279.26	32.91	18.45	16.27
Government	596.63	604.69	598.89	593.18	593.92	(2.71)	(10.77)	0.75
Financial Activities	512.28	506.12	504.41	505.03	505.93	(6.35)	(0.19)	0.90
Securities	202.85	197.69	197.08	197.25	197.79	(5.06)	0.10	0.55
Information	228.08	226.45	228.64	227.57	227.57	(0.51)	1.12	0.00
Prof. and Bus. Serv.	807.81	801.18	799.32	799.70	805.35	(2.46)	4.17	5.65
Educational Services	256.68	255.03	258.11	254.81	256.23	(0.45)	1.21	1.43
Health & Soc. Assist.	1,030.04	1,083.13	1,090.25	1,094.01	1,101.08	71.04	17.95	7.07
Leisure and Hospitality	448.82	445.86	442.24	444.89	443.73	(5.09)	(2.13)	(1.17)
Arts, Ent., and Rec.	89.07	87.13	86.88	86.85	86.80	(2.27)	(0.34)	(0.05)
Accomm. & Food Svc.	359.74	358.73	355.36	358.05	356.93	(2.81)	(1.80)	(1.12)
Retail Trade	296.78	293.27	292.50	289.58	290.60	(6.19)	(2.67)	1.01
Wholesale Trade	132.92	130.53	129.66	128.85	130.74	(2.19)	0.21	1.88
Trans. & Warehousing	137.97	139.46	138.17	140.12	139.46	1.49	0.00	(0.66)
Construction	143.04	133.18	133.96	133.56	134.40	(8.64)	1.22	0.84
Manufacturing	55.25	54.14	53.49	53.38	52.88	(2.38)	(1.27)	(0.50)

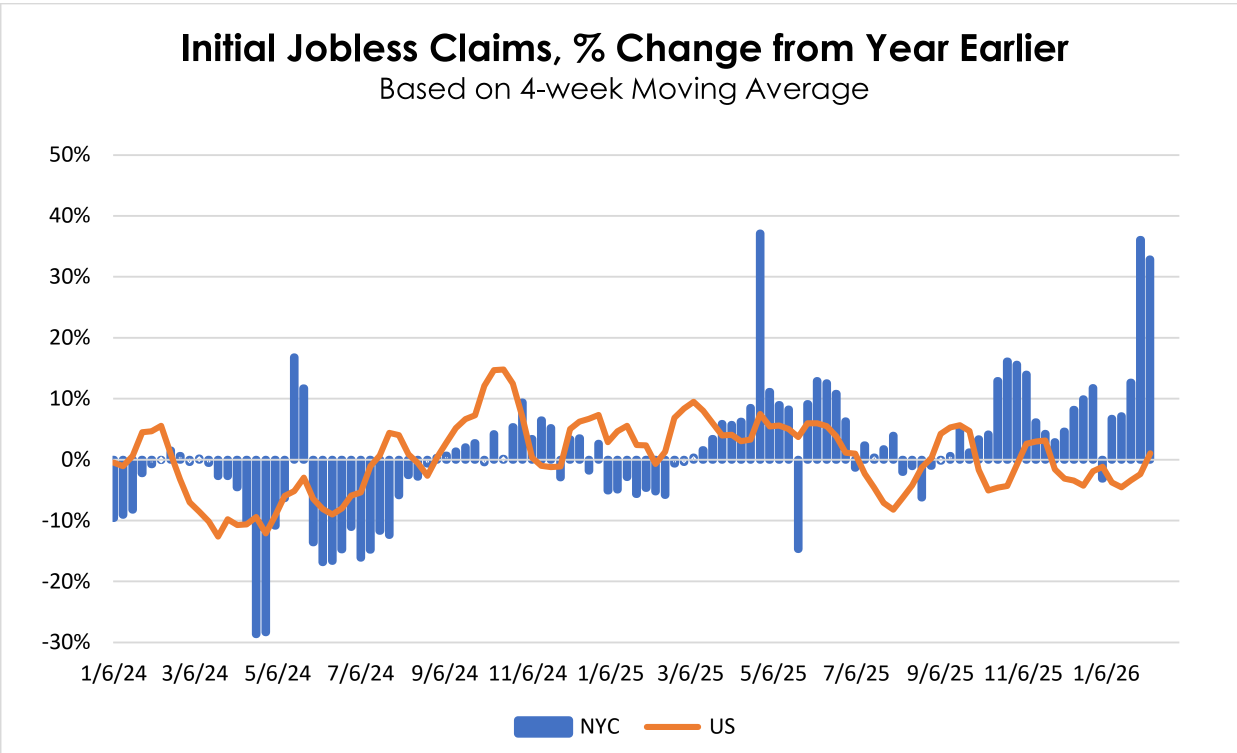
Sources: NY Department of Labor; NYC Office of Management and Budget; Office of the New York City Comptroller

Labor Market Indicators

- Weekly initial jobless claims in New York City, which had remained fairly subdued through mid-January, have since moved up, running more than 35% higher than a year earlier, as shown in Chart 1 below. The level of continuing claims has drifted up but not as sharply. Unseasonably cold and snowy weather in the second half of January may have contributed to the rise in jobless claims.

- The latest round of initial claims in New York City came disproportionately from Healthcare & Social Assistance sectors, in contrast with the solid job gains in that sector throughout 2025.

Chart 1



Sources: U.S. Bureau of Labor Statistics; NY Department of Labor

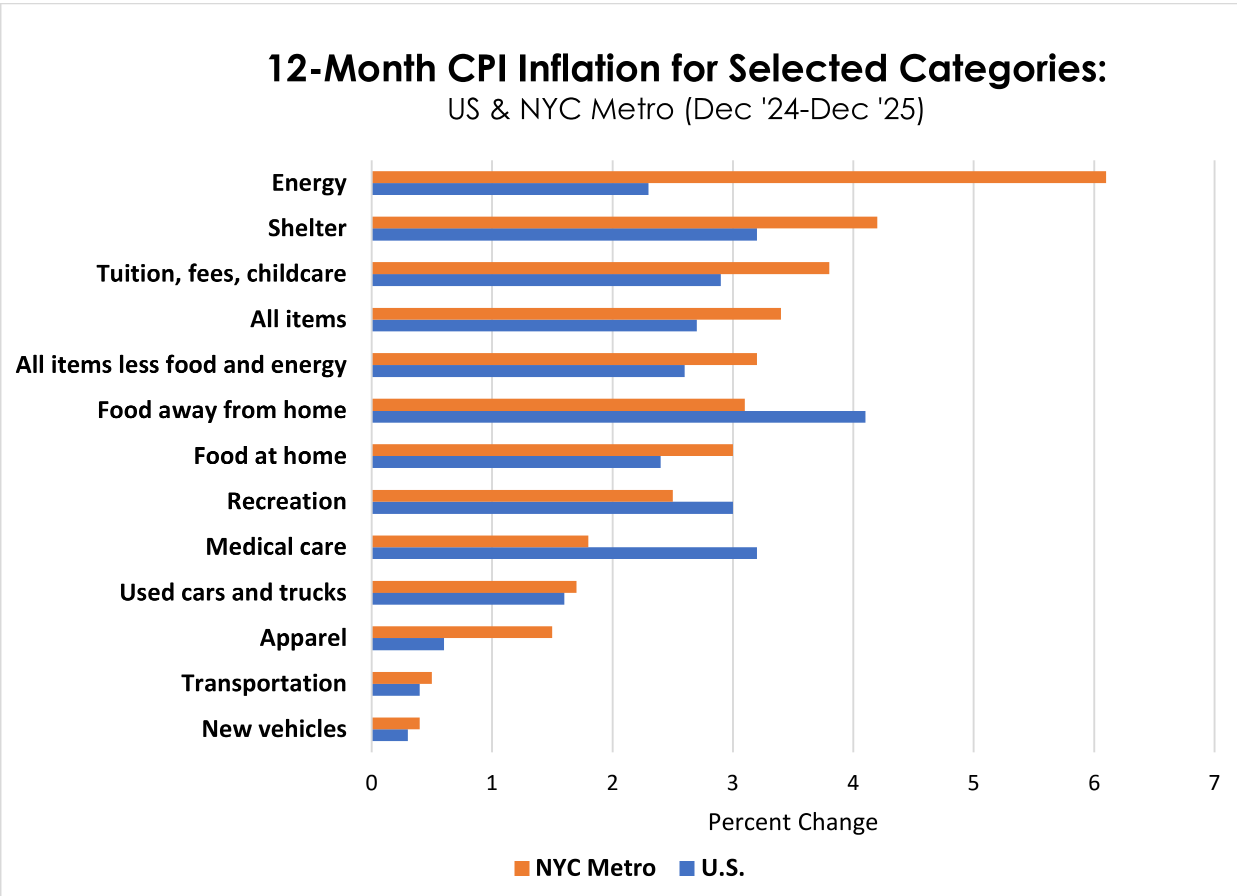
Inflation

- Inflation in the New York metro area continued to run moderately ahead of nationwide inflation over the course of 2025, averaging 3.4% over the 12 months ending in December, above the U.S. rate of 2.7% as shown in Chart 2 below.
- Energy prices, in particular electricity prices, have been a major driver of local inflation: energy prices overall were up 6.1% locally over the 12 months ending December, versus just 2.3% nationally. The government no longer

reports electricity prices locally, but since local gasoline prices are down, it is likely that local electricity prices are up fairly sharply.

- Local shelter costs rose 4.2% during 2025, and tuition & child care costs were up 3.8%—both roughly a point above the respective nationwide rates.

Chart 2



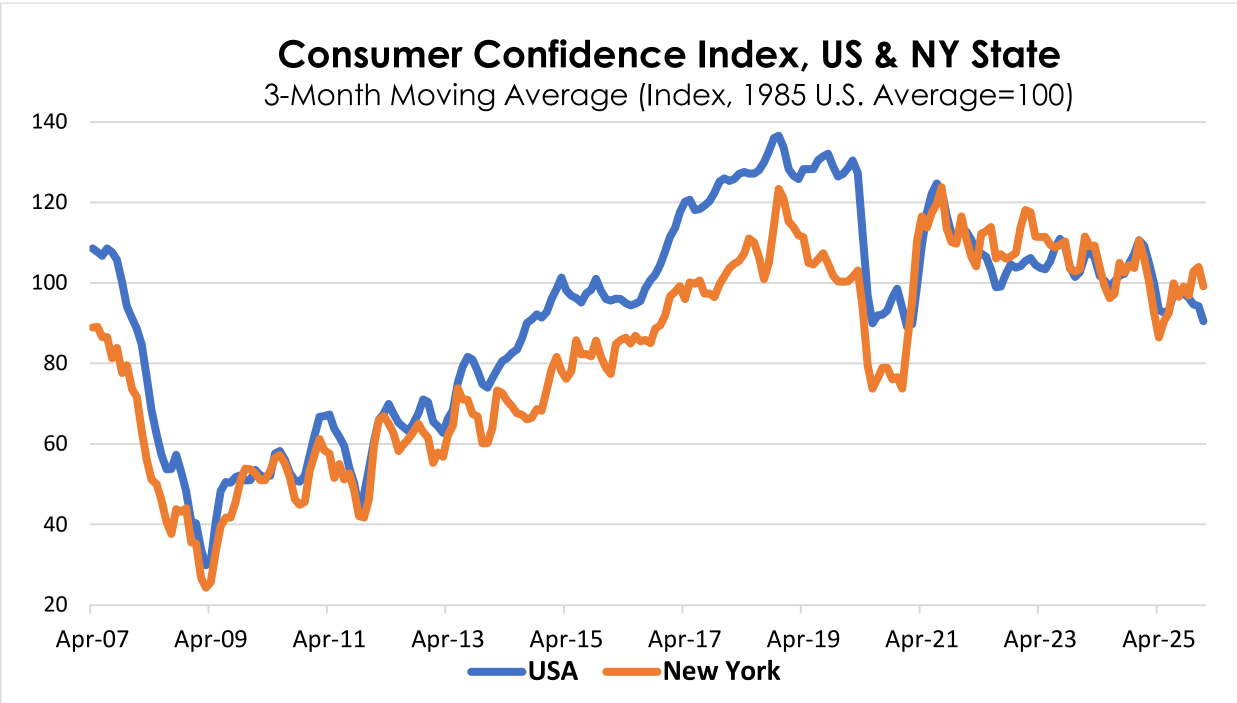
Source: U.S. Bureau of Labor Statistics

Consumer & Business Surveys

- The New York Fed's business surveys conducted in January continue to show that roughly 40% of regional businesses plan to hike prices in the next six months—somewhat less than in the December surveys.
- January survey results also suggest that regional business activity remains weak, though respondents grew more optimistic about the near-term business outlook.

- Consumer confidence, in contrast, has continued to deteriorate nationally and has retreated across New York State. On a 3-month moving average basis, confidence fell to a nearly 5-year low nationwide, and pulled back from a roughly one-year high in New York State, as shown in Chart 3 below.

Chart 3



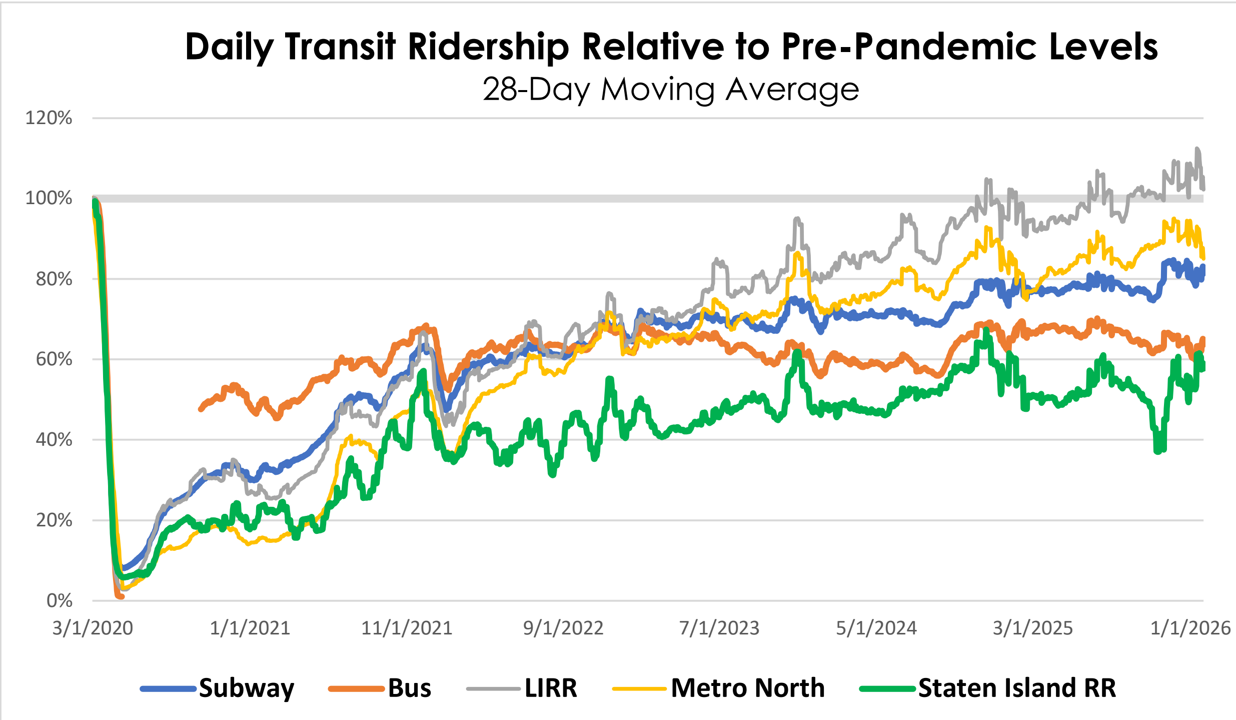
Sources: The Conference Board; Moody's economy.com

Transit Ridership

- Subway ridership, which had reached a post-pandemic high in November, relative to pre-pandemic seasonal patterns, has leveled off in December and January at just over 80% of comparable pre-pandemic levels, as shown in Chart 4.
- Bus ridership has been more sluggish, running about 65% of pre-Covid norms, and Staten Island railroad has been around 60%.
- In contrast, commuter rail ridership has largely seen a full recovery—a bit short of pre-pandemic levels for Metro North, but exceeding them on LIRR.
- Much of the rise in ridership over the past year has been on weekdays, as office workers have been gradually coming into the workplace more. At

this point, the shortfall in weekday ridership is only marginally wider than the shortfall in weekend ridership.

Chart 4

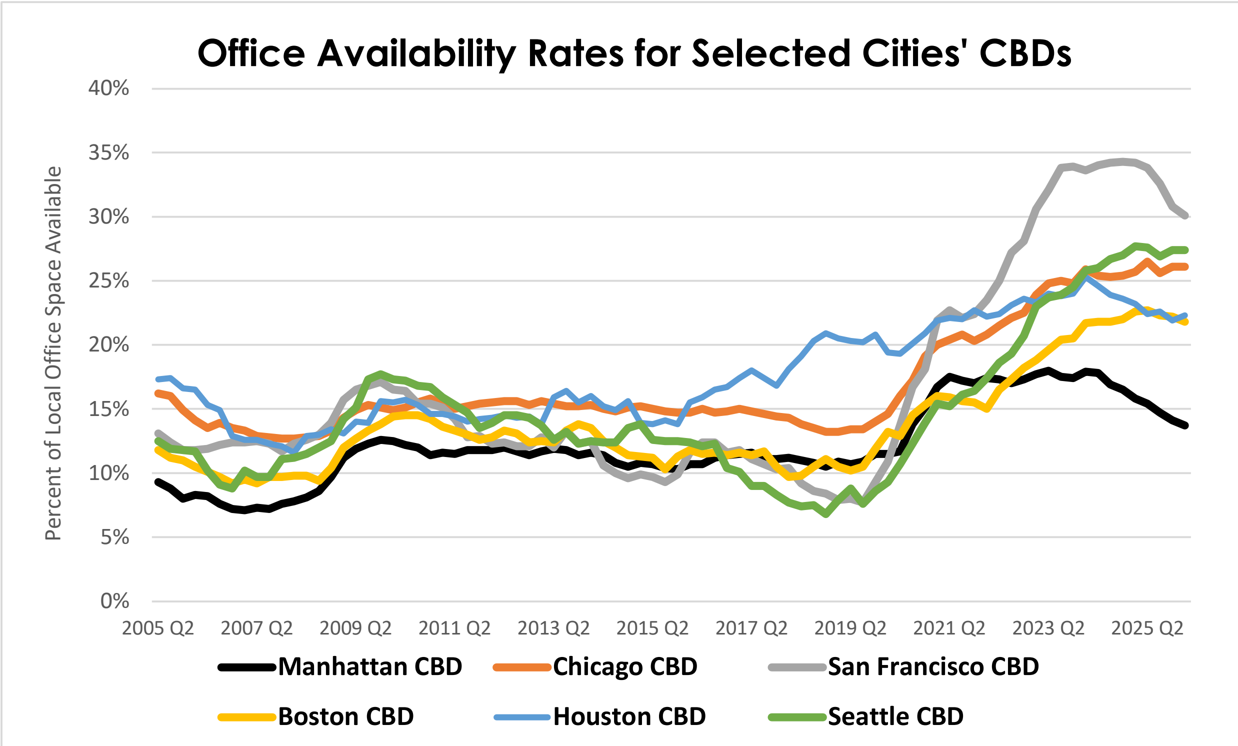


Source: MTA

Office Market and Attendance

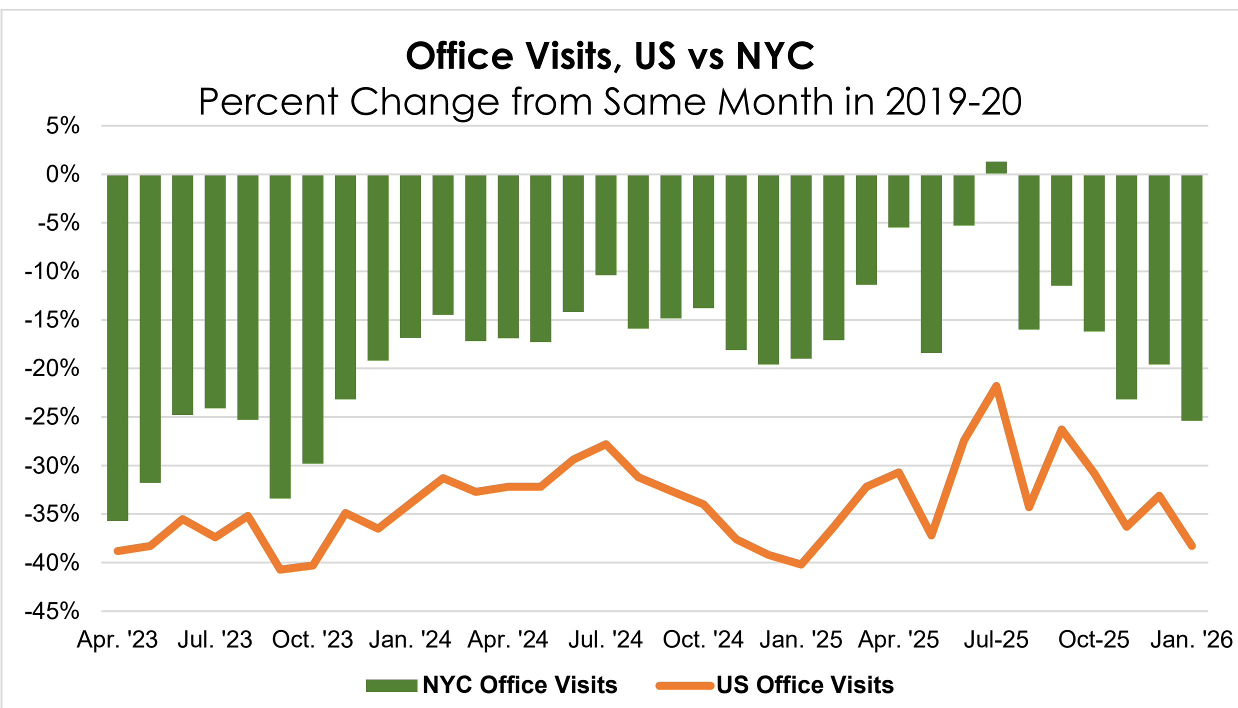
- Office availability in Manhattan is declining in tandem with improving office attendance across the city.
- Manhattan's Central Business District (CBD) has the lowest office availability rate (14.1% in 2025 Q4) amongst other major U.S. CBDs—as shown in Chart 5 below—indicating an increased demand for office space as employees return and some corporations expand their NYC footprint. In comparison, office availability rates in CBDs of San Francisco, Boston, Seattle, and Chicago are noticeably above pre-pandemic levels.
- Office visits in January were 38% below pre-pandemic levels nationwide, versus 25% below in New York City, as shown in Chart 6. Unseasonably harsh winter weather across much of the nation—and particularly in NYC—evidently had a negative effect on attendance. Still, among the major U.S. cities tracked by Placer.ai, New York continued to rank second in office recovery behind Miami.

Chart 5



Source: Costar

Chart 6



Source: Placer.ai

Residential Real Estate

- The residential rental market remained exceptionally tight through the end of 2025, while the sales market was sluggish.
- Rents rose roughly 6% over the course of 2025, based on tabulations from StreetEasy—somewhat more in Manhattan, somewhat less in Queens and Brooklyn. In contrast, selling prices of existing homes edged up by just 0.6% citywide, led by a 3% gain in Queens.
- Compared with pre-pandemic levels, the divergence is even more stark: rents, on average, are up by an estimated 29% since the end of 2019, whereas selling prices are estimated to be down 1%.
- The number of new housing units completed is projected to have reached a multi-year high in 2025. The number of housing starts was also up moderately, but the volume of permits for new construction has tapered off somewhat.

Tourism

- Tourism has shown continued resilience thus far in 2026, in contrast with a number of other U.S. tourist destinations. While January is typically a slow month for tourism in New York City—and this January was particularly cold and snowy—indicators suggest that tourism was stronger than usual for the month.
- The citywide hotel occupancy rate averaged about 73% in January, up 2-3 points from a year earlier, and up slightly from the January 2020 (i.e. pre-pandemic) levels. Hotel revenues (per available room) were estimated to be up 6% from a year earlier. This contrasts with the nation as a whole, where both hotel occupancy and revenues were little changed from a year earlier.
- Despite the typical post-holiday slowdown in tourism activity, Broadway performance stayed relatively strong in January. Gross revenue and attendance figures show growth from both pre-pandemic and last year's levels.

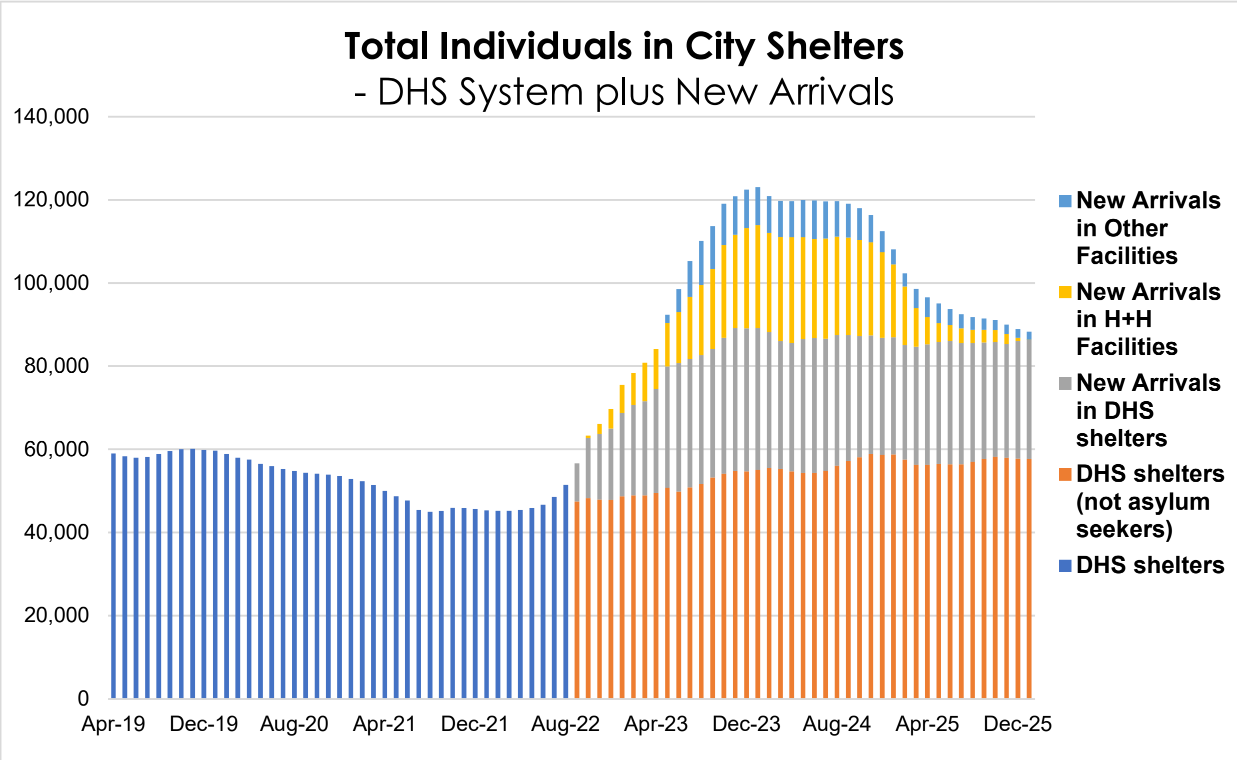
Population & Migration Trends

- Based on the new Census Bureau population estimates, national population increased at its slowest pace since the pandemic, attributed to the slowdown in international migration.
- New York State followed a similar trend, showing negligible growth in 2025. The net international migration rate fell to 4.78 per 1,000 residents in 2025, down from 14.6 in 2024, while domestic out-migration remained consistent at a rate of 6.9 per 1,000 residents in 2025 up modestly from 6.0 in 2024.
- The preliminary 2024 population estimate for NYC showed 1% annual growth; our analysis, however, suggests that the revised estimate (to be released this spring) will show growth closer to 2%. For 2025, we expect NYC population growth to level off given the slowdown in international migration and the steady domestic out-migration.

Homelessness & Asylum Seekers

- Chart 7 shows the monthly average number of people in City shelters through the end of January 2026. From September 2022 through January 2026 the Citywide census (comprised of asylum seekers and DHS shelters) increased by 56%, rising from roughly 56,600 to 88,336 individuals. Much of this growth is attributable to asylum seekers, who represent roughly 35% of the total individuals in shelter citywide, down from the 55% peak in January 2024.
- In January, the average number of asylum seekers in City shelters was approximately 30,659, marking a decrease of 445 individuals from December 2025.
- Over the past 12 months, from January 2025 through January 2026, the average asylum seeker shelter census decreased by 18,664 individuals, or 38 percent. The non-asylum-seeking population has declined by 1,097 or nearly two percent over the same period.

Chart 7



Sources: NYC DHS; NYC Mayor's Office; Office of the NYC Comptroller

Note: Figures shown are monthly averages. Data on the asylum seeker population within DHS shelters are not available prior to August 31, 2022. Other Facilities include spaces operated by NYCEM, HPD, and DYCD, and those outside of NYC.

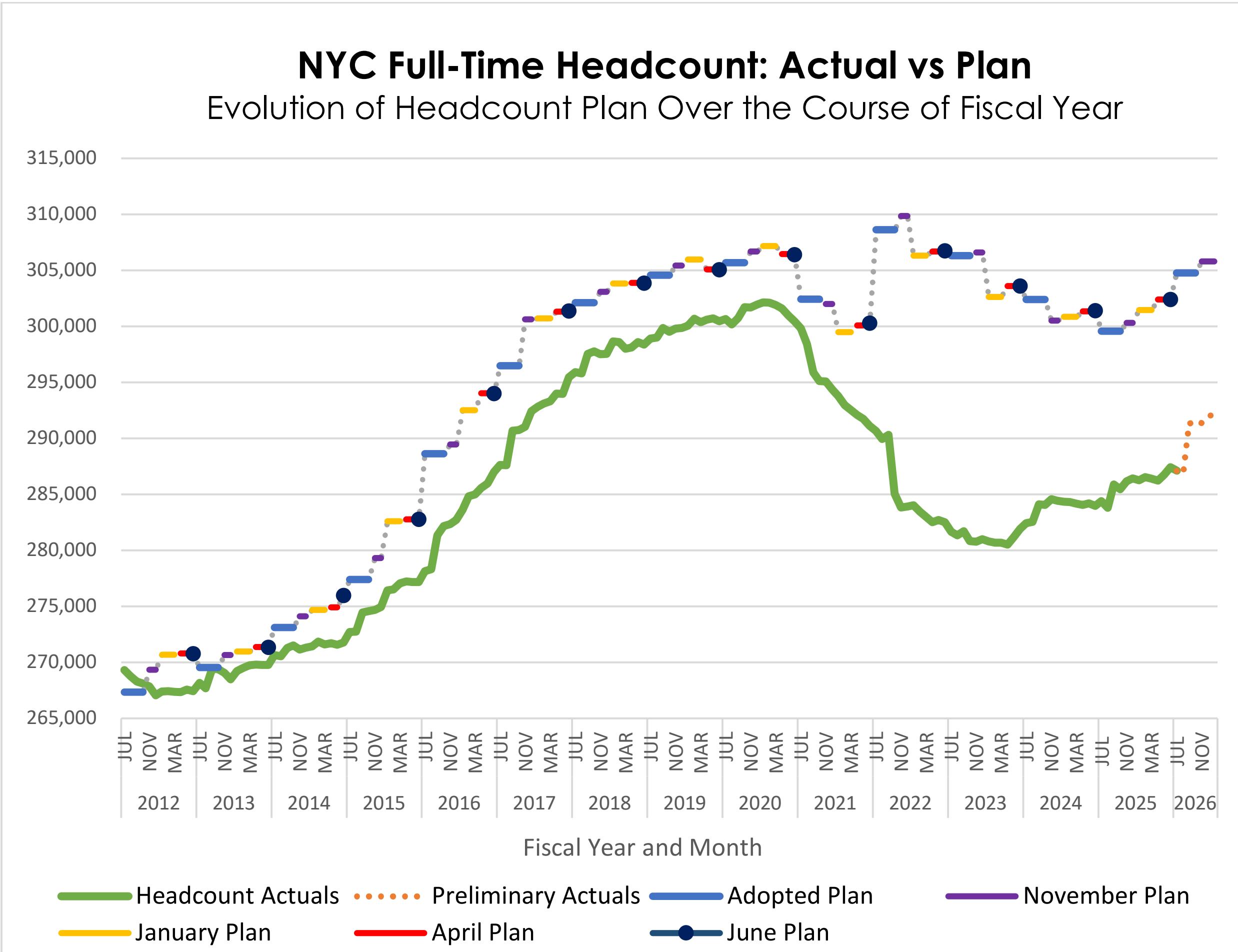
- As of January 4, 2026, New York City Health + Hospitals ceased providing emergency asylum seeker shelter with the recent closure of The Row, its final site. Only one non-DHS site remains, managed by the Department of Housing Preservation and Development. On January 5th, Mayor Mamdani signed an emergency executive order which instructs the Law Department and the Department of Social Services to develop a plan to phase out the continued use of these facilities no later than February 19, 2026. Previously, emergency shelters housing asylum seekers, including the remaining Humanitarian Emergency Response and Relief Center and DHS-managed hotels, were granted exemptions from meeting certain City shelter requirements, such as requiring cooking facilities in shelters for families with children.

City Finances

Headcount Update

- As of the end of January, total full-time actual headcount was 292,483, compared to 305,777 authorized positions in the FY 2026 November Financial Plan, resulting in a citywide vacancy rate of 4.3%. While the City's Financial Plans set authorized headcount levels by agency, these headcount levels are not fully budgeted in the financial plan.
- The FY 2027 Preliminary Plan and January Financial Plan, with its associated authorized headcount, will be released later this month.
- Since October 2025, the City's actual full-time workforce increased by 1,324 staff. During this period:
    - The Department of Education saw the largest portion of the increase, netting an additional 565 full-time pedagogical staff and 153 civilian staff.
    - Actual uniformed headcount increased across all four uniformed agencies: NYPD (563), Correction (105), Sanitation (95), and Fire (45).
    - Actual full-time civilian headcount at the NYPD decreased by a net 184 staff.
- For more details, please see the Comptroller's NYC Agency Staffing Dashboard.

Chart 8



Sources: Office of the New York City Comptroller, Mayor's Office of Management and Budget

Revenue Update

- Table 2 shows NYC tax collections for the first half of Fiscal Year 2026, as compared to the same six months of Fiscal Year 2025. Total tax revenue collected through December has risen by 6.8% ($3.15 billion) over the prior year.
- The first half year-over-year growth in Property Tax and in Payments-in-Lieu-of Tax (PILOTs, a part of the catch-all "Other Taxes" in the table) both appear to have been inflated by the acceleration of some payments into the first half of the year. Their annual growth rates are expected to be smaller by fiscal year end, as earlier payments are offset.

Table 2. Tax Revenue through First Half of Fiscal Years 2025 & 2026

	FY2025	FY2026	Y/Y Growth
Property Tax	27,258,175	28,257,550	3.7%
Personal Income Tax & PTET	7,779,750	8,881,389	14.2%
Business Taxes	3,898,938	3,859,055	-1.0%
Sales Tax	5,062,098	5,289,460	4.5%
Real Estate Transaction Taxes	989,000	1,216,193	23.0%
Other Taxes	1,355,098	1,771,630	30.7%
Total Non-Property Tax	**19,084,884**	**21,017,727**	**10.1%**
Tax Audits	295,250	516,387	74.9%
Total Including Audits	**46,638,308**	**49,791,664**	**6.8%**

Source: NYC Office of Management and Budget

- Growth in Personal Income Tax (PIT) and Pass-Through Entity Tax (PTET) has been sustained by strong recent growth in the stock market and in average wages for some of NYC's higher-paying sectors—Finance & Insurance, Information, and Professional & Technical Services. As explained in a prior newsletter, NYC tax withholding collections provide an early look at expected Winter season bonuses, which thus far appear to have grown by more than 7% over an already very strong season last Winter (Table 3).

Table 3. NYC Winter Bonuses Through the First Full Week in February

	Amount in $ Millions	Growth from prior year
NYC withholding tax collections (10 consecutive full weeks ending February 6)	$3,467.7	7.0%
Estimated NYC base pay withholding tax collections (using withholding growth rates in April through November 2025)	$2,169.3	6.8%
Estimated NYC bonus pool disbursement	$1,071.2	7.4%

Source: New York State Department of Taxation and Finance; Office of the NYC Comptroller calculations

Property Tax – Tentative Roll

- The Real Property Tax (RPT) Tentative Assessment Roll for FY27 was released by the NYC Department of Finance in January. Table 3 reports the tentative FY27 billable assessed values by property class and includes growth rates relative to the final rolls for FY26.
- Total DOF tentative billable assessed value increased by 5.6%. The final billable assessed values, to be published in May, will incorporate the outcome of tax appeals, the processing of additional exemptions, and will reflect the State's assessment of special franchise utility properties within Class 3.
    - The billable assessed value of multi-family residential properties (Class 2 properties) increased by $7.41 billion, 42.9% of the annual gain across all property types.
    - The total DOF market value of regulated rental apartment buildings with 11+ units increased by 8.50%, while that of the unregulated stock grew by 4.76%. This counterintuitive data point can be explained by the apparent reclassification of buildings from unregulated to regulated, with the number of tax lots dropping in the former by 15.78% and growing in the latter by 13.97%.
    - The total DOF market value of office buildings increased by 2.89%. However, the increase was not uniform. The DOF market value of Class A and B buildings (as categorized by DOF) decreased slightly by 1.55% and 0.39%, respectively. This was in part due to a combined decline of 6.9 million square feet in the two categories. On the other hand, total market value of "trophy" and condominium office buildings grew by 9.73% and 7.46%. The square footage in these categories increased by 5.0 million square feet.

Table 4. DOF FY26 Tentative Billable Assessed Value

	FY27 Level ($m)	% Change from FY26
Class 1	$28,211	4.7%
Class 2	$126,702	6.2%
Class 3	$29,167	3.0%
Class 4	$141,680	5.8%
Total	**$325,769**	**5.6%**

Source: New York City Department of Finance

State Budget Update

- The Governor released her Executive Budget on January 20, and she will release her 30-day amendments by the end of February which may adjust fiscal assumptions or policy details.
- For example, these amendments will likely include a proposal for an additional $1 billion the State is now expecting to receive from a recently announced extension to the Managed Care Organization provider tax, as noted below in the Federal Update.
- The NYC Mayor, NYC Comptroller and City Council Speaker traveled to Albany yesterday, February 11th, to testify before the State Legislature at the joint fiscal hearing on the Executive Budget, aka Tin Cup Day. The Comptroller's remarks can be found here.
- The State and Assembly are expected to release their respective One House budget proposals in March, setting the framework for final budget negotiations, with the enacted budget due April 1.
- In the December 2025 newsletter, we noted that several OBBBA business tax provisions would flow through to NYC's Business Income Taxes (BIT), reducing the tax base and receipts already in the current fiscal year. These provisions include, among others, immediate expensing of domestic research and experimentation and 100 percent bonus depreciation for qualifying property. A quick guide to the expensing provisions can be found here.
- New York's FY 2027 Executive Budget legislation proposes decoupling State and City tax bases from the OBBBA business provisions. This policy choice was discussed in the January 2026 newsletter and, should the legislation be approved, it will lead to a recalculation of the City liability across BITs and higher tax collections, mostly in FY 2027.

Federal Funding Update

- On February 3, Congress passed a consolidated appropriations package providing full-year FY 2026 (October 1, 2025 – September 30, 2026) funding for most federal agencies and discretionary spending, ending a short partial government shutdown.

- The Department of Homeland Security (DHS) appropriations bill was separated, with funding extended at FY 2025 levels through a short-term continuing resolution until February 13. Negotiations related to immigration enforcement reforms remain unresolved; absent further action, DHS could face another shutdown, potentially impacting the Transportation Security Administration, the Federal Emergency Management Administration and the U.S. Coast Guard, in addition to Immigration and Customs Enforcement.

- Centers for Medicare and Medicaid Services approved a nine-month extension for NY's Managed Care Organization (MCO) tax, allowing it to continue until December 31, 2026, bringing in nearly $1 billion in extra revenue for the state and its healthcare providers.
    - This additional funding comes after the Governor released her executive budget. She is likely to include a proposal for how to use these funds in her 30-day amendments and has indicated that she plans to reinvest it in the state's health care industry.

- Federal funding for the Gateway Hudson River rail project remains paused after the Trump administration froze reimbursements. Construction has been temporarily suspended and lay-offs announced. While a U.S. District Court judge ordered the Federal Department of Transportation to lift the funding suspension, the Administration has been granted a temporary stay while it files an appeal.

New York City's Cash Balances

- As of February 2nd, the cash balance stood at $9.04 billion, compared to $13.52 billion at the same time last year. The City received only $375 million in COVID-19-related aid during the first half of FY 2026, compared to $4.36 billion during the same period last year.

- The Comptroller's Office's review of the City's cash position during the first quarter of FY 2026 and projections for cash balances through March 31, 2026, are available here.

Contributors

Comptroller Levine thanks the following members of the Bureau of Budget for their contributions to this newsletter: Jonathan Siegel, Chief Economist; Jason Bram, Director of Economic Research; Yaw Owusu-Ansah, Director of Tax Policy and Revenue Analysis; Irina Livshits, Chief, Fiscal Analysis Division; Aida Farmand, Senior Tax Policy Analyst; Marcia Murphy, Principal Revenue Economist; Stephen Corson, Senior Research Analyst; Aliyah Sahqani, Economic Research Analyst; Amber Born, Economic Development Research Analyst; Jack Kern, Principal Budget & Policy Analyst; Bailey Schweitzer, Sr. Capital Budget Analyst; Elizabeth Brown, Senior Director of Budget Oversight; Krista Olson, Deputy Comptroller; and Francesco Brindisi, Executive Deputy Comptroller. The Comptroller also thanks Archer Hutchinson, Creative Director; Danbin Weng, Multimedia Designer; Angela Chen, Senior Website Developer; and Martina Carrington, Web Developer, for design and layout.

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