

ECONOMIC SNAPSHOT

A Summary of New York City's Economy

JULY 2013

HIGHLIGHTS

Private employment rose by 3,000 in May 2013 after an increase of 14,900 in April.

The unemployment rate fell from 8.4 percent in April to 8.3 percent in May.

The Manhattan hotel occupancy rate in May 2013 was 91.9 percent, up from 91.1 percent in May 2012.

The Manhattan Class A office vacancy rate was 9.5 percent in June 2013, while the average asking rent was \$70 PSF.

Passengers in NYC area airports totaled 9.2 million in April 2013, down 2.5 percent from April 2012.

Employment

- Private sector jobs in New York City rose by 3,000 in May 2013 after an increase of 14,900 in April.
- In the same period, government jobs in the City fell by 700, resulting in a net increase of 2,300 total private and public sector jobs.
- Since May 2012, private sector employment has risen by 66,100 jobs or 2.0 percent.
- The City's unemployment rate fell from 8.4 percent in April to 8.3 percent in May.
- Between April and May, the number of employed City residents increased by 13,300, and the number of unemployed City residents fell by 3,900.

Industry	Employment (000s)			
	May-13	Apr-13	Change From Prev. Month	Change From May-12
FIRE	438	437	1	(2)
Finance & Insurance	320	320	1	(1)
Securities	166	166	0	(1)
Banking	91	90	1	1
Other	63	63	(0)	(1)
Real Estate	118	117	1	(0)
SERVICES	2,168	2,166	3	56
Information	173	176	(2)	(5)
Professional & Business	639	640	(0)	24
Prof., Scientific & Tech.	360	359	1	10
Mgt. of Companies & Enterprises	63	63	(0)	(3)
Administrative	217	218	(1)	17
Educational	187	188	(1)	1
Health & Social Assistance	619	619	0	20
Arts & Entertainment	76	75	2	2
Accommodation & Food	295	293	2	5
Other	178	175	3	8
TRADE	478	478	(0)	12
Retail	335	335	1	10
Wholesale	143	144	(1)	3
MANUFACTURING	75	75	(1)	(2)
TRANSPORTATION & UTILITIES	121	122	(1)	(1)
CONSTRUCTION	117	116	1	2
TOTAL PRIVATE	3,397	3,394	3	66
GOVERNMENT	542	542	(1)	(4)
TOTAL (Private & Government)	3,939	3,937	2	62

Unemployment Rates		
Place of Residence	12 Months Ending	
	May-13	May-12
Bronx	12.2%	12.7%
Brooklyn	9.7%	10.0%
Manhattan	7.5%	7.7%
Queens	8.0%	8.3%
Staten Island	8.2%	8.5%
NYC	9.0%	9.3%

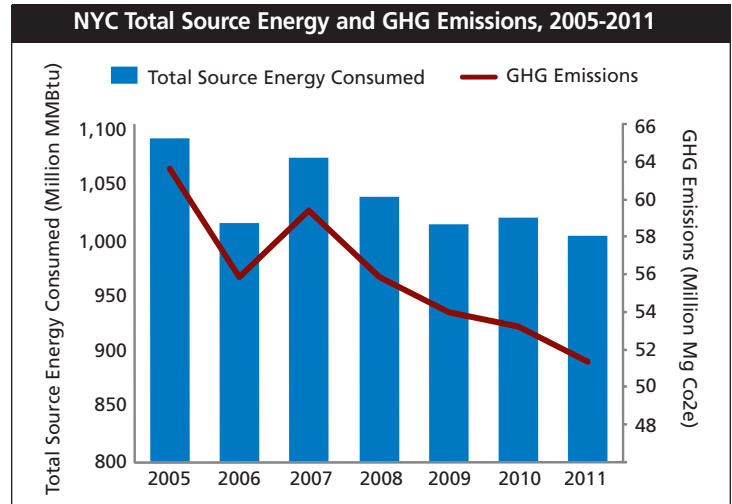
Source: New York State Department of Labor (NYSDOL)

Source: New York State Department of Labor (NYSDOL), seasonally adjusted by NYC OMB.

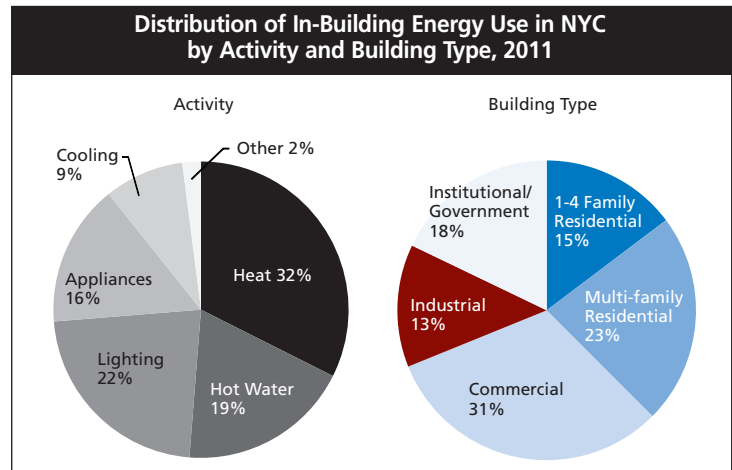
Note: Rows may not sum to totals due to rounding.

Energy Consumption in New York City

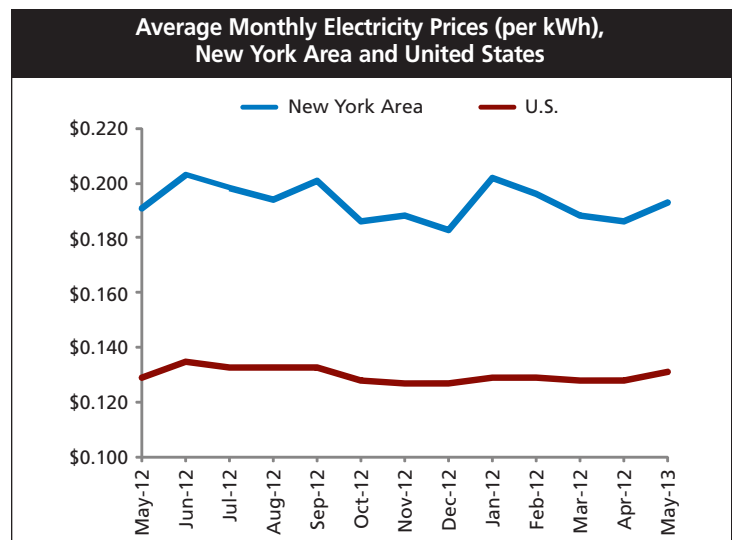
- Statistically speaking, July is the hottest month in New York City in terms of monthly recorded average temperatures since 1934. This translates to greater energy use to power our air conditioners. This month's Economic Snapshot examines energy use in the City using data from the NYC Mayor's Office of Long Term Planning and Sustainability and data that was collected as part of the Local Law 84 Energy Benchmarking Rule, which tracks energy use in NYC buildings larger than 50,000 square feet.
- New York City is more efficient than the U.S. as a whole in terms of per capita energy use. In 2011, the most recent year for which data is available, the average New Yorker consumed 121 MMBtu in total source energy, which includes fuel for transportation and heating as well as electricity. This was less than half the U.S. per capita average in 2011, which was 312 MMBtu. New York City as a whole consumed 1.0 billion MMBtu in total source energy in 2011 and this consumption resulted in 53.4 metric tonnes of CO₂ equivalent emissions (Mg CO₂e).
- Energy consumption in New York City declined by 7.9 percent from 2005 to 2011. Greenhouse gas emissions (GHG) declined at over double that rate during the same period, falling 16.1 percent.
- New York's electricity is becoming cleaner. The city's electricity supply carbon intensity, a measure of carbon used to power a unit of energy, decreased 31 percent between 2005 and 2011. Its per capita GHG emissions level is the second lowest among major U.S. cities and is about one-third of the U.S. average.
- New Yorkers consume less energy driving and more in buildings than Americans on average. 18 percent of NYC's GHG emissions, and a roughly similar portion of its energy use, come from on-road automobile use while 75 percent of GHG emissions come from in-building activities such as lighting, heating, cooling, appliances, etc. In the U.S. as a whole, energy consumed by the transportation sector accounts for 28 percent of emissions while energy used in buildings constitutes just 39 percent of GHG emissions, with the rest coming from industrial and agricultural activities.
- Heating makes up the largest share of in-building energy use in NYC, while cooling makes up the lowest single category, according to the NYC Mayor's Office of Long Term Planning and Sustainability. Based on climatic conditions, however, energy consumption can vary dramatically.
- As of May 2012, there were 881 registered and certified Leadership in Energy and Environmental Design (LEED) projects in New York, the most of any U.S. city. However, the energy efficiency of individual buildings in New York City varies considerably. According to data from Local Law 84, the least efficient 5 percent of office buildings consume 4.5 times the amount of energy per square foot per year as the most efficient 5 percent. Among retail buildings, the least efficient structures consume 8 times the amount of energy per square foot per year as the most efficient 5 percent.
- The average price paid for electricity by New York area residents, including New York City, Northern New Jersey and Long Island, is nearly 50 percent higher than the U.S. average. In May 2013, New Yorkers paid 19.3 cents per kilowatt hour (kWh) while the U.S. average was 13.1 cents, a premium of 47 percent.



Source: NYC Mayor's Office of Long Term Planning and Sustainability



Source: NYC Mayor's Office of Long Term Planning and Sustainability, based on Local Law 84 energy data



Source: U.S. Bureau of Labor Statistics

Note: "New York Area" includes New York City, Northern New Jersey and Long Island

Real Estate and Construction

Manhattan Office Market

- In June 2013, the Manhattan Class A direct vacancy rate rose to 9.5 percent while the average rental rate rose \$1 PSF to \$70 PSF.
- In the same month, the Downtown Class A direct vacancy rate remained at 12.4 percent, and the rental rate remained at \$52 PSF.
- The Manhattan Class A sublease vacancy rate remained at 2.1 percent from May to June.

Class A Office Vacancy Rates and Average Rents						
	Vacancy Rate			Average Rents/SF		
	Direct		Sublease	Direct		Sublease
	June-13	May-13	June-13	June-13	May-13	June-13
Midtown	9.1%	8.9%	2.2%	\$75	\$75	\$59
Midtown South	6.3%	6.3%	2.2%	\$82	\$66	\$51
Downtown	12.4%	12.4%	1.5%	\$52	\$52	\$34
Manhattan Totals	9.5%	9.4%	2.1%	\$70	\$69	\$55

Source: Cushman and Wakefield

Construction

For the twelve months ending May 2013:

- Building projects (including new, additions and alterations) that started construction in NYC fell by 9.4 percent and infrastructure (non-building) project starts rose by 13.3 percent from the twelve months ending May 2012.
- Planned space for building project starts rose by 54.8 percent from the same period in 2012.
- 2,372 residential building project starts began construction, a 6.6 percent decrease from the twelve months ending in May 2012. These starts contained 18,960 units, an increase of 67.3 percent from last year.

Construction Starts, Twelve Months Ending				
Indicator	Building		Non-Building	
	May-13	May-12	May-13	May-12
Number of projects	5,369	5,925	494	436
Square feet (000s)	37,579	24,270	n.a.	n.a.
Value (\$000s)	15,954,017	11,060,841	2,752,028	3,426,392

Source: McGraw Hill Construction

Tourism, Travel and Transit

Transit Ridership

- Total ridership on MTA subways, trains and buses in May 2013 was 236.6 million, an increase of 0.6 percent from May 2012.
- Subway ridership in May 2013 was 150.6 million, an increase of 1.4 percent from May 2012.

Source: Metropolitan Transportation Authority

Tourism and Travel

Air Traffic

- In April 2013, 9.2 million passengers flew into and out of the region's airports, a decrease of 2.5 percent from April 2012.
- Domestic air carriers accounted for 6.0 million passengers, a 3.4 percent decrease from April 2012.
- 3.1 million passengers traveled with international air carriers in April 2013, a 0.9 percent decrease from April 2012.

Source: Port Authority of New York and New Jersey

Broadway Ticket Sales

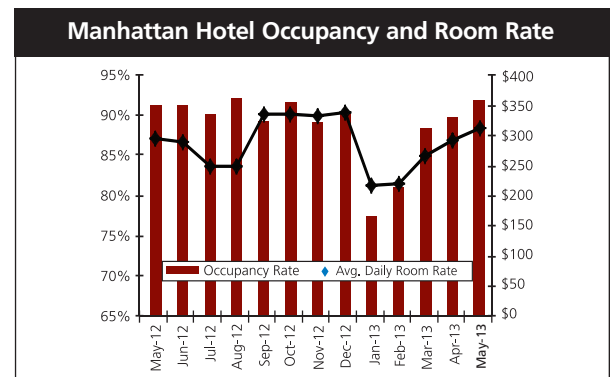
- Total Broadway attendance was approximately 891,000 during the four weeks ending June 30, 2013, down 15.0 percent from the same period last year.
- Broadway revenue during this period was about \$97.2 million, down 2.4 percent from last year.

Note: Gross revenue and attendance figures may not include all shows.

Source: The Broadway League

Hotel Occupancy

- In May 2013, the average daily hotel room rate was \$311, a 6.0 percent increase from May 2012.
- Hotel occupancy was 91.9 percent in May 2013, up from 91.1 percent in May 2012.
- The average daily hotel room rate increased the most in the lowest-price hotels (charging under \$215 per night).



Source: PKF Consulting

Authors: Jeffrey Bryant, Andrea Moore

For more information regarding this issue of *Economic Snapshot*, please contact NYCEconomics@nycedc.com