Office of the State Comptroller

An Economic Snapshot of Washington Heights and Inwood

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Highlights

- The population of Washington Heights and Inwood increased by 6 percent between 2010 and 2013, reaching a record of 218,500 residents.
- Immigrants accounted for 48 percent of the population, with two-thirds coming from the Dominican Republic.
- Washington Heights and Inwood are largely residential areas; most residents commute to jobs elsewhere in New York City.
- Private sector employment reached a record of 28,670 jobs in 2013. The unemployment rate for area residents, however, was four percentage points higher than the citywide rate.
- The number of jobs in the area increased by 3.3 percent in 2013, faster than the citywide rate, and continued to increase in 2014.
- The number of businesses in Washington Heights and Inwood increased by 10.3 percent between 2009 and 2013 to a record of 3,049 (three-quarters had fewer than five employees).
- Private sector jobs in the area paid an average annual salary of $54,640, but area residents held jobs that paid an average of $34,260.
- More than one-quarter of families have household incomes below the federal poverty level. The area also has a high concentration of seniors with incomes below the poverty level.
- More than one-third of the residents age 25 or older had a bachelor’s degree or higher, but more than one-quarter of the residents in this age group did not have a high school diploma.
- Even after taking subsidies into account, 40 percent of all renters devoted more than 30 percent of their household income to rent.
- Serious crime fell by 74 percent over the past two decades, but crime remains an area of concern.

Washington Heights and Inwood extend from 155th Street in Manhattan to the northern tip of the borough. The area has a rich history, and immigrants account for nearly half of the population. The area is home to the largest Dominican community in New York City, making this area a center for Dominican culture.

Nearly all of the households in the area rent their apartments, and housing affordability is a major concern. Since 2002, rent has grown twice as fast as inflation and much faster than household income. In 2013, median household income was only $37,460 (less than the citywide average of $52,220), and one-quarter of the households had incomes below the poverty level.

People have been moving into Washington Heights and Inwood in recent years because housing is less costly than in most Manhattan neighborhoods and because crime has been reduced. In 2013, the population reached a record level.

Health care is the main economic engine in the area, accounting for 43 percent of the jobs. One of the largest employers is the New York-Presbyterian Healthcare System, which operates three hospitals. While many jobs are concentrated in health care, other employment sectors (such as retail trade, education, restaurants and business services) are well represented.

Washington Heights and Inwood weathered the recession better than most neighborhoods and the economy is growing. The area now has more businesses and jobs than ever before. While the jobs in the area pay well, most residents work outside the area in jobs that pay much less.

Despite signs that the local economy is improving, the area still faces challenges. These include better preparing residents so they can compete for higher-paying jobs, as well as creating more affordable housing. Current economic development proposals seek to build on recent successes, and lay the foundation for future economic growth.
Demographics

The population of Washington Heights and Inwood grew by 15 percent between 1970 and 2000, but then declined by 8 percent through 2010. Since then, population growth has resumed, growing by 6 percent to reach a record of 218,500 in 2013 (the most recent year for which data are available). In the past, the local Community Board has suggested that the population could be higher than reported because undocumented residents may be undercounted. In recent years, population growth has been driven by domestic migration, whereas in earlier years growth was driven by immigration.

In 2013, the foreign-born population accounted for nearly half (48 percent) of the population, much higher than the citywide average (37 percent). While the area’s immigrants have come from more than 55 different countries, two-thirds of the foreign-born population are from the Dominican Republic (the largest immigrant group in the City). The Washington Heights and Inwood area has the highest concentration of residents of Dominican descent of the City’s Census-defined areas, making it a center for Dominican culture. Residents of Puerto Rican, Mexican and Ecuadorian descent also have a strong presence in the community. In total, 72 percent of the population self-identified as Latino or Hispanic in 2013.

In 2013, the average age was 38 and 13 percent of the population was age 65 or older, similar to the citywide figures. While a smaller share of the population was under the age of 18 than in the City as a whole, this area had the largest number of children in Manhattan. Also, children in this area were more likely to live in multigenerational households than in the City as a whole (22 percent compared with 15 percent).

More than one-third of the residents age 25 and older had a bachelor’s degree or higher in 2013. However, more than one-quarter of the residents in this age group did not have a high school diploma.

One-quarter of families in Washington Heights and Inwood had household incomes below the federal poverty level, higher than the citywide share (18 percent). Similarly, higher shares of seniors (30 percent) and children (37 percent) lived in poverty. Median average household income was $37,460 in 2013, significantly less than the citywide average of $52,220.

Employment

Washington Heights and Inwood have added more private sector jobs than were lost during the recession (see Figure 1). In 2013 (the latest year for which annual jobs data are available), employment growth accelerated to 3.3 percent, faster than the citywide rate. As a result, the number of jobs in the area reached a record level of 28,670 and continued to grow during 2014. The unemployment rate for area residents, however, was four percentage points higher than the citywide rate.

As the economy expanded from 2009 to 2013 (the latest year for which business data are available), the number of businesses increased by 10.3 percent, faster than the citywide gain of 6.7 percent. In November 2013, the Office of the State Comptroller reported that neighborhoods with high concentrations of immigrants, such as Washington Heights and Inwood, had stronger business growth than the rest of the City.

About three-quarters of the area’s 3,049 businesses were small, with fewer than five employees. Only 26 businesses had 100 or more employees, primarily in health care and in business services.

The health care sector is the largest employer in the area with 12,270 jobs. This sector accounted for 43 percent of the private sector jobs (see Figure 2), more than three times its citywide share. While the health care sector in the area has grown slowly in recent years, these jobs paid an average of $83,300, nearly 50 percent more than the citywide average for this sector. One of the largest employers is the New York-Presbyterian Healthcare System, which operates three hospitals in the area and provides other healthcare services.
Retail trade, with 3,570 jobs, is the second-largest employment sector. One out of every four businesses in the area is a retail business, such as a supermarket or drug store. This sector grew by 9 percent between 2009 and 2013, adding 300 jobs.

Educational services is the third-largest employment sector, with 3,110 jobs. This sector accounted for nearly 11 percent of all private sector jobs in Washington Heights and Inwood, more than double the citywide share. The sector grew by 15 percent between 2009 and 2013, adding 410 jobs. The largest employer in this sector is Columbia University, which operates five colleges in the area (including schools for medicine, dentistry and nursing). Also located in the area are Boricua College, Yeshiva University and CUNY in the Heights, which offers continuing education and workforce development programs.

Leisure and hospitality is the fourth-largest sector, with 2,320 jobs. It showed very strong job growth between 2009 and 2013, growing by 38 percent as it added 630 jobs. The vast majority of jobs in this sector are in restaurants or bars.

The “all other” category includes professional and business services, financial activities (mainly in real estate), personal services (e.g., nail salons and dry cleaners) and construction, as well as some smaller industries. Both the financial activities and construction sectors lost jobs during the recovery.

Private sector jobs in the area had an average annual salary of $54,640. While less than the citywide average ($83,870), this level of pay was the tenth highest of the City’s 55 Census-defined areas. Area residents, however, held jobs that paid an average of $34,260, one-third less than the average salary for jobs in the area. Many residents work as childcare providers, housekeepers, restaurant workers and health aides, and most commute to jobs outside of the area.

Housing
Rent is lower in the Washington Heights and Inwood area than in the rest of Manhattan, which has helped attract new residents. In 2011 (the latest year for which housing data are available), median monthly rent averaged $1,025, compared to $1,560 for the rest of Manhattan.

Nonetheless, housing is a major concern for area residents. Affordability is a problem because household income is relatively low and because rent has grown faster than income. Although 17 percent of area households received a rent subsidy (52 percent of the subsidized households received Section 8 vouchers), 40 percent of all renters still devoted more than 30 percent of their household income to rent (the level at which rent is considered a burden). Moreover, the NYU Furman Center reports that the area had the second highest rate of serious housing code violations in the City in 2014 (123.9 per 1,000 rental units) and that it ranked first in each of the three previous years.

Nearly three-quarters of the 71,410 housing units in Washington Heights and Inwood were rent stabilized. Public housing accounted for less than 3 percent (half the citywide share) and rent controlled housing accounted for another 4 percent of the units. While the number of market-rate rental units quadrupled between 2002 and 2011, they accounted for only 7 percent of the housing units, much less than the citywide share of 26 percent. Only 11 percent of the housing units were owner-occupied, one-third as much as the citywide share.

Crime
Over the past two decades, a steep reduction in crime has transformed Washington Heights and Inwood into much safer communities. According to the New York City Police Department (NYPD), serious crime in the area fell by 74 percent between 1993 and 2013 (similar to the citywide decline) and continued to fall in 2014.

Despite these improvements, crime is still a concern. According the NYPD, there are still high concentrations of minor and violent crime (e.g., robberies and shootings) in the area. In the recent statement of district priorities for Community District 12 (which serves the area), local residents said that additional police officers, more lighting, and cameras in parks and other areas are needed.
**Education**

Washington Heights and Inwood are served by District 6, which includes 27 elementary schools, 14 middle schools and 6 charter schools. These schools mainly serve students within the district, but some accept students from outside the area.

Nearly one-third of the schools in the district are overcrowded, and many students are not meeting State standards. In 2014, only 17 percent of elementary and middle-school students met the proficiency standard for English, and only 22 percent met the standard for mathematics (significantly lower than the citywide averages).

The district had the highest share of “English language learners” in the City (nearly 29 percent). More than one-third (36 percent) of neighborhood residents reported that they were unable to speak English very well, compared with 22 percent for the City as a whole.

The number of children enrolled in full-day prekindergarten programs in the district has more than tripled in the first year of Mayor de Blasio’s initiative to improve educational services.

The area’s 11 high schools serve students throughout the City. More than three-fifths of the graduates from two schools (the City College Academy of the Arts and the Washington Heights Expeditionary Learning School) met the State standards for college readiness. However, within the remaining eight schools that had data available, only one in five graduates were college-ready. In 2014, a high school focusing on technology opened.

**Economic Development**

In Washington Heights and Inwood, as in many parts of the City, there is a need for better-paying jobs, more affordable housing and additional mass transit services. Elected officials, community organizations and residents are working to address these issues while promoting economic growth.

The Washington Heights and Inwood Development Corporation assists local small businesses by offering counseling and micro-loan programs. The Upper Manhattan Empowerment Zone Development Corporation provides loans to firms that need larger amounts of financing but are still too small for traditional financial institutions.

A plan to rezone and develop 100 acres of industrial property around the 207th Street rail yard in the northeastern section of Inwood was recently proposed by a City Council member. A mixed-use development would include a hub for technology and health care (featuring labs, business incubators and facilities for tech-oriented education and job-training programs), as well as thousands of new housing units, many of which would be affordable units. Another proposal would expand the technology center in the Fort Washington Armory.

The George Washington Bridge Bus Station is currently undergoing its most extensive renovation since it opened in 1963. The $183 million project (expected to be completed in late 2015) will create an accessible modern passenger pavilion, a new bus concourse, space for community use and 120,000 square feet of retail space.

The demand for mass transportation in Washington Heights and Inwood has increased as population and employment have grown. Subway ridership grew by 12 percent over the past five years, and the Bx12 bus route (from Inwood to Co-op City in the Bronx) is the busiest bus route in the City with 15.8 million riders annually. On average, area residents spend more than 40 minutes commuting to work (the longest commute in Manhattan).

Citing congestion and long commutes, local elected officials have petitioned the Metropolitan Transportation Authority to expand shuttle and subway service along the 207th Street–Fordham Road commercial corridor to better link several subway and Metro-North Railroad stations. They have also proposed a new ferry service from lower Manhattan to the Dyckman Street Marina.

The City, in partnership with the community, is revitalizing the area’s parks and making them more accessible to residents. The City also broke ground on Plaza de Las Americas near the historic United Palace Theatre, which will provide a permanent home for vendors and a farmer’s market.

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1 The U.S. Census Bureau considers the two neighborhoods one of the 55 geographic areas in New York City.
2 Population and housing data include Marble Hill, an area on the Bronx side of the Harlem River that is part of Manhattan.
3 Multigenerational households have three or more generations living together.
4 The U.S. Census Bureau estimated the area’s unemployment rate at 13.6 percent in 2013, using a different survey than that used by the U.S. Bureau of Labor Statistics.
5 English language learners speak a language other than English at home and were not proficient in English when they entered the public school system.