



Illegal Dwelling Units: A Potential Source of Affordable Housing in New York City

A report to

**New York City's Department of
Housing Preservation and Development**



**Chhaya Community
Development Corporation**

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Executive Summary

As New York City continues to grow, demand for housing has led to a dramatic expansion of the city's informal housing market. By some estimates there are more than 100,000 illegal dwelling units across the city, often providing an affordable alternative for households priced out of the formal market. Such units have existed since authorities began regulating housing but became a particularly acute problem after World War II when owners opened their homes to returning war veterans. Today, new immigrants often find these units through family connections and other social networks.

A similar economic rationale exists on the supply side as well. For owners, carving separate dwelling units out of existing structures provides a steady source of rental income. In many cases, illegal units have allowed for an expansion of ownership, as rental income is used to enhance financing ability and make monthly housing payments. In some cases, housing prices reflect the mere possibility of creating a secondary dwelling unit even when one does not exist.

Despite the source of affordable housing and rental income that illegal units provide to renters and owners, critics are quick to point out that the units can have negative spillover effects on surrounding neighbors. In particular, the burden that such unplanned-for secondary units have on local infrastructure including parking, sanitation, schools, and transit, often decreases the quality of life of a street or neighborhood. While secondary units can increase the value of a single property, a critical mass of such units can often lower property values for everyone.

In addition, the tenants of illegal dwelling units are more vulnerable to fire and safety hazards that arise from lack of government regulation. While some owners may understand the importance of fire suppressing safety measures, many more are likely unaware of the risks or choose not to deal with them out of economic self-interest. Because these units are not regulated, neither owner nor tenant can enter into a legally binding lease contract. For tenants, this increases the chances of displacement and for owners, decreases the certainty of associated income.

There is good reason to believe that bringing some of these units into the scope of regulation would benefit tenants, owners, communities, and the city through an enhancement to safety conditions, an improved ability to plan for and allocate resources, an increase in tax revenues, and greater financial security for both tenants and owners.

In this report, Chhaya CDC, a community based organization working with new immigrants in the borough of Queens, partnered with the Citizens Housing and Planning Council, a nonprofit policy research organization, to estimate the number of such units in two specific geographic regions and to assess the potential for owners to legalize existing units. The survey tool was developed using the Census Bureau's triannual Housing and Vacancy Survey of New York City, thereby allowing comparability testing against the results. Additionally, the survey sought to provide insight into the current safety conditions of secondary basement units and assess the amount of work that would be needed to bring units up to code.

The two areas selected—one in Jackson Heights and the other in the Briarwood/Jamaica section of Queens—have very different housing stock characteristics, zoning, and histories of development. What makes the communities similar is that more than 55 percent of their populations are foreign-born, local schools are at or above 100 percent utilization, and overcrowding is a significant issue. In the Jackson Heights survey area, more than 41 percent of homes surveyed had received a complaint related to an illegal conversion; and in the Briarwood neighborhood nearly 17 percent had. And finally, both communities have been greatly affected by an increasing number of mortgage delinquencies and defaults related to the housing market turbulence.

Survey Findings

A grassroots approach enabled surveyors (who spoke more than seven languages combined) to survey both the tenants and owners of illegal basement units, as well as local business owners, real estate agents, and other community stakeholders. The survey found a mix of opinions on the issue of whether or not such units should be legalized. Many of those who were inclined to support the idea were afraid to discuss many details for fear of fines or eviction. The survey did, however, confirm that illegal secondary basement units are often overcrowded and, at times, potentially hazardous to tenants and owners alike.

Survey results found that at least 35 percent of units surveyed (155 out of a pool of 446 homes) had an accessory unit that could potentially be legalized. Based on surveyor observations, 82 percent of these units had more than one of six indicators present. Indicators included utility wiring, three or more cars, extra mailboxes, extra trash cans or doorbells, cable splitters, and separate entrances. The percentages were slightly higher (39 percent) in Jackson Heights, where the historic row houses were equipped with a separate door entrance from the rear of the building. Thirty-two percent of homes appeared to have secondary units in the Briarwood/Jamaica area.

Forty-seven owners and seven tenants agreed to in-depth, one-on-one surveys. At least 93 percent of the homes surveyed were owner-occupied. Forty-six percent of respondents indicated that there were two or more means of egress in the accessory unit including entryways through interior and exterior of units and doors connected through garages. In addition, 98 percent had at least one window large enough for adult entry or exit. In terms of fire safety, more than 48 percent of respondents indicated there was a fire extinguisher in the accessory unit, and 62 percent had functioning smoke detectors, indicating a willingness to maintain fire and safety measures by owners. From the limited samples of tenant surveys, we found that units were overcrowded, provided housing to recent immigrants, and that occupants had often lived in the units for more than two years.

Recommendations

Based on observations during the survey process, accepted research, and models across the country, establishing an accessory dwelling unit code is a reasonable and achievable means to create affordable and safe housing in New York City. It is a particularly practical solution to the city's housing crisis in communities where increasing population growth is occurring in neighborhoods zoned for single and multifamily homes. During difficult economic times, owners may be able to sustain homeownership through the increased income, neighborhoods are able to generate more tax revenues, and tenants are able to find an affordable place to live in communities where families and friends reside. In the current context of rising defaults, many of which are in this study's target areas, allowing income from units will help stabilize communities by reducing the rate of defaults.

Bringing units into regulation would have a number of benefits for the City. It would: (1) ensure fire safety and health compliance of accessory units; (2) increase tax revenues; (3) enhance ability to accommodate and plan for population growth through allocation of resources to area public schools, sanitation, parking permits, and development; (4) reduce costs to hear cases at the Environmental Control Board (often two or three hearings are held per violation); and (5) reduce the cost of responding to complaints with multiple inspections.

Moving regulation forward would require changes to the New York City Zoning Map and Resolution and the Building and Housing Maintenance Codes. In areas with one- to two-family homes where "illegal threes" have become effectively the norm, changes to the Zoning Resolution could allow these units to be made legal. In some cases, units in violation of the New York City Building or Housing Maintenance Code would be deemed safe by independent observers. Changes could emphasize health and fire safety, rather than physical aspects that may vary as indicators of habitability. Currently, new Building Codes are being implemented, making it an ideal time to look at potential changes through independent review processes.

Implementing an Accessory Dwelling Unit Conversion Program

Most owners are not knowledgeable about the City's Building Code. Rather than automatically penalizing homeowners with costly fines, the City could create an aggressive education program to sensitize people on what is required under the zoning laws. Also, financial incentives, guidance on the process, and support for owners who voluntarily comply would be an ideal first step in streamlining the process.

We recommend that the City consider selecting priority communities for a pilot effort in districts where illegal conversions are most common, those with substantial population growth and higher school utilization rates. In addition, priority should be given to communities with higher rates of mortgage default to limit destabilization of these communities and those with housing characteristics and neighborhood densities that could accommodate additional housing.

In selected targeted communities for initial implementation, the following could assist in ensuring proper usage and execution by owners and other industry players (note that such programs should initially be offered to owner-occupied homes to ensure community accountability): (1) public education and assistance for owners and buyers through public, private, and nonprofit partnerships; (2) financial assistance for owners to voluntarily go through the legalization process; (3) voluntary agreements between homeowners and the City; (4) relief on fines for homeowners going through the process of legalization; (5) restricting the complaint-based system to neighbors; and (6) certification of residential status by the buyer where properties are transferred.

Some areas for further research that would help facilitate such an effort relate to measuring the costs and value in implementing such a program. These include: the projected cost of conversion for average unit; a comparative assessment of increase in tax liabilities and costs of conversion versus income generated and impact on long-term property value; the estimated increase in tax revenues to be generated for the City compared to cost of implementing a conversion program; and finally, a comparative analysis of time and resources for an owner to proactively legalize versus responding to a complaint of illegal use.

Illegal Housing Conversion: Issues and Context

As is widely known, New York City is facing a housing crisis. Despite efforts by the City and State to produce and preserve affordable units, the number available has failed to keep pace with demand. This has led to a dramatic increase in the informal housing market. The informal market has historically provided a substantial source of affordable apartments for tens of thousands of New York tenants, and it continues to do so. Housing advocates estimate that there are 100,000 illegal apartments in New York City. These units not only provide desperately needed affordable housing, they also constitute a vital additional income stream for many homeowners. In fact, mortgage brokers are often aware of the existence of illegal units and encourage owners to account for the projected rental income, increasing the size of the owners' monthly mortgage burden. In the context of the current and projected rise in foreclosure rates around the city, the importance of this generated income to many owners will make the difference needed to maintain their homes.

An illegal conversion is the creation of one or more additional dwelling units within a home without prior approval and a permit from the New York City Department of Buildings. Referred to as "granny units," "illegal twos or threes," or "accessory units," such housing has been in existence (as well as in dispute) in New York City since the 1940s when returning World War II veterans struggled to find affordable housing. Owners opened up their basements (for the purposes of this study, this term also includes spaces legally considered "cellars"), garages, and other floors to help support those in need during challenging economic times when the city did not have an ample housing stock. *New York Times* articles from that period show that there were lawsuits against owners for renting unsafe basement units ("Evicted Veteran Aided: Housing Expediter Gets Court Order Against Landlady," July 9, 1949) and that new housing developments were giving special preference to veterans in basement units ("30 Families Move Into New Housing: In the Shadow of the Old and the New," March 8, 1950).

Today, a combination of population growth, rising rent burden, overcrowding, a scarce supply of affordable housing, and a housing gap (inability to build enough new units to supply all residents with safe and legal housing) has led to a surge in illegal apartments throughout the city with the highest rates occurring in the borough of Queens. Much of the phenomenon is hidden, and decennial Census numbers provide little or no help because they overlook many of the recent immigrants who occupy basements, attics, and garages throughout the borough.

According to the NYC Rent Guidelines Board report (2005), one out of every four households in New York City paid over 50 percent of their incomes for housing, a rent-to-income burden that is well beyond the generally accepted 30 percent defined housing burden threshold. Over 11 percent of all rental housing is considered overcrowded (more than one person per room). In 2002, nearly 3 percent of the city's households were living in severely crowded conditions (more than 1.5 persons per room), compared with 0.4 percent nationally. In three sub-boroughs of Queens, 8 to 11 percent of households lived in severely overcrowded conditions. Even with the City's new plans to create and preserve affordable units, announced recently by Mayor Bloomberg, the demand for lower-rent units will overwhelmingly exceed the supply.

The housing gap grew between 1999 and 2002 to more than 111,000 units.¹ When the amount of housing needed to replace degraded stock is added to this baseline, the "quantity adjusted" housing climbs to over 370,000 units. Although there is evidence that housing production is trending up (from under 9,000 units in 1999 to over 15,000 in 2002 to over 17,000 in 2004), it is still insufficient to keep up with the demand.

The Citizens Housing and Planning Council published *New York's Underground Housing* in June 2003, having pioneered a new methodology to understand the scale and nature of the illegal housing market. The analysis drew upon 2000 Census data and compared the housing growth rate to the rate of new construction as indicated by new construction certificates of occupancy and by data on rehabilitation of vacant units through city programs. Housing growth that exceeded documented new construction and rehabilitation is likely attributable to illegal additions. The report estimates that nearly 42,000 new housing units in Queens that were counted in the 2000 Census and not identified in the earlier Census were not recorded as new construction or rehabs of vacant units. These unaccounted-for new units amount to 73 percent of total Queens housing growth.

While illegal units serve an important purpose, they often pose health and safety problems for tenants. Because illegal units are unregulated, the degree to which they are not in compliance with New York City's building code and zoning resolution varies. Illegal units range from basement or attic apartments in districts zoned for single-family houses to tiny, subdivided apartments or dormitory-style dwellings whose occupants are subject to serious safety risks. Even those units that do not represent health and safety hazards can create problems at a neighborhood level by increasing population density without concomitant increases in community services such as sanitation, schools, and parks.

Currently, enforcement occurs through a complaint-based system where neighbors, tenants, and even businesses offering violation removal services are able to anonymously file complaints through 311. This approach to enforcement perpetuates tensions and creates distrust in communities. In addition, it is impacting the quality of the housing stock with growing numbers of potentially unscrupulous businesses offering assistance to owners working in partnership with local area engineers to generate revenues through unnecessary or unsatisfactory renovation work and fees. Owners that receive violations from the Department of Buildings (DOB) are fined around \$2,500 per violation; multiple violations add up to \$5,000 and require immediate action of the owner or continue to grow to as high as \$15,000. Although the City collects revenues from such fines, the cost of inspection, enforcement, housing court hearings, and other costs related to such units probably far outweigh the benefits.

During the past decade, the DOB system of uncovering illegal conversions has been overloaded as the complaints have dramatically risen—an annual increase of 5,500 between 1997 and 2000 and in 2006, an annual increase of about 9,000 for a total of over 17,000.² As a result, the DOB's resources have been stretched beyond their limits, and owners often evict tenants for fear of further fines.

The loss of income from previously rented illegal units is also contributing to the rise in mortgage defaults in some communities. Many owners were mistakenly counting on rental income from such units in order to afford their monthly payments. Using the 42,000 estimated unaccounted-for units in the borough of Queens and an estimated average of \$700 in rental income per unit (based on

anecdotal evidence), these units are potentially contributing nearly \$3 million in revenues to owners in Queens. Linked to the current foreclosure crisis, many owners purchased properties with rental units in mind based on false promises or urging by unscrupulous brokers. Bringing these units into regulation would help prevent losses in homeownership, as well as generate new tax revenues.

Tenants of illegal units are at much higher risk of displacement and vulnerable to poorer living conditions. Recognizing that their units might be illegal, many avoid using the court system when seeking improvements or assistance with harassment issues. As a result, many live in unhealthy conditions that are never reported. Based on the experience of Chhaya CDC, tenants ultimately are displaced, either through a formal holdover case through the court system or through harassment tactics by the owner.

There are many potential benefits, as well as risks to bringing such units into regulation:

- Tenants of illegal dwellings stand to see their living conditions improve if their units can be legalized. But they also risk eviction if enforcement increases, possibly forcing them into even worse conditions in a tight housing market.
- Since the rental income from illegal units is currently unreported, legalization would increase revenues for the City to help support important community services. However, the homeowners themselves may prefer to maintain the status quo under which they avoid paying tax on rental income.
- Members of homeowner associations may welcome new tax-paying properties as a way of keeping their own tax costs down. At the same time, many such groups have voiced concerns about overcrowded schools and overburdened hospitals and are fighting increased population density in their neighborhoods.

The potential for legalization of such units as “accessory dwelling units,” will vary by neighborhood, housing stock, and zoning:

- Some units could be legalized simply by the filing of architectural plans with the Department of Buildings.
- Some are safe and meet the Building Code, but are not allowed by zoning. To regularize these would require a change to the zoning map.
- Some are or could easily be made safe and habitable, but would still violate the Building Code. These would require some changes to the code.
- Some are fundamentally inappropriate for habitation—lacking natural light, proper ventilation, or safe forms of egress—and could not be made habitable without major renovations.
- In some subdivisions the overcrowding is so severe and dangerous that legalization would be impossible without other major investments.

This research focuses on two neighborhoods where legalization of units has a higher potential due to the age and type of housing stock (primarily on single and two-family homes), as well as a high level of immigrant population growth in the past decade, creating a greater demand and market for affordable housing.

Methodology of Research

To address these larger systemic citywide issues and develop strategies, Chhaya CDC partnered with the Citizens Housing and Planning Council to conduct a community-based survey and study of two, five-to-10-block areas in Queens Community Boards 3 (Jackson Heights) and 8 (Briarwood/Jamaica). By focusing in on specific geographic regions, the goal was to compare the demographic data in these areas by documenting the number of units, household size, and demographic characteristics of owners and tenants. As Census data does not accurately count illegal dwelling units, this research documents where these units are located and assesses potential path for legalization.

Organizational Background

Chhaya CDC is a community-based immigrant housing and community development organization serving the borough of Queens, working with both tenants and owners in the target areas. It has continued to focus on the issue of illegally converted units since its inception in 2000 because of the large number of tenants and owners who approach the organization seeking assistance with such units. Chhaya offers eviction prevention and mediation services to tenants and technical assistance for owners on the legalization process under the current system. Chhaya took the lead in identifying proposed research and implementation of the survey.

Citizens Housing and Planning Council (CHPC) is a nonprofit policy research organization dedicated to improving housing and neighborhood conditions through cooperative efforts of the public and private sectors. CHPC created the survey tool, offered background research, and helped to identify key findings from survey results for this report. The survey is based on the Housing Vacancy Survey but also includes a section aimed at identifying the current safety of illegal units and the approximate difficulty of bringing observed units up to code.

Selection of Tracts

Both neighborhoods being surveyed (Jackson Heights and Jamaica) were selected based on demographic and housing characteristics compiled from the 2000 Census, the 2005 New York City Housing and Vacancy Survey, and the City of New York Primary Land Use Tax Output (PLUTO) data. One Census Tract in each neighborhood was selected for the survey based on the external physical characteristics of its housing stock. The 446 buildings surveyed currently have certificates of occupancy as single-family homes.

Tracts were selected based on the following criteria (in order):

- (1) Identification of all tracts in Queens County, Jackson Heights, and the Jamaica area.
- (2) Identification of tracts in the defined area that included a concentration of South Asian residents (concentration defined as more than twice the percentage of South Asians in New York City as a whole). Census Tracts with a South Asian population greater than 2.8 percent were included in the analysis.

- (3) Identification of the housing vacancy rate of the selected Census Tracts. It can be assumed that areas with tighter housing markets (lower vacancy rates) would experience greater pressure to utilize illegally occupied units, given the shortage of legal units available. All Census Tracts with vacancy rates lower than that of New York City as a whole (8.1 percent) were kept in the analysis.
- (4) Examination of the housing stock of the selected Census Tracts with respect to number of units in structure. Based on a preference for surveying one- to three-unit structures, Census Tracts were selected based on a relatively high proportion of three or fewer unit structures. In this case, the selected proportion was greater than 25 percent of the housing stock in structures with three or fewer units.
- (5) The resultant Census Tracts were narrowed further by weighting South Asian population, vacancy rate, type of housing, and location within the preferred community districts. Preference was given to Census Tracts with relatively large South Asian populations and a high percentage of structures with three or fewer units. Areas with higher concentrations of South Asians were prioritized to facilitate greater success in the survey effort given Chhaya CDC's language and cultural competencies, as well as existing target areas of work.

Based on this analysis, areas selected for the survey project included single-family homes in Census Tract 291 (Jackson Heights) and 232 and 236 (Briarwood/Jamaica).

Development of Survey Tool

Citizens Housing and Planning Council helped Chhaya develop the survey. With the aim of legitimizing the survey and its results, Citizen Housing and Planning Council mirrored the Housing Vacancy Survey (HVS). Further, the organization slightly expanded the HVS survey to include Section E (see Appendix B). The aim of this section was to add insight to the current safety conditions of unregistered units and to understand how much work would be needed to bring these units up to code.

Survey Implementation

Prior to implementation of the survey, a letter was sent to each home explaining the purpose of the research and intent to visit homes to request anonymous responses to the survey (see Appendix A). Letters were also translated into Chinese, Bengali, and Spanish for surveyors to offer during canvassing to ensure ability to communicate with the diverse community. A team of seven to 10 surveyors (including Chhaya staff and volunteers) was trained by CHPC on how to correctly implement the survey. In total, the survey team's language capacity included Bengali, Chinese, Haitian-Creole, Hindi, French, Nepali, Punjabi, Urdu, and Spanish.

Surveyors were instructed to first attempt direct access to the secondary unit if an entrance was available and survey the resident of the unit. Where an entrance was not accessible, surveyors were instructed to approach the main entrance of the building. The goal was to attempt to survey the tenant of the unit, and if not available, the owner of the home. Surveys were conducted in teams of two primarily during evening and weekend hours throughout the months of April and May 2008.

Target Area Description and Context for Research

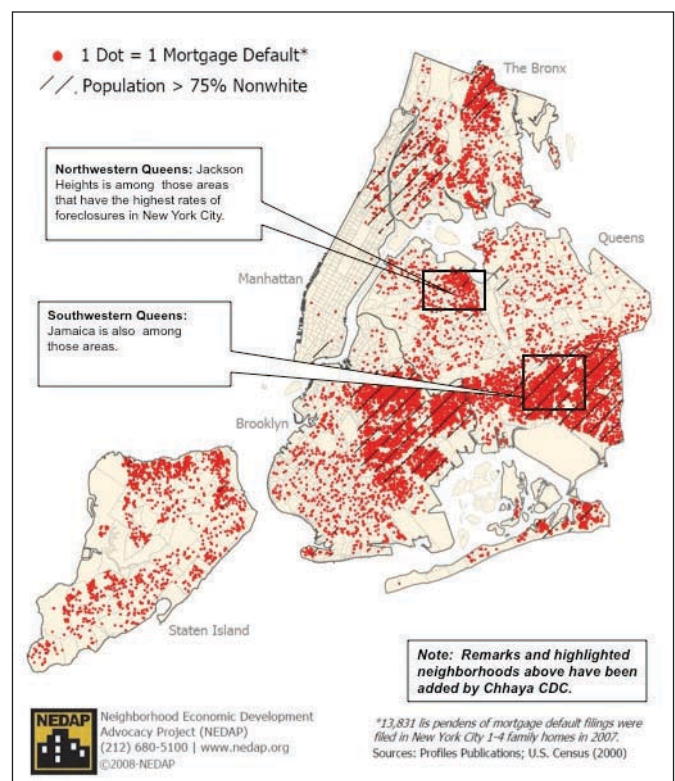
The research focuses on two communities in Queens where South Asian immigrants live in high numbers. The borough has experienced the greatest influx of immigrants of New York City's five boroughs, with over one million immigrants between 1990 and 2000.³

Home to low- and moderate-income households, many Queens neighborhoods have acute levels of overcrowding and high numbers of illegal conversions. Many of these conversions exist in one- to two-family homes, the majority of which were built before 1960. About one-third (36 percent) of the total lot area in Queens is zoned for one- and two-family houses while only 11 percent is dedicated to multifamily residential units.

According to the Department of City Planning, from 1990 to 2000 all but one of the seven school districts in Queens experienced population increases between 10 and 20 percent. The two study areas, Community School Districts 28 and 30, were among those with some of the higher rates of enrollment of immigrant students. District 30 was one of the highest in the city.

The study areas selected for research are also among those with the highest instances of predatory lending and some of the city's highest foreclosure rates. Although Queens has the second highest homeownership rate among the boroughs, much of the gain in homeownership is being lost to the current foreclosure crisis. According to the Center for Responsible Lending (CRL), one in five subprime loans made in 2005–2006 will result in foreclosure. Queens experienced

**Map 1: Foreclosure Patterns
2007 New York City**



more than 24,000 subprime loans during this period. It is projected that 670,186 homes in Queens will lose their value, an estimated loss of over \$9 million in house value and tax base. Chhaya has also found cases of foreclosure for local residents that are related to loss of rental income, especially in units that are illegal conversions.

Zoning

This area of Jackson Heights is predominantly zoned R-5. There are smaller R-7A districts and a restrictive declaration centered on 35th and 70th Street. R-5 is a general residence district that permits all housing types. The moderate density R-7A area is another contextual district where development must comply with the Quality Housing Program.

In Queens Community District 3—which includes Jackson Heights, East Elmhurst, and North Corona—nearly half of the lot area (45 percent) is devoted to one- and two-family residential units. Roughly one quarter (27 percent) of the lot area is zoned for multifamily residential purposes.

In the Briarwood/Jamaica section of Queens, the land is entirely zoned residential, ranging from R-3A to R-6A. The largest area, between Parsons Boulevard and 148th Street, is designated R-3X which only permits for detached one- and two-family houses. The rest of the neighborhood includes an R4-1 district, which allows detached and semi-detached one- and two-family residences. There is also a small R-4A district. The moderate density R-6A area is a contextual district where development must comply with the Quality Housing Program.

Queens Community District 12 comprises Jamaica, South Jamaica, Hollis, St. Albans, and Springfield Gardens North. In this district, over 60 percent of the lot area is one- and two-family residential. Multifamily residential is only about 7 percent of the lot area, which is close to the same amount dedicated to institutions and open space/recreation.

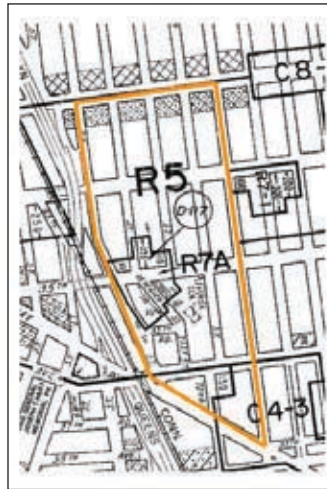
Jackson Heights: A Planned Community

In 1898, when New York City was reorganized and expanded to include the five boroughs, Queens County was overwhelmingly rural and its economic base revolved around the production and sale of foodstuffs to Manhattan's growing population.

By the early 1930s, however, a number of important transportation developments, including the opening of the Queensboro Bridge and the extension of the subway line, had seen western Queens emerge as one of the city's largest manufacturing centers. It is within this changing economic context that the community of Jackson Heights in northwestern Queens was established.

The development of Jackson Heights was a commercial venture that was conceived, planned, and built largely by a single real estate firm, the Queensboro Corporation. It was designed as an upper-middle class residential community—an alternative to the typical urban neighborhood—influenced by a number of ongoing improved housing movements in England. Central to the developer's vision was ensuring adequate space and ventilation, which stood in sharp

Map 2: Jackson Heights Study Area



Row of houses in Jackson Heights, front.



Row of houses in Jackson Heights, back.

contrast to the tenement housing popular in the city at the time.⁴

The developers also implemented several innovative planning concepts, including the treatment of rectangular blocks created by the street grid system as one single unit of planning and design, rather than a collections of building lots to be developed independently. This concept can be seen in the area's garden apartments, which are among the earliest examples of this type of apartment house, and in the clusters of attached and semi-detached houses that are also present. Jackson Heights was also one of New York's first neighborhoods to be designed with the automobile in mind. For attached houses this meant locating garages at the rear of houses, which required the creation of lots with larger areas at the back. This is an important characteristic of the neighborhood today and one that allows for the existence of separate rear entrances to additional basement units.⁵

Development and Housing Stock

Jackson Heights today is a mosaic of private gardens, prewar cooperatively owned apartment buildings, and single-family houses—as well as illegally converted basement apartments. Out of total housing units, 66 percent are renter occupied and 34 percent are owner occupied.⁶ Over the past decade, Queens Community District 3 as a whole experienced a 31 percent increase in population, but only an 11 percent increase in housing units.

Table 1: Study Area Tract: Jackson Heights

	TRACT 291 IN QUEENS	QUEENS COUNTY	NEW YORK CITY
Population	7,120	2,229,379	18,976,457
Foreign Born	4,931 (69.3%)	1,028,339 (46.1%)	3,868,133 (20.4%)
South-Central Asia Born	1,229 (17.3%)	112,373 (5.0%)	261,415 (1.4%)
Median Owner Costs (% of household income)	25.0%	22.0%	20.0%
Median Renter Costs (% of household income)	27.9%	27.2%	28.0%
Total Housing Units	2,513	817,250	7,679,307
Vacancy Rate	1.75%	4.23%	8.10%
Structures With Four or Fewer Units	26.9%	60.5%	64.8%
Median Year Structure Built	1945	1950	1954

Source: 2000 U.S. Census

Demographics

In the last 50 years, Jackson Heights has experienced a remarkable demographic shift from a racially and culturally homogenous upper-middle-class community to a multiethnic, multiracial mix.

The sharp increase in immigration to the United States that occurred after immigration reform in the mid-1960s left an indelible mark on Jackson Heights. New York City has always been a major point of entry for immigrants. Jackson Heights, with its proximity to Manhattan and transportation options quickly became an attractive destination for scores of immigrants from Latin America and Asia. The extension of the highway system also increased the range of commuters, and older residents began moving further out of the city, freeing up housing stock for immigrants.

These patterns accelerated during the 1980s and 1990s, and significant concentrations of immigrant businesses began to dominate the commercial artery of Roosevelt Avenue. As the history of immigration suggests, newer immigrants tend to gravitate towards established ethnic commercial corridors and communities, and so today, Jackson Heights is a major commercial and cultural hub and an ideal residential neighborhood for people from as far away as Columbia, Peru, Ecuador, India, Pakistan, and Bangladesh.⁷ More recently, Chhaya CDC has observed that there is a growing population of immigrants from Nepal and Tibet in the neighborhood.

In 2000, 65 percent of Jackson Heights’ total population was born outside the United States. More significantly, a large proportion of these were not only new arrivals to Jackson Heights, but were new to the United States itself. Out of all the foreign-born residents in Jackson Heights in 2000, 81 percent entered the country after 1990.

Illegal Conversions:

Most traditional economic and social indicators tell us that Jackson Heights is a middle-income neighborhood. In 1999, Jackson Heights’ median family income was \$43,197, only slightly below the median for Queens as a whole. Current property values also suggest that Jackson Heights, on the surface, is a middle-income neighborhood experiencing high rates of economic growth much like the rest of New York City. For example, in the first quarter of 2008, during one of the worst national housing slumps in recent history, 67 homes were sold in the neighborhood, at an average price of \$226,875.⁸ Rents for one bedroom apartments in the neighborhood average around \$1,250, which is on the higher end for Queens County.

Jackson Heights’ original planning model, with its emphasis on open space at the back of lots, has meant that an illegal conversion of a basement or garage into a rental unit became an attractive source of income for homeowners and often living space for recent immigrants. Even though there has been an increase in mortgage lending to the established immigrant groups in Jackson Heights, immigrants are still far less likely to own their own homes. In fact, many in this community, particularly the recently arrived and undocumented, live in some of the most cramped and overcrowded conditions in the entire city.

The fact that there has been significant real estate expansion around the area can be gleaned from data showing a sustained increase in home loans made in the last two decades. 65 percent of these mortgages were given to individuals and families of Hispanic or Asian descent, showing an increasing propensity towards homeownership within these communities. According to Chhaya CDC, however, many of these new owners may have counted on rental income of basement and other accessory units in their homes to maintain mortgage payments, a result of predatory lending practices.

A scan of the New York City Department of Building’s Buildings Information System shows that out of the 141 homes surveyed in Jackson Heights, a total of 58 properties had received some form of complaint potentially related to an illegal conversion—nearly 41 percent of the total units surveyed—which include complaints in the categories of illegal conversion, no permit, SRO/Illegal occupancy, or contrary to Certificate of Occupancy. A total of 189 complaints were filed on these units, with multiple complaints on some properties, leading to the issuing of 93 ECB Violations and 27 DOB violations.

This high level of complaints in the target areas also brings out the awareness and opposing views on the subject. In our survey work, surveyors confronted both support and opposition to our efforts. Some owners enthusiastically supported the facilitation of legalizing units so that they could rent out new units or use them for their own families. Others were concerned about the impact on the cleanliness of the local area, speaking mostly to properties that were not well maintained or rented as SRO-type housing. Chhaya also spoke to tenants of buildings where an accessory dwelling unit existed who reported poor living conditions. In one case, a tenant had not had electricity in over 20 days. Aware of the illegal conditions, these tenants were unclear of their rights and often afraid of retaliation if complaints were filed.

Residents of the illegal units included families, as well as individuals. Many children reside in such units. Jackson Heights is within Community School District 30. Between 1998 and 2001, 4,133 immigrant students registered for pre-K to sixth grade. This area had the second highest enrollment of New York City school districts during this period. Predominant countries of origin were Columbia, Bangladesh, Ecuador, Mexico, India, Pakistan, the Dominican Republic, Korea, Brazil, Peru, and Egypt. All of the area's public schools had over 100 percent utilization rates in 2002, including those in the immediate vicinity: P.S. 69 (117 percent), P.S. 152 (107 percent), P.S. 212 (105 percent), P.S. 145 (114 percent), and I.S. 230 (112 percent).

Briarwood/Jamaica, Queens

The study area within southwestern Queens is a relatively stable community known as Briarwood. The lack of any major landmark and its relatively small size has caused Briarwood to remain virtually unknown; the local ZIP code of 11435 is actually designated as Jamaica, but the neighborhood is distinct from downtown Jamaica, which is south of Hillside Avenue.

Much like Jackson Heights, the neighborhood is predominantly classified as a middle-income, multiethnic community with a varied housing stock of largely one- and two-family houses and a few larger apartment buildings, which are mostly cooperatively owned. It is also overwhelmingly residential with quiet tree-lined streets, plenty of green space, and houses that have backyards and garages.

In addition, Briarwood's proximity to many public transportation options makes it an attractive neighborhood for commuters looking for more space than found in other parts of the city.

Demographics:

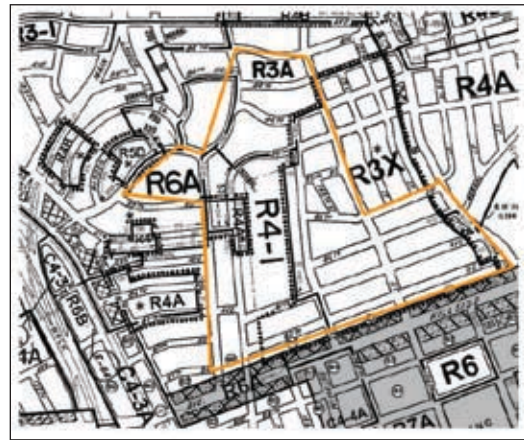
The Briarwood area today is a diverse residential community. In addition to a high percentage of African Americans, there are sizeable Bukharian Jewish, Caribbean (many of Indian descent), Bangladeshi, Greek, and East Asian communities. Unlike Jackson Heights, non-Hispanic whites are still the largest group within the community district. However, in keeping with demographic shifts in other parts of Queens, the 2000 Census estimated a 25 percent decrease in the non-Hispanic white population from the 1990 level.

Interestingly, the area as a whole experienced only an 11 percent increase in total population during this time, which is an indication of the uniquely high population upsurge experienced in Jackson



Row of houses in Briarwood/Jamaica, Queens.

Map 2: Briarwood/Jamaica Study Area



Heights. An overwhelming majority of the newer residents were from the Asian and Pacific Islander communities, which experienced a 70 percent increase. Although there is little disaggregated data available, a large proportion of these newer Asians can be assumed to be of Bangladeshi descent primarily because of the ongoing establishment of a Bangladeshi commercial corridor on a nearby section of Hillside Avenue.

The Census Tracts that were surveyed, namely CT 232 and CT 236, experienced population increases of 18.3 percent and 9.9 percent respectively. In 2000, CT 232 was estimated to have an Asian majority population.

Table 2: Study Area Tracts: Jamaica/Briarwood

	TRACT 232 IN QUEENS	TRACT 236 IN QUEENS	QUEENS COUNTY	NEW YORK CITY
Population	5,019	2,817	2,229,379	18,976,457
Foreign Born	2,919 (58.2%)	1,909 (67.8%)	1,028,339 (46.1%)	3,868,133 (20.4%)
South-Central Asia Born	730 (14.5%)	535 (19.0%)	112,373 (5.0%)	261,415 (1.4%)
Median Owner Costs (% of household income)	27.0%	18.0%	22.0%	20.0%
Median Renter Costs (% of household income)	24.1%	24.4%	27.2%	28.0%
Total Housing Units	1,617	766	817,250	7,679,307
Vacancy Rate	3.40%	1.70%	4.23%	8.10%
Structures With Four or Fewer Units	48.0%	52.5%	60.5%	64.8%
Median Year Structure Built	1954	1941	1950	1954

Source: 2000 U.S. Census

Illegal Conversions:

Similar to Jackson Heights, there is anecdotal information about overcrowded, illegal basement apartments in this area. The drive towards illegal conversions—although primarily a function of the lack of decent, affordable housing in the city as a whole—is the result of a slightly different socioeconomic situation in this neighborhood than found in Jackson Heights.

It is, at this point, well known that the huge jump in homeownership experienced in the United States in the last decade was in a large part due to the availability of risky subprime mortgage products. The jump in minority and immigrant homeownership in the neighborhoods surveyed (indicated in the demographic table above) may also be indicative of the existence of mortgages that by now may be unaffordable. In fact, Briarwood borders one of the areas most badly affected by the ongoing foreclosure crisis.

For families struggling to make mortgage payments, converting their basement into a rentable unit is attractive option, one which owners talked about repeatedly during owner surveys. In addition, the increasing immigrant presences in the neighborhoods have made basement units more attractive as potential rental units to recent arrivals. Often owners rent out these units to members of their own communities. The proximity of St. Johns University and Queens College is also worth mentioning, as students searching for inexpensive housing also contribute to the demand for these units.

A scan of the New York City Department of Building's Buildings Information System shows that out of the 305 homes surveyed in the Jamaica/Briarwood area, a total of 52 properties had received some form of complaint potentially related to an illegal conversion—nearly 17 percent of the total units surveyed—which include complaints in the categories of illegal conversion, no permit, SRO/illegal occupancy, and contrary to Certificate of Occupancy. A total of 116 complaints were filed on these units, with multiple complaints on some properties, leading to the issuing of 53 ECB Violations and 21 DOB violations.

The schools in this area are also over capacity. Community School District 28 includes the neighborhoods of Briarwood/Jamaica. Between 1998 and 2002, 783 immigrant students registered for pre-K to sixth grade. The predominant countries of origin were India, Guyana, Trinidad and Tobago, Columbia, Pakistan, Russia, Uzbekistan, Bangladesh, and Jamaica. All of the area schools had over 100 percent utilization rates in 2002, including those in the immediate vicinity: P.S. 86 (118 percent), P.S. 82 (111 percent), P.S. 117 (112 percent), P.S. 182 (139 percent), J.H.S. 217 (102 percent). This does not include the Gateway to Health Sciences middle school.

Potential for Affordable Housing: Survey Findings

Through a grassroots effort, Chhaya CDC was able to estimate the number of accessory units currently in existence in the target areas, as well as document comments from local residents about their impact. Owners who were not currently renting their basement units were the group most willing to speak about the issue and respond to the survey. Many of these owners said they previously rented or had family members living in basement apartments, but not currently. Surveyors also spoke to local business owners, residents, and real estate agents who confirmed the pervasiveness of accessory dwelling units in the area. When surveyors described our efforts to address the issue, there was general support, but great skepticism about how willing owners would be to admit to having such units because of the risk of being fined. A scan of the Department of Buildings' Building Information System confirms that as many as 25 percent of homes surveyed had been inspected after an illegal conversion-related complaint was filed. Some owners felt that violations were unfair and that they should be able to rent accessory units to support their mortgage payments. As one owner stated, "Everyone here is renting their basement. The City is too much. I had a friend staying in my basement for a couple of weeks, and I got fined. When you work hard to buy a house, and then can't pay your mortgage, what are people supposed to do?"

In our discussions with owners, however, we heard both supporting and opposing views on whether or not renting basement units should be allowed. Many owners appreciated our effort, indicating that they would like to use the space for their own purposes or family. One owner who had previously received a violation said, "I don't rent the apartment anymore. Ever since the City came through this community issuing fines to all the owners, it doesn't seem worth it anymore. I could really use the income though."

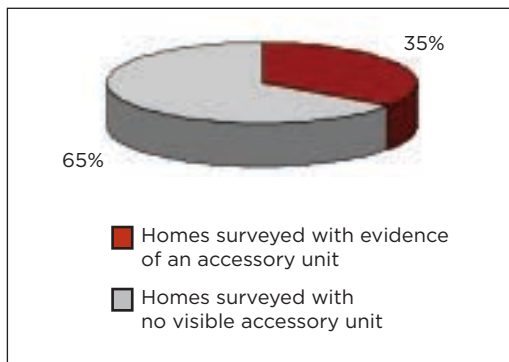
Surveyors did also interact with some tenants who have been living in accessory units for many years—in one case 12 years in the home of a friend. In our discussions with these tenants, as well as their neighbors within and next to buildings, we found families that were an integral part of the local community. Their children are enrolled in local schools, they worship in local faith institutions, have family or established friendships with residents in the community, and are, in many cases, happy with their communities. As one tenant explained, "We were living across the street with his parents when we got married. Then we wanted our own place. We saw an advertisement posted in the window. It's small, but I think it's okay."

Surveyors did find many tenants living in dangerous and extremely overcrowded conditions in units with dilapidated ceilings, poor electrical wiring, and tight living quarters with multiple uses that seemed unsafe for habitation. Such units provide important housing to the many immigrant residents of Queens, but should be brought into compliance for the safety of the local community. For example, surveyors spoke to a couple that previously lived in a larger apartment with their older children who eventually moved out. After losing that additional income, the couple moved into a basement unit for its affordability and to build their savings. The couple told us that the landlord owned multiple buildings in the area and was very responsible. They invited surveyors into the unit, which was in good condition, however it was a very small space segmented into sleeping and living quarters with a curtain, a tiny bathroom, and a kitchen.

The wife was cooking at the time using a high flame with little ventilation and no fire extinguisher nearby. Such a unit should be brought into compliance to ensure the safety of the tenants and the neighborhoods, and this landlord might be willing to invest in doing so.

Surveyors also noted the impact on the local community and neighborhoods. Some of the negative impacts were related to fire safety. Particularly, numerous streets had seemingly unsafe wiring hanging above where children were playing and over homes, as well as cemented-over front lawns to expand parking space within a lot. These conditions were more apparent in the Jamaica/Briarwood district with a newer housing stock and greater lot area compared with Jackson Heights where historic attached buildings are not easily altered. Also a notable difference is the easily accessible full entrances and exits in Jackson Heights through the back alleys of homes, along with additional space for parking.

Figure 1: Percentage of Homes With Accessory Units



Survey results found the potential for 35 percent (155 units) of total units that were examined firsthand to have separate secondary basement units. This estimate is primarily based on surveyor observations. Surveyors collected observational data on a total of 446 out of a total of 449 homes identified for data collection. Observational indicator data collected included a full separate entrance to the unit, cable splitters to multiple floors, multiple utility wiring, extra trash cans or doorbells, extra mailboxes, or three or more cars.

A total of 91 units, or 82 percent, had one or more of six indicators present. In addition, in 17 of the 291 units where surveyors did not think that a separate secondary basement unit was present, they found evidence of the potential for a separate basement unit (at least one of the six specific indicators). Where one of the six indicators on the survey tool was not identified, the secondary unit was identified through other indicators. These indicators include furniture and decorations, a neighboring tenant confirming the existence of a unit, or witnessing individuals entering or exiting the unit.

In 34 units, surveyors found one indicator to be present; in 64 units, surveyors found two to five indicators to be present; in 13 units, surveyors found all six indicators to be present; and in 61 units, surveyors found other nonspecific indicators to be present (decorations, neighboring tenant, or individuals entering or exiting a unit).

In Jackson Heights, where primarily attached homes characteristic of the historic neighborhood were surveyed, 39 percent of homes (56 of the 141 units surveyed in that community) appeared to have separate secondary basement units. Twenty-six percent (37 homes surveyed) had a visible entrance to the secondary unit from the street or back alley, a strong indicator of the existence of a secondary unit.

In the Jamaica/Briarwood areas, where primarily detached homes characteristic of the Jamaica neighborhood were surveyed, 32 percent of homes (99 of the 305 units physically surveyed) appeared to have separate secondary basement units. Thirty-seven of those units had multiple utility wires running from the street to the basement.

Results of Surveys Conducted

Making contact with tenants of secondary units was challenging, as local residents and owners are keenly aware of potential eviction or fines. In many cases, despite the apparent presence of tenants, no one answered the door. When some did respond, they claimed to be visiting or requested the surveyor return when the owner was present. Therefore, a total of seven tenant surveys were completed.

A total of 47 owners living in residences that appeared to have separate secondary basement units were surveyed. The majority of these owners said they did not currently rent or use their secondary units. Of 47 owners, only seven admitted having occupied basement units. Many owners did admit, however, to having used or rented spaces previously until a violation was received.

The following results are based on the cumulative results of the 54 surveys conducted.

Means of Egress and Ventilation

A total of 46 percent of total respondents to the survey question related to number of entrances and exists to units indicated that there were two or more entrances or exits to the accessory unit. These included entryways through the interior or exterior of the building and doors connected to the garages.

In addition, 98 percent of respondents (50 out of 51) indicated that there was at least one window large enough for adult entry or exit in the accessory unit. Twenty-one percent had one adequate window and 57 percent had two or more.

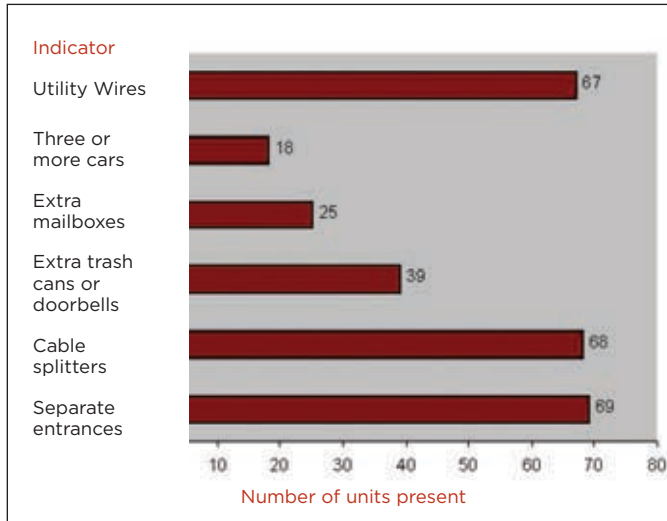
In addition to window entrances and exits, 92 percent of accessory units had two or more windows. Seventy-nine percent had three or more windows, and 53 percent had four or more windows.

Fire Safety

More than 48 percent of the respondents (26) indicated that there was a fire extinguisher in the accessory unit, and 62 percent of respondents (34) indicated that their accessory units were equipped with functioning smoke detectors. Nine percent (5) of the respondents indicated that there was a working fire suppressing sprinkler system in the accessory unit.

Figure 2: Total Indicators Observed

Based on 108 homes where one or more indicators were identified



The high percentage of units with affordable fire safety measures intact indicates a willingness and inclination by owners to maintain fire safety measures in the home. Considering the fact that the majority of homes where surveyors were able to make contact were owner occupied (at least 93 percent), one can conclude that fire safety is a priority for these owners.

Tenant Composition and Tenure

Despite the limited sampling of seven tenant respondents, some notable results should be mentioned:

On average, there were between three and four people living in each unit.

- In one of the seven units, there were six residents.
- The average age of these residents was 40 years old.
- Three of the residents had immigrated to the United States within the last decade, indicating that these units might be a likely place for new immigrants to find housing.

All of these tenants had lived in their units for two years or longer.

- Three of the seven tenants indicated that they had chose their current residence due to neighborhood considerations.
- Four of the tenants surveyed were from the Jackson Heights neighborhood, while the three remaining tenants were from the Jamaica neighborhood.

Findings and Recommendations

Based on observations during the survey process, accepted research, and models across the country, establishing an accessory dwelling unit code is a reasonable and achievable means to create affordable and safe housing in New York City. It is a particularly practical solution to the city's housing crisis in communities where increasing population growth is occurring in neighborhoods zoned for single and multifamily homes. During difficult economic times, owners may be able to sustain homeownership through the increased income, neighborhoods are able to generate more tax revenues, and tenants are able to find an affordable place to live in communities where families and friends reside. In the current context of rising defaults, many of which are in this study's target areas, allowing income from units will help stabilize communities by reducing the rate of defaults.

Bringing units into regulation would have a number of benefits for the City. It would: (1) ensure fire safety and health compliance of accessory units; (2) increase tax revenues; (3) enhance ability to accommodate and plan for population growth through allocation of resources to area public schools, sanitation, parking permits, and development; (4) reduce costs to hear cases at the Environmental Control Board (often two or three hearings are held per violation); and (5) reduce the cost of responding to complaints with multiple inspections.

Moving regulation forward would require changes to the New York City Zoning Map and Resolution and the Building and Housing Maintenance Codes and require further research. Once in place, a number of supporting strategies would ensure such changes are targeted in communities most in need.

Changes to the New York City Zoning Map and Resolution and Building Code

In areas with one- and two-family homes where "illegal threes" have become effectively the norm, but not allowed under zoning, changes to the Zoning Resolution could allow these units to be made legal. They could then be regulated under the Housing Code (allowing for enforcement to improve housing conditions), rather than the Building Code. Changes could be made to the Zoning Resolution which would allow the legalization of illegal units, but not allow developers to build increased FAR (to address community concerns about overdevelopment).

In some cases, units in violation of the NYC Building or Housing Maintenance Code would be deemed safe by independent observers. Changes could emphasize health and fire safety, rather than physical aspects that may vary as indicators of habitability, such as whether or not a unit is 50 percent above grade or below. Such changes would allow some units that are currently illegal to be more easily regularized without compromising health and safety. At present, new Building Codes are being implemented, making it an ideal time to look at potential changes through independent review processes.

Implementing an Accessory Dwelling Unit Conversion Program

Most owners are not knowledgeable in the City's Building Code. Rather than automatically penalizing homeowners with costly fines, the City could create an aggressive education program to sensitize people on what is required under the zoning laws. Also, financial incentives, guidance on the process, and support for owners who voluntarily comply would be an ideal first step in streamlining the process.

To launch such an effort, the City could offer or support targeted outreach for a program in select priority communities through the following selection criteria:

- Districts where illegal conversion are most predominant documented through complaints on file, such as those in the study with rates as higher than 15 percent of single-family homes.
- Areas with substantial population growth where schools have utilization rates nearing or beyond capacity.
- Communities with higher rates of mortgage default to limit further destabilization of these communities.
- Communities with housing characteristics and neighborhood densities that could accommodate additional housing.

In selected targeted communities for initial implementation, the following could assist in ensuring proper usage and execution by owners and other industry players (note that such programs should initially be offered to owner-occupied homes to ensure community accountability):

Public education and assistance for owners and buyers through public, private, and nonprofit partnerships.

Home buying classes, organized by many housing development corporations and financial institutions, can educate homebuyers on the pitfalls of renting illegal dwellings and benefits of going through the conversion process. A basic curriculum, such as the one currently being developed by Chhaya CDC, could be streamlined and incorporated into pre- and post-purchase counseling classes by existing providers. Such a curriculum would emphasize the importance of the legalization process, code compliance, potential costs and benefits of conversion, referral to trusted architects and contractors, housing maintenance issues, fair housing compliance, and the responsibilities of being a landlord.

Outreach for such workshops could be further facilitated by the support of local area public schools, faith-based institutions, community boards, City Council members, homeowner associations, and block associations.

Financial assistance for owners to voluntarily go through the legalization process. To encourage owners to comply and invest in bringing units up to code, the City should look at ways to offer tax incentives to report and legalize units. In addition, it could expand existing loan programs or create new products, including matching grant models and affordable loans, to facilitate development and encourage owners to maintain units at affordable rents. Further financial incentives could available be for owners willing to accept tenants with Section 8 vouchers, tenants coming out of the shelter system, and other such populations direly in need of housing,

Voluntary agreements between homeowners and the City.

In many cases, compliance by owners (whether this consists of repairs and light modifications or simply the filing of plans with the Buildings Department) can lead to safe, affordable, and revenue-generating dwelling housing units. Voluntary agreements between the homeowners and the City will yield better results in this regard than policing enforcement by City inspectors.

Relief on fines for homeowners. An essential step is to assess the extent of the problem citywide. At present, because of fear of the City and lack of information on the part of homeowners, the problem remains hidden. The City could declare a three-month amnesty for all homeowners who self-report illegal conversions. After the amnesty time, there could be a further period of one year, during which efforts would be made by the homeowners to discuss and find ways to correct violations, following the existing guidelines of the Building Department and issuing fresh Certificates of Occupancy.

No fines for violation will be charged during this one-year period. Thereafter, the Buildings Department is at liberty to follow its normal course of action with a view to bring the violations to book. Provisions of amnesty will exclude all units with emergency conditions (Class C violations). Class C violations are dangerous, and require immediate enforcement.

Restrict the complaint-based system to neighbors.

Currently, anyone can file a complaint against an owner. This includes businesses offering legalization services (viewed numerous times in survey areas), potential racially charged complaints, and other small businesses generating income through burdened owners. If the complaint-based system remains, complaints should only be accepted if filed by local area residents. In addition, community-based task forces should review and respond to such complaints.

Certification of residential status by the buyer. As previously recommended by the Queens Borough President, it would be beneficial to amend legislation requiring sellers in real estate transactions to certify the residential status of any residence at closing and to affirm that it complies with the zoning laws.⁹

Areas for Further Research

Further research is necessary in the following areas related to measuring the costs and value in implementing such a program:

- Projected cost of conversion for average unit (Chhaya is currently working with a few owners through the legalization process) and areas where costs could be reduced without added expense to city agencies.
- A comparative assessment of increase in tax liabilities and costs of conversion versus income generated and long-term increase in property values.
- Estimated increase in tax revenues to be generated for the City compared to cost of implementing a conversion program.
- A comparative analysis of time and resources for owners to proactively legalize versus respond to a complaint of illegal use.

Endnotes

1. Salins 2004.
2. Sheth, Rachana. *Understanding the Case of Illegal Conversions in New York City: Issues and Ideas*. Unpublished master's thesis, Graduate Center for Planning and Environment, Pratt Institute (2006).
3. *The Newest New Yorkers 2000: Immigrant New York in the New Millennium*, New York City Department of Planning Population Division, October 2004.
4. *Jackson Heights Historic District*, New York City Landmarks Preservation Commission, October 19, 1993.
5. *Jackson Heights Historic District*, New York City Landmarks Preservation Commission, October 19, 1993.
6. *Community District Needs, Fiscal Year 2006*, New York City Department of City Planning.
7. *The Newest New Yorkers 2000: Immigrant New York in the New Millennium*, New York City Department of Planning Population Division, October 2004.
8. Data from <http://real-estate.nextag.com/Jackson-Heights/New-York/homes-html>.
9. *Fighting Illegal Conversions—A Comprehensive Guide for Communities*, Helen M. Marshall, Queens Borough President, 2003.

Appendix A: Letter to Residents



37-43, 77th Street, 2nd floor | Jackson Heights, NY 11372 | (718) 478-3848 | info@chhayacdc.org | www.chhayacdc.org

October 16, 2007

Dear Neighbor,

We are requesting your participation in an important housing survey beginning on October 24th that we hope will help to create more affordable housing in Queens and make life a little easier for both tenants and owners of single and multi-family homes. Please be assured that we will not ask you for your name; your participation and responses will be held in the strictest of confidence; and your specific responses and address information will NOT be shared with any city agency, tenant, owner, or neighbor.

Chhaya CDC is a community-based organization in Jackson Heights. We offer free services on housing rights, homeownership education, and referrals to social services. You can find out more about our organization at www.chhayacdc.org.

What is the survey for? Most residents of the borough of Queens know someone who lives or rents an apartment in a basement or cellar. Chhaya CDC believes that many of these basement or cellar apartments of Queens are an important source of affordable housing. There are many benefits to legally renting units:

- Where it is safe and owners are responsible, it should be easier for owners to legally rent these apartments, without worrying about receiving fines and offering legal leases to tenants. With legal units, owners could more easily collect rents, seek financial assistance, and gain tax benefits.
- Tenants living in legal units will have more rights to safe and decent housing that is stable and reliable, request repairs and improvements without fear of eviction, and also benefit from a court system that enforces their rights.

The city also benefits by being able to plan for increased services in terms of taxes, sanitation, educational needs, schools, and traffic.

Chhaya is conducting a survey of units in two districts of Queens: Jackson Heights and Jamaica. Using these two districts as an example, Chhaya CDC is assessing the number of basement/cellar units that exist, and the potential for "legalizing" units that are safe for tenants to reside. We are compiling a report that will look at the potential number of units, possible changes that could be made to make it easier for owners to legally rent units, and other possible incentives for owners such as tax credits to make it more affordable. Ultimately, we hope the City will consider our recommendations and help create more affordable housing in the borough of Queens.

We understand that this is a very complicated subject and that residents might be hesitant to participate in the survey for fear of fines from the city or loss of your home. ***Again, I want to reiterate, that this is an anonymous survey and we will not share any data gathered specific to your residence with any city agency.***

We cannot do this work without your help and hope that you will take 5-10 minutes to answer our questions. If you would like to speak to us about the project, please contact myself or another staff person at Chhaya at (718) 478-3848.

We sincerely thank you for your participation,

Seema Agnani, Executive Director

Appendix B: Survey Questionnaire

<p>CHHAYA COMMUNITY DEVELOPMENT CORPORATION HOUSING AND SECONDARY UNIT SURVEY QUESTIONNAIRE--2007</p> <p>[Address: [[[</p>	<p>NOTICE: Your answers will be held in strict confidence and will be seen only by persons affiliated with Chhaya CDC and its partner organization, the Citizens Housing and Planning Council. All information will be used on an aggregated basis for the purposes of housing safety and community development research.</p> <p>A. Name of Surveyor</p> <hr/> <p>B. Date of Interview</p> <hr/> <p>C. Record of Visits (Date, Time, Remarks)</p>
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D. Observe the following conditions and check all that apply:

01 Appears to have secondary units in the basement or cellar
 02 Additional mailboxes
 03 Separate entrance to secondary unit
 04 Cable splitters
 05 Multiple wires to secondary unit
 06 Additional trash cans/doorbells
 07 More than two cars on property

If any of above checked, proceed to next section.

Survey of Secondary Unit Resident
 If resident of secondary unit is unavailable, proceed to Section J. (Page 5)

E. Secondary Unit Safety

1. Is this a separate apartment?
 01 Yes
 02 No

2. Apartments in this building?
 01 One
 02 Two
 03 Three
 04 Four
 05 Five or more

3. Entrances/exits to/from your apartment? (Not including windows)
 01 One
 02 Two
 03 Three or more

4. Windows in your apartment?
 01 None
 02 One
 03 Two
 04 Three
 05 Four or more

5. Windows large enough to permit adult entry/exit?
 01 None
 02 One
 03 Two
 04 Three
 05 Four or more

6. Rooms in your apartment? (Do not count bathrooms or halls)
 01 One
 02 Two
 03 Three
 04 Four
 05 Five or more

E. Secondary Unit Safety Continued

7. Bedrooms in your apartment?
 01 One
 02 Two
 03 Three
 04 Four or more

8a. Bathrooms in your apartment?
 01 None
 02 One
 03 Two or more

8b. If no bathroom?
 01 Use bathroom in other unit/part of building
 02 Use temporary or portable facilities

9a. Kitchen in your apartment? (Fridge, Stove, Sink)
 01 Yes
 02 Partial
 03 No

9b. If partial/no kitchen?
 01 Use kitchen in other unit/part of building
 02 Use temporary or portable facilities
 03 Do not use kitchen facilities

10. Existing sprinklers in your apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown

11. Fire extinguisher(s) in your apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown

12. Smoke detector(s) in your apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown

13. Carbon monoxide detector(s) in your apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown

14. Fire and liability insurance?
 01 Yes
 02 No
 03 Unknown

F. Secondary Unit Maintenance

1. Does the owner live in the building?
 - 01 Yes
 - 02 No
 - 03 Unknown
2. Did you have a breakdown of your heating equipment during the previous winter that resulted in your apartment being without heat for more than six hours?
 - 01 Yes
 - 02 No
3. At any time in the last 90 days have you seen any mice or rats or signs of mice or rats in the building?
 - 01 Yes
 - 02 No
4. Is there any broken plaster or peeling paint on your ceiling, interior walls, or window sills?
 - 01 Yes
 - 02 No
- 5a. Has water leaked into your apartment in the last six months excluding leaks from your own plumbing fixtures backing up or overflowing?
 - 01 Yes
 - 02 No
- 5b. If yes, from where?
 - 01 Window
 - 02 Ceiling/Wall
 - 03 Other _____

G. Household Composition

1. Size of household?
 - 01 One
 - 02 Two
 - 03 Three
 - 04 Four
 - 05 Five
 - 06 Six or more
- 2a. Relation to other residents in your apartment?(all that apply)
 - 01 Family relative(s)
 - 02 No relation
- 2b. If family?
 - 011 Spouse/Domestic Partner
 - 012 Child(ren)
 - 013 Sibling(s)
 - 014 Parent(s)
 - 015 Father-in-law/Mother-in-law
 - 016 Grandchild(ren)
 - 017 Grandparent(s)
 - 018 Other relative
- 2c. If no relation?
 - 021 Roomer(s)/boarder(s)/foster child(ren)
 - 022 Unmarried partner(s)
 - 023 Housemate(s)/Roommate(s)
 - 024 Other non-relative(s)
3. Total household Income?
 - 01 _____ per year per month

Householder Definition: The householder refers to the person (or one of the people) in whose name the housing unit is owned or rented (maintained) or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees. If the house is owned or rented jointly by a married couple, the householder may be either the husband or the wife. The person designated as the householder is the "reference person" to whom the relationship of all other household members, if any, is recorded.

H. Householder Characteristics

1. Age of householder?
 - 01 _____
2. Year moved to the US?
 - 00 Born in US
 - 01 _____
3. Householder of Spanish or Hispanic origin?
 - 01 No
 - 02 Puerto Rican
 - 03 Dominican
 - 04 Cuban
 - 05 South/Central American
 - 06 Mexican-American, Mexican, Chicano
 - 07 Other Spanish/Hispanic
4. Householder race?
 - 01 White
 - 02 Black or African American
 - 03 American Indian or Alaska Native
 - 04 Asian
 - 041 Chinese
 - 042 Filipino
 - 043 Korean
 - 044 Vietnamese
 - 045 Asian Indian
 - 046 Nepali
 - 047 Tibetan
 - 048 Pakistani
 - 045 Bangladeshi
 - 046 Iranian
 - 047 Afghan
 - 048 Indo-Caribbean
 - 05 Native Hawaiian or Pacific Islander
 - 051 Native Hawaiian
 - 052 Pacific Islander
 - 06 Other _____
5. Householder education?
 - 01 No formal schooling
 - 02 Some high school, no diploma
 - 03 High school or GED
 - 04 Some college
 - 05 College graduate
 - 06 Some graduate/professional training
 - 07 Graduate/professional degree
6. Householder annual income?
 - 01 None
 - 02 Less than \$9,999
 - 03 \$10,000 to \$19,999
 - 04 \$20,000 to \$29,999
 - 05 \$30,000 to \$39,999
 - 06 \$40,000 to \$49,999
 - 07 \$50,000 to \$69,999
 - 08 \$70,000 or more

H. Householder Characteristics. Continued from Page 2.

7. Householder occupation?

- 001 Arts, entertainment, recreation, accommodation and food services
- 002 Construction
- 003 Educational, health and social services
- 004 Finance, insurance, real estate and rental and leasing
- 005 Information
- 006 Manufacturing
- 007 Professional, scientific, management, administrative, and waste management services
- 008 Public administration
- 009 Retail trade
- 010 Transportation and warehousing
- 011 Wholesale trade
- 012 Other Services
- 013 Not Working

8. Householder place of birth?

- 001 New York City
- 002 U.S., outside of New York City
- 003 Afghanistan
- 004 Bangladesh
- 005 India
- 006 Iran
- 007 Nepal
- 008 Pakistan
- 009 Puerto Rico
- 010 Dominican Republic
- 011 Carribean
- 012 Mexico
- 013 Central America, South America
- 014 Europe
- 015 Russia/Successor states to the Soviet Union
- 016 China, Hong Kong, Taiwan
- 017 Korea
- 018 Philippines
- 019 Southeast Asia
- 020 Tibet
- 021 Other Asia
- 022 Africa
- 023 All other countries

9. Householder's father's place of birth?

- 001 New York City
- 002 U.S. outside of New York City
- 003 Afghanistan
- 004 Bangladesh
- 005 India
- 006 Iran
- 007 Nepal
- 008 Pakistan
- 009 Puerto Rico
- 010 Dominican Republic
- 011 Carribean
- 012 Mexico
- 013 Central America, South America
- 014 Europe
- 015 Russia/Successor states to the Soviet Union
- 016 China, Hong Kong, Taiwan
- 017 Korea
- 018 Philippines
- 019 Southeast Asia
- 020 Tibet
- 021 Other Asia
- 022 Africa
- 023 All other countries

I. Occupancy Characteristics

1. Year moved into apartment?

01 _____

2. First occupant of apartment?

01 Yes

02 No

03 Unknown

3. Occupancy Tenure?

01 Rental

02 Ownership

4. How did you find the apartment?

01 Friend/Relative

02 Real estate broker

03 Advertisement

04 Sign on property

05 Other

5. If owned, monthly mortgage amount?

01 _____

6. If rented, monthly rent?

01 _____

7. Length of lease?

01 No lease agreement

02 Less than one year

03 One year

04 Less than two years but more than one year

05 Two years

06 More than two years

07 Unknown

8. Utilities?

01 Paid separately

02 Included in rent

03 Do not pay

04 Unknown

9. Rent included charges for?

01 Heat, gas, electricity, furnishings, and board

02 Heat, gas, electricity, and furnishings

03 Heat, gas, and electricity

04 Heat or heat and gas

05 None of the above

10. Relation to owner?

01 Self

02 Son/Daughter

03 Father/Mother

04 Father-in-law/Mother-in-law

05 Grandfather/Grandmother

06 Grandson/Granddaughter

07 Other relative

08 No family relation

11. Most recent place lived before moving to this apartment?

01 Same building, different apartment/unit

02 Bronx

Neighborhood _____

03 Brooklyn

Neighborhood _____

04 Manhattan

Neighborhood _____

05 Queens

Neighborhood _____

06 Staten Island

Neighborhood _____

07 New York, New Jersey, Connecticut

08 Other state

09 Outside of U.S.

I. Occupancy Characteristics. Continued from Page 3.

12. Primary reason for move?

- 01 **Work/School**
 - 011 Job transfer/New job
 - 012 Retirement
 - 013 Looking for work
 - 014 Commuting reasons
 - 015 To attend school
 - 016 Other employment reasons
- 02 **Life Changes**
 - 021 Needed a larger house/apartment
 - 022 Widowed
 - 023 Separated/Divorced
 - 024 Newly married
 - 025 Moved to be with or closer to relatives
 - 026 Family decreased(except above)
 - 027 Moved to care for (grand)parents
- 03 **Neighborhood**
 - 017 Neighborhood overcrowded
 - 018 Change in racial or ethnic composition of neighborhood
 - 019 Wanted this neighborhood/Better neighborhood services
 - 020 Crime or safety concerns
 - 021 Other neighborhood reasons
- 04 **Voluntary**
 - 041 Wanted to own residence
 - 042 Wanted to rent residence
 - 043 Wanted less expensive residence/difficulty paying rent or mortgage
 - 044 Wanted better quality residence
- 05 **Displaced**
 - 051 Evicted
 - 052 Poor building conditions/Services
 - 053 Harassment by landlord
 - 054 Needed housing accessible for persons with mobility impairments
 - 055 Other housing reasons
 - 056 Displaced by urban renewal, highway construction, or other public activity
 - 057 Dispalced by private action (other than eviction)
 - 058 Schools
 - 059 Natural disaster/fire
- 06 **Any other reason**

Survey of Building Owner

J. Complete this section if resident of secondary unit is unavailable.

1. Apartments/Dwelling units in the entire building?
 01 One
 02 Two
 03 Three
 04 Four
 05 Five or more
- 2a. Are there separate apartments in the basement/cellar?
 01 None
 02 One
 03 Two
 04 Three or more
- 2b. If yes, how many are currently occupied ?
 01 None
 02 One
 03 Two
 04 Three or more

Proceed to section K if there are occupied units in the basement/cellar.

K. Complete separately for each occupied basement/cellar unit.

1. Number of years renting out the apartment?
 01 Less than one year
 02 More than one year

- 2a. Did separate apartment exist at time of purchase?
 01 Yes
 02 No
- 2b. If yes, rental status upon purchase?
 01 Tenants in place
 02 Unoccupied
3. Did you plan on rental income to help pay your mortgage?
 01 Yes
 02 No
 03 Unknown
4. Was rental income calculated as part of your mortgage?
 01 Yes
 02 No
 03 Unknown
5. Did you go through a mortgage broker?
 01 Yes
 02 No
 03 Unknown
6. Entrances/exits to/from the basement/cellar unit?
 01 One
 02 Two
 03 Three or more
 04 Unknown
7. Windows in the basement/cellar apartment?
 01 None
 02 One
 03 Two
 04 Three
 05 Four or more
 06 Unknown

K. Continued

8. Windows large enough to permit adult entry/exit in basement/cellar apartment?
 01 None
 02 One
 03 Two
 04 Three
 05 Four or more
 06 Unknown
9. Rooms in the basement/cellar apartment? (Do not count bathrooms or halls)
 01 One
 02 Two
 03 Three
 04 Four
 05 Five or more
 06 Unknown
10. Bedrooms in the basement/cellar apartment?
 01 One
 02 Two
 03 Three
 04 Four or more
 05 Unknown
- 11a. Bathrooms in the basement/cellar apartment?
 01 None
 02 One
 03 Two or more
- 11b. If no bathroom?
 01 Use(s) bathroom in other unit/part of building
 02 Use(s) temporary or portable facilities
- 12a. Kitchen in basement/cellar apartment? (Fridge, Stove, Sink)
 01 Yes
 02 Partial
 03 No
- 12b. If partial/no kitchen?
 01 Use(s) kitchen in other unit/part of building
 02 Use(s) temporary or portable facilities
 03 Do(es) not use kitchen facilities
13. Existing sprinklers in basement/cellar apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown
14. Fire extinguishers in basement/cellar apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown
15. Smoke detector(s) in basement/cellar apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown
16. Carbon monoxide detector(s) in basement/cellar apartment?
 01 Yes
 02 Yes, but not functioning
 03 No
 04 Unknown



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