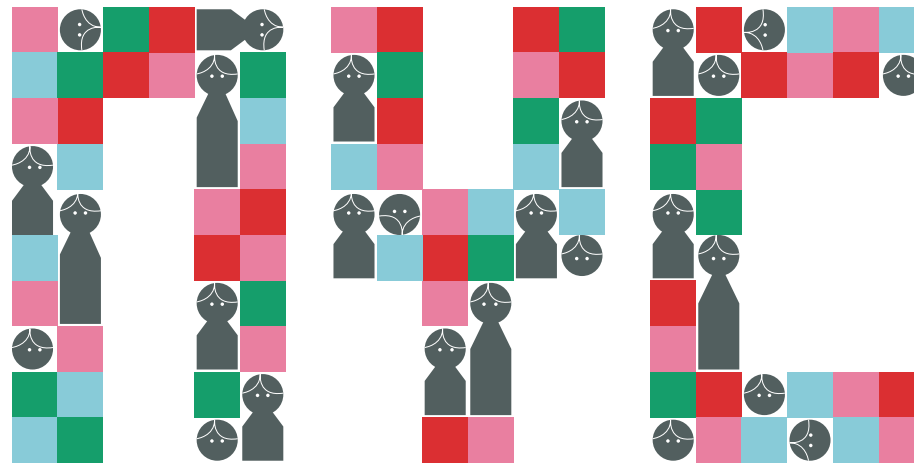


# Making Room

# Why Should We Care?



## Making Room: Why Should We Care?

One of the many ironies of life in New York City is that, in a place where people are obsessed with real estate, housing, and the ensuing discussions about what people have, who has a good deal, and what they pay for it, there is little discussion or even awareness of New York City's housing standards. And yet it is housing standards that largely determine who lives where and how much they pay for it.

These standards implicitly encourage the construction of larger units rather than small ones, make it illegal for more than three unrelated adults to live together, make outlaws of extended families living in basements of small homes, and permit homeless single adults to sleep in doorways, but not in lodging houses or Single Room Occupancy units (SROs), both of which have been outlawed.

The existence of housing standards raises two key questions. First, as standards rise, what should be done with those who cannot afford the legal standard? While it is easy to consider this a problem that only affects poor people, that is not the case. The 2008 New York City Housing and Vacancy Survey reaffirms New York's long running housing shortage: 25.9% of New York City's renter households now pay more than half of their income in rent. With a rental vacancy rate in 2008 of only 2.91%, more and more people are being pushed out of the legal housing market.

And, since housing standards and design are influenced directly by society's values, i.e. how we think

people should live, a second question arises – that is, what happens when people change how they want to live and the standards fail to keep up with a changing population.

New York City has the most robust and sustained housing production and preservation policies and programs in the U.S. From the creation and extensive construction of public housing, sustained public investment of more than \$6 billion in the reconstruction of the abandoned rental housing stock that destroyed communities in the 1970s and 80s, cutting edge supportive housing programs for the homeless, to transforming New York's derelict industrial areas and capturing value in market driven housing investment for low and moderate income households, New York has been at the forefront of innovation and ideas to create housing models that meet a growing demand for housing.

## Housing Standards To Eradicate Slums

When Jacob Riis pointed his camera indoors to expose the living conditions of the urban poor in 1890, New York City's civic leadership were shocked by what they saw. 82,000 tenement buildings housed more than 3 million people in the worst conditions in the world. And it was the view of that housing from the inside – horrific crowding, lack of proper sewage, reliance on kerosene lamps for light, heat from coal burning stoves, poor ventilation – that would spark the desire to improve how people actually lived.

In the coming decades, New York City would apply its innovation and zeal to eradicate those conditions by

establishing cutting edge housing standards and enforcement techniques to transform people's lives. Those early reformers established standards that reflected a set of values to improve health and safety in a 19th century housing stock, encourage families (who could afford it) to live in larger spaces, outlaw SROs and lodging houses, and discourage unrelated singles from living together.

The Tenement Act of 1901 would create the most innovative and far reaching system of housing reform in American history. That innovation led to the establishment of the Tenement Housing Department, the precursor of the Department of Housing Preservation and Development, and set the stage for additional legislative reforms, most notably the Multiple Dwelling Law in 1929 and later the Housing Maintenance Code. Housing standards are also affected by the Zoning Resolution and the Building Code.

During the Great Depression, New York City's vacancy rate in multiple dwellings rose to an astounding 14.5% in 1933 at the same time that the City's unemployed and poor pitched tents in Central Park. As illegal lodgers and boarders in certain multiple dwellings increased, the policy solution was to categorize Single Room Occupancy units (SROs) as Class A Multiple Dwellings, in turn bringing SROs and lodging houses with more than two boarders under the Multiple Dwelling Law. By 1954, the backlash against such occupancy resulted in Local Law 24, which effectively banned the new construction of private SRO units and the conversion of apartments into rooming houses.

Always, the improvement of standards was accompanied by plans (not always carried out) to construct new low cost housing for those who would inevitably be displaced from substandard conditions. James Ford, in his iconic work *Slums and Housing* in 1936, even recommended that those who could not pay for the minimum (at that time \$6 per room in rent) be colonized out west where cheap land awaited them.

Taken together, New York City's housing regulations, born of the early 20th century, set a standard for light and air, room size, and health and safety that still largely influences our standards today. It took time, but New York City's housing standards have certainly been successfully enforced: in 2008 the number of units in dilapidated buildings (0.5%) was the lowest in 45 years, since it has been measured.

Reshaping the housing stock to solve the problems of the last century has, however, opened up the gap again with households living below or completely outside of the legal housing standards. Today, fewer and fewer households can find housing that meets the legal standard; fewer still can pay for it.

And while no one suggests turning back the clock on hard fought housing improvements, it is time to consider the actual housing needs of New York City's population, advances in housing design and technology, and shifting demographics to determine what housing standards are appropriate for the 21st century and how best to enforce them.



Jacob Riis photograph of a family living in an early twentieth century New York City tenement building

## How New Yorker's Live Today

We estimate that approximately 2 million New Yorkers are living in housing units with some kind of shared household, that is, either with adult relatives or with people they are unrelated to (American Community Survey 2007). They occupy 26% of the City's housing units – 850,000 units. Of those, we estimate that nearly a third of the units are also overcrowded, that is, they have more than 1 person per room.

Of the 26% of the housing stock that is being shared, 6% are occupied by people reporting to live with unrelated roommates. The remaining 20% of the units are shared by relatives. Shared households also include those with adult children over the age of 21, a

category which many analysts would not identify as shared households by assuming they remain with their family by choice. Certainly, however, some portion of adult children over 21 remain at home simply because independent housing is not available for them.

Only 17% of New York City housing units are occupied by traditional nuclear families – parents with children under 21.

33% of New York City's housing units are occupied by single people living alone. And a third of single persons living alone actually under-occupy housing, by living in a two bedroom apartment or larger. While some portion of these households are not revealing lodgers or boarders to survey takers, many others are truly under-occupying their units by choice or because more suitable housing is unavailable to them. More than half of these reported single person

households benefit from some form of rent regulation.

Another 17% of our housing units are occupied by couples with no children. Single parent households occupy 8% of our housing units and have the most onerous rent burden of all household types. Over 40% of all single parent renter households pay over 50% of their income on rent. For renter households that contain roommates or lodgers, only 16% have this same rent burden – the least onerous.

Americans are also living longer, and combined with New York's attraction as a place for the elderly to live, the Department of City Planning is projecting that 44% more elderly will be living in New York City by 2030. This will create additional demand and pressure on the housing market, as elderly people remain in their apartments longer and form new kinds of households that would have been unlikely for our grandparents.

As well as this snapshot of the households of New York City, lifestyles have also changed dramatically, especially over the last three decades. Flexible information technology access, alternative work patterns, training and working in multiple cities and temporary work contracts all call for new ideas about what a housing unit comprises of, and how we should rent our housing. In order to find flexibility in fixed leases, people are forced to sub-let and informally share, often without any legal protection and facing access discrimination in an unofficial, unregulated housing market. This is an important issue for businesses and academic institutions that rely on temporary accommodations.

## The Problem Of Illegal Occupancy

It is important to understand that those living outside or below existing housing standards fall into two broad categories:

### Illegal Spaces

First are those households who are living in spaces not legal for residential use. This includes, for example, households living in non-residential buildings, such as industrial buildings, in areas not zoned for residential use, or those living in basement apartments in small homes. Legal Residential Spaces Being Used Illegally

Second are households living in spaces that are legal residential units, but are utilized in ways that are not permitted. Such households include those with more than 3 unrelated adults, which, while common, is illegal in New York City; those that are severely overcrowded; and households that create illegal and unsafe conditions such as illegally divided rooms that block ingress and egress.

For many people in New York City today living outside of or below the housing standard, Jacob Riis's camera might find some similarities. People sharing beds in shifts, living in spaces with little access to light and air, no legal lease agreement, and inadequate ingress and egress in case of fire – are all conditions that can still be readily found across our city.

Many New Yorkers would be shocked to discover that they are living outside of

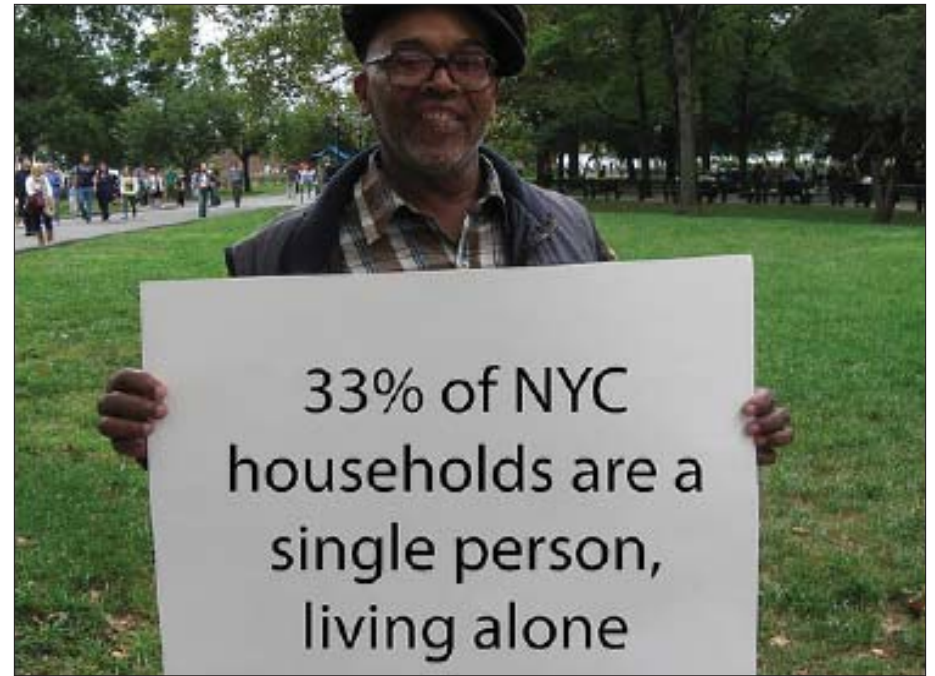


Photo Credit: Citizens Housing & Planning Council & American Community Survey

the standard. Four single adults living in a market rate apartment, even one with four bedrooms, seems innocent enough. Yet it falls outside of what is permitted in the Housing Maintenance Code.

An estimate of the number of units that are not legal for residential use is difficult to determine with great precision. A 2003 study by CHPC estimated that at least 100,000 units that had been added to the housing stock were illegal. That number is certainly growing. But even assuming it is not, we can confidently estimate that at least 250,000 New Yorkers are living in units that are not legal for residential use at all.

And while household sharing arrangements help to cover the cost of housing, it can also lead to conditions that are unsafe, undesirable, and in many cases, unlawful. One such

building in the Bronx was recently the site of a tragic fire which cost the lives of two firemen. Unaware that tenants had illegally partitioned the apartments with drywall, firemen trying to rescue residents were instead trapped. Both the landlord and tenants were arrested (the tenants were acquitted while the owners were convicted of criminally negligent homicide). The tragedy however did not generate any discussion amongst housing policy experts regarding the conditions that drove the illegal subdivisions, or how best to ensure that such tragedies could be avoided in the future.

And while this tragedy occurred in a multi-family building in the Bronx, it could have happened in a loft building in Williamsburg, a one family house in Jackson Heights, or a small rental building in Bay



Ridge.

The Department of City Planning has estimated that another 1,000,000 people will come to live in New York City by the year 2030. With newcomers to the housing market at a distinct disadvantage today, how will these anticipated New Yorkers adapt to the housing stock that we have? Surely new construction will not address all of their needs.

## New York City Housing Policy

Over the last 30 years, New York City's housing policy has been dominated by two overarching principles:

That there should be a significant investment of public funds to renovate city-foreclosed housing stock located primarily in low income communities, and;

That new construction of low, moderate, and middle income housing is the primary tool to expand the supply of housing and address chronic shortages and high prices.

New York City has had more success with these two goals than any other municipality in the U.S. The investment in and preservation of the abandoned in rem housing stock of the 70s and 80s is one of the most remarkable municipal housing achievements of the 20th century.

The City's use of targeted investment has created more than 76,000 newly constructed housing units since 1987 with approximately 200,000 more units that have been substantially rehabilitated. In particular, the transformation of former industrial

areas to make way for new residential development has set the stage for further housing expansion. And yet housing shortages continue and in fact have worsened along with affordability burdens. The typical response is that as the City becomes more desirable it attracts more and more people, making chronic shortages a measure of our success rather than failure. While this is arguably the case, it should not become a justification to tolerate the extensive illegal housing sector.

Although almost everyone involved in housing issues in New York City can recite our notoriously low rental vacancy rate, few recognize that New York's population has reshaped itself dramatically in recent decades into households designed nearly exclusively to obtain housing. That reshaping, and people's desperate attempts to fit in where they can, has in fact led to an explosion of households living below or completely outside of the acceptable housing standards that have steadily been raised over the last 100 years. As discussions about new development have dominated housing policy debates in recent years, housing standards and their effective enforcement – one of the most powerful policy tools at the forefront of housing policy in the early part of the 20th century – has largely been overlooked.

Policy makers must acknowledge that city-dwellers today enjoy technologies that enhance the quality of urban life, technologies that were unavailable when the housing innovators of a century ago drafted the first housing regulations, like microwaves, electric lighting, mechanical ventilation, air conditioning, heating with electricity



Illegal rooming houses in New York City today. Photo credit: Asian Americans for Equality

and steam. Nor could our predecessors have anticipated the social realities of today's changing society: an aging population, new live/work options, and the desire for an environmentally sustainable urban environment, which encourages occupancy of small spaces rather than larger ones.

The question now becomes not how much more of the same housing we can build, but rather what is the minimum standard for housing occupancy that we as a society are willing to accept. Can we create housing standards that incorporate new technologies and that complements the ways people live and work today – housing that supports our environmental objective to live in smaller spaces, and that provides greater flexibility to better meet the needs of our growing population in the

21st century?

If we are to remain the world's second home, a magnet for newcomers (not just from other countries but from around the U.S. as well), a place that attracts and retains talent, innovators, and business, we must once again become innovators in housing policy and design.

## The Way Forward

CHPC advocates a thorough review of housing regulations to evaluate the purpose of each regulation, to determine its utility in today's housing market, and to measure its impact on the shape of the City's future housing stock. For example, should regulations regarding the number of occupants permitted in a dwelling unit really

distinguish between those who are related versus those who are unrelated? If crowding is the concern, what difference does the relationship between people make? And if one is worried about the behavior of unrelated singles, is there any evidence that indicates that unrelated singles are less reliable as tenants or owners than those with a familial relationship?

In addition to occupancy, regulations that impact the shape and size of housing should also be evaluated. Do apartments with multiple bedrooms always result in occupancy by a nuclear family? Should they?

In addition, we should consider adopting housing standards that will allow the building of a flexible and adaptable housing stock for our 21st century population. How might units be designed and managed for roommate/sharing? How large should units really be? Since smaller units, units with higher occupancy, and units in dense areas are more environmentally sustainable, how should they be encouraged?

What are the best ways to house single adults? Is there room in the housing market for a new SRO model and new lodging houses? Can 21st century technology and fire safety techniques help to make new adaptations safer, cheaper, and more widely available for low wage workers and new entrants into the housing market?

We now call on industry leaders and policy experts to develop an agenda for changing the housing regulatory framework in New York by working closely with the City officials responsible for their oversight and enforcement. It is time to look ahead to a population that is growing, aging, and becoming more ethnically and culturally diverse,

an economy that will encourage small business and more entrepreneurs, and an environment that will favor smaller spaces per person and closer access to jobs and transportation. We have before us an opportunity to establish housing standards and designs that give people a wide choice to live in safe and decent housing, to live alone or with people of their choosing, and the choice to live in housing that adapts to their needs, rather than having to adapt their lives to the housing that they can find. We should not squander it.

