

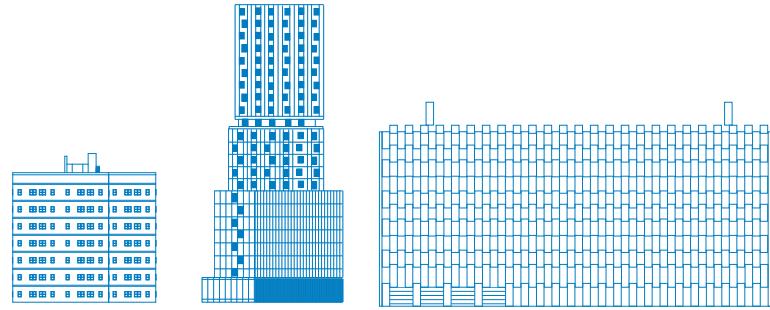
The Columbia GSAPP Housing Lab brings together faculty and students from across the disciplines represented at the Graduate School of Architecture, Planning, and Preservation and Columbia University at large to leverage expertise around some of the most critical challenges facing urban housing today. Using a design approach, the Lab creates meaningful collaborations and practical opportunities for architects, developers, and planners to advance interdisciplinary work and promote creative methods and bold interventions for affordable, adaptive, and resilient housing. The Lab is a locus for testing and demonstrating methods of practice-based scholarship and pedagogy.

The Housing Lab was launched with support from the IDC Foundation.

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COLUMBIA UNIVERSITY // GSAPP// HOUSING LAB // 2023



10 QUESTIONS

TO REFRAME YOUR PERSPECTIVE ON THE HOUSING AFFORDABILITY CRISIS.

HOUSING LAB

GRADUATE SCHOOL OF ARCHITECTURE,
PLANNING & PRESERVATION
COLUMBIA UNIVERSITY
NEW YORK, NY

HOUSING LAB

Working within the University's 4th purpose framework, the Housing Lab's recent work has focused on the housing affordability crisis in New York City.

The data and research show that since 1983 housing has become progressively more unaffordable in New York, and this tendency is worsening. The research has uncovered many distressing realities where incomes have increased at a much slower rate than rents across the city.

Beyond identifying the current situation, the research has identified potential policy proposals and focus areas to help alleviate the situation. As an example, the city uses a metric called Area Median Income (AMI) to define who qualifies for affordable housing in the city. However, this metric does not represent New Yorkers' median income but is artificially inflated due to the already extremely high rents within the city.

This document aims to catalyze discussion and action across practice, industry, and local government by making the problems and their potential solutions real and digestible.

01 WHAT DOES HOUSING AFFORDABILITY MEAN FOR NEW YORKERS?

The total population of New York City is 8.5 million.
The average household earns \$70.6k per year.

The average NYC household is comprised of 2.6 people.

WHAT IS HOUSING BURDEN?

The Department of Housing & Urban Development (HUD) defines a 30% of gross income threshold for housing. Households which spend more than this are considered "housing burdened."

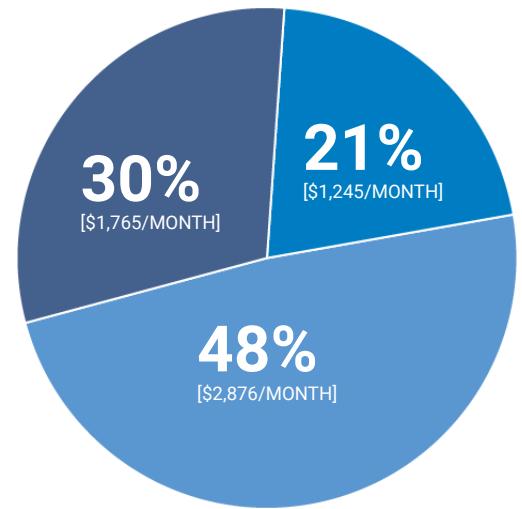
For the "average" New Yorker, this equates to \$1,765/month on rent for a family of 3.

After taxes and rent, this would leave the average family of 3 with \$2,876/month for all other expenses and savings.

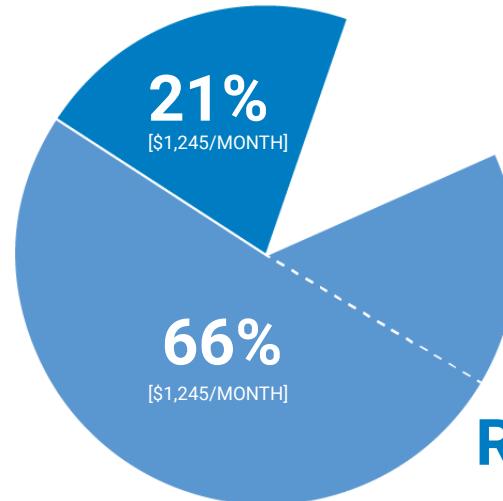
But, in reality, the average rent for a 1BR unit leased in NYC in Feb 2023 was \$3,900. This unit would be undersized for a family of 3 and would leave the family beyond 2X the rent burdened threshold.

After taxes and rent, this would leave the average family of 3 with \$743/month for all other expenses and savings.

IDEAL



REALITY



02 WHAT IS AREA MEDIAN INCOME (AMI)?

NYC classifies households based on their yearly income levels. To access affordable housing, households should fall at or under the middle income category.

Development of and access to affordable housing in NYC is based on the Area Median Income (AMI).

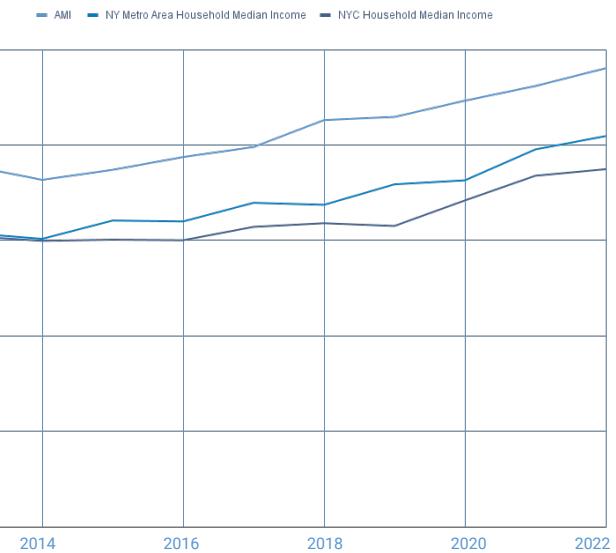
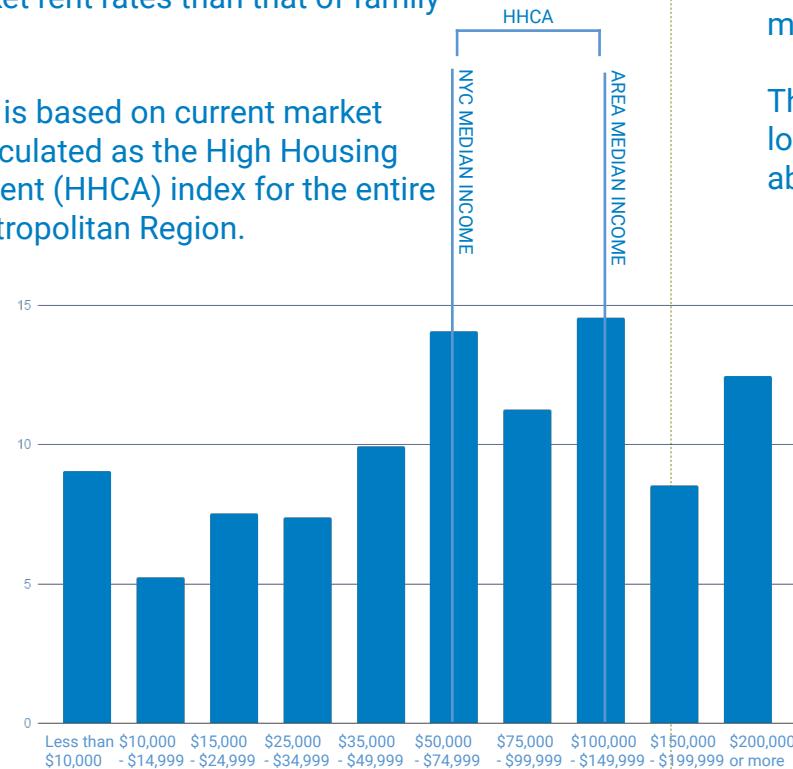
However, in NYC, the AMI is more representative of market rent rates than that of family incomes.

The NYC AMI is based on current market rate rents, calculated as the High Housing Cost Adjustment (HHCA) index for the entire New York Metropolitan Region.

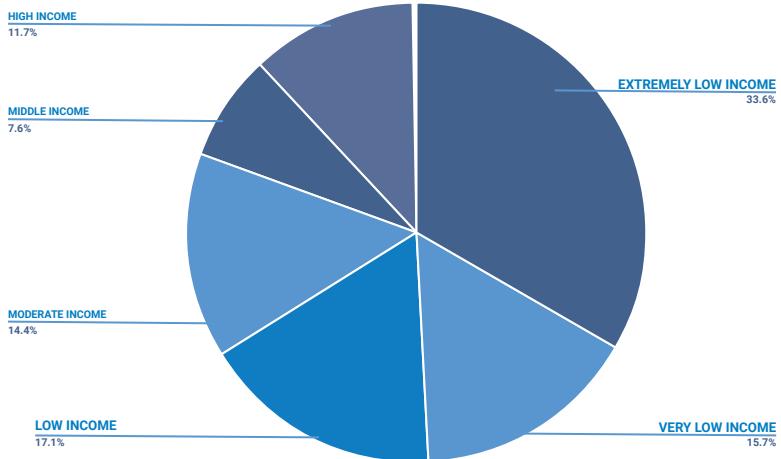
0-30%	AMI Household Level	Maximum Income	Maximum Affordable Rent
0-30%	Extremely Low Income	\$36,030	\$901
31-50%	Very Low Income	\$60,050	\$1,501
51-80%	Low Income	\$96,080	\$2,402
81-120%	Moderate Income	\$144,120	\$3,603
121-160%	Middle Income	\$192,160	\$4,804
161%+	High Income	More than \$240,200	More than \$6,005

In 2022, the difference between 100% AMI and actual median income for NYC was \$26,457.

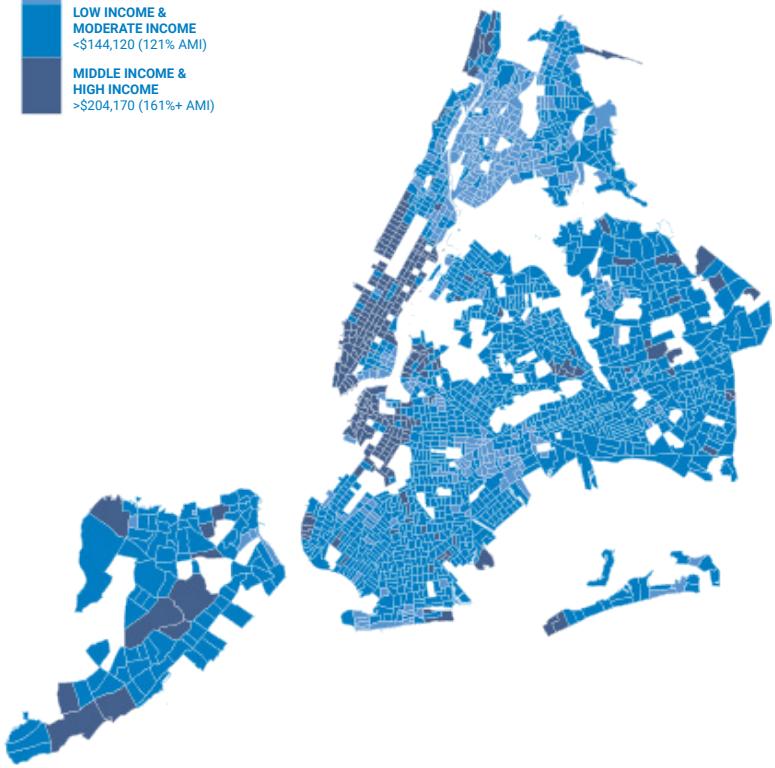
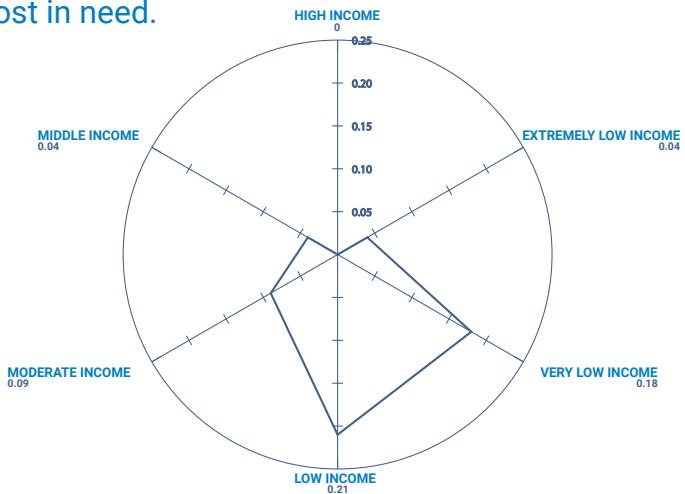
This adjustment skews the AMI higher, leaving out the lowest-income households from accessing affordable housing.



More than 2,180,000 (85%) of renting households in NYC fall at or under the middle income category. Extremely low income is the largest category, with 33.6% of all renting households.



Since 2014, most new affordable units built are for low income and very low income categories. This continues to leave out the extremely low income category, which includes both the highest number of people and the most in need.

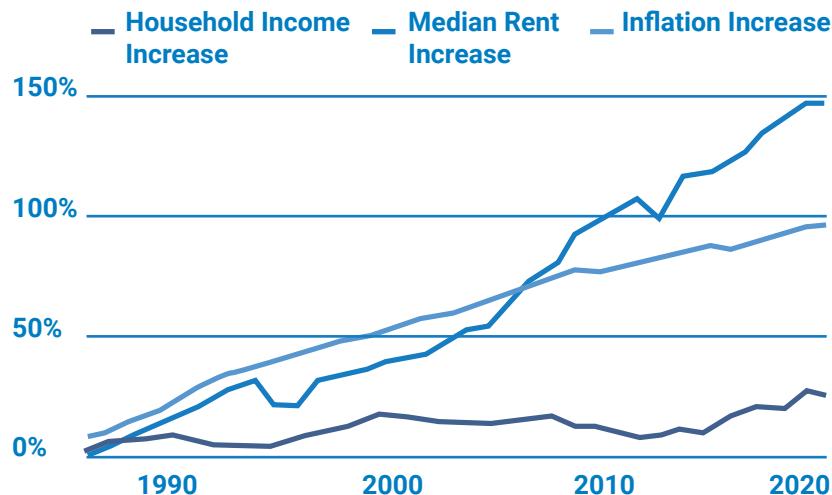


There is significant income and housing disparity, even between areas in close proximity to each other.

As an example, a food delivery worker living in East Harlem earning a yearly income of \$20,000 (<20% AMI) and affording a maximum rent of \$499 can live 1.8 just miles away from a corporate manager living in the Upper East Side, earning a yearly income of \$270,000 (>200% AMI), affording a maximum rent of \$6,600.

03 HOW MUCH OF A RAISE DOES THE AVERAGE RESIDENT IN EACH BOROUGH NEED TO NOT BE RENT-BURDENED?

Cumulative Increases in Percentage



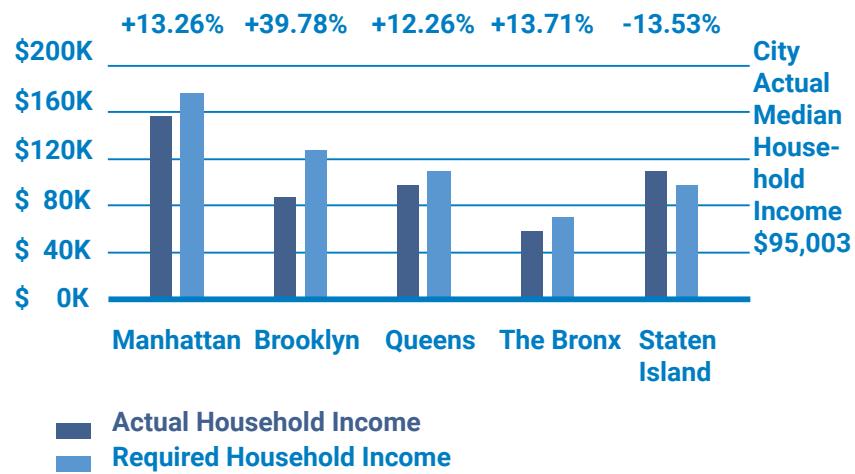
Average Yearly Income Increase: 0.7%

Average Yearly Inflation Increase: 2.5%

Average Yearly Rent Increase: 4.3%

Nationally, rent increases have outpaced inflation since the late '80s and household income has largely stagnated. In real terms, renting has gotten much more expensive for the average American.

Median Household Incomes and Raises by Boroughs

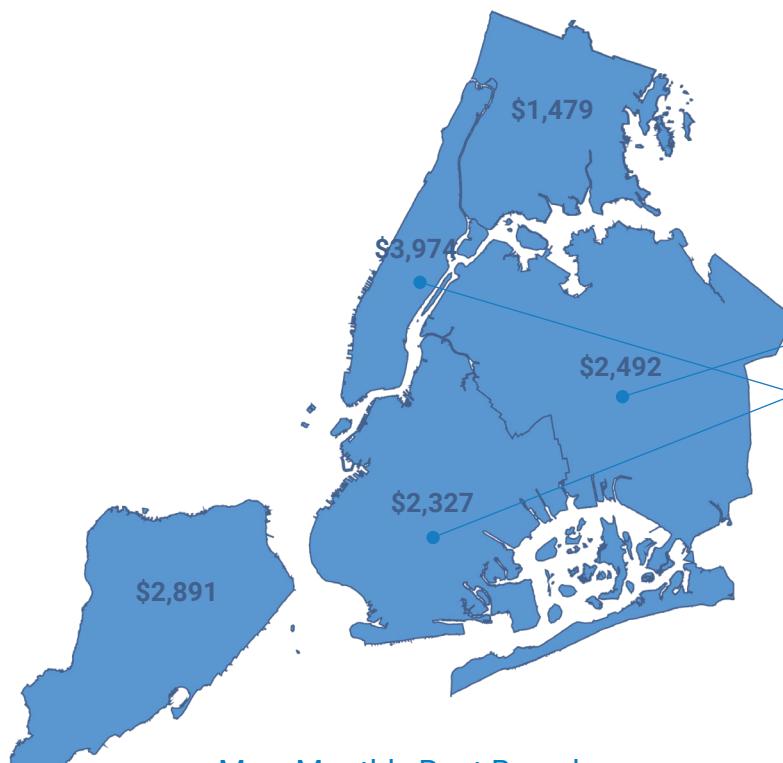


The median rent of each borough is divided by 30% to get the required median household income. The result of this deduction process shows that all boroughs except for Staten Island would need a raise in their income in order to afford the rents on the borough without being rent-burdened.

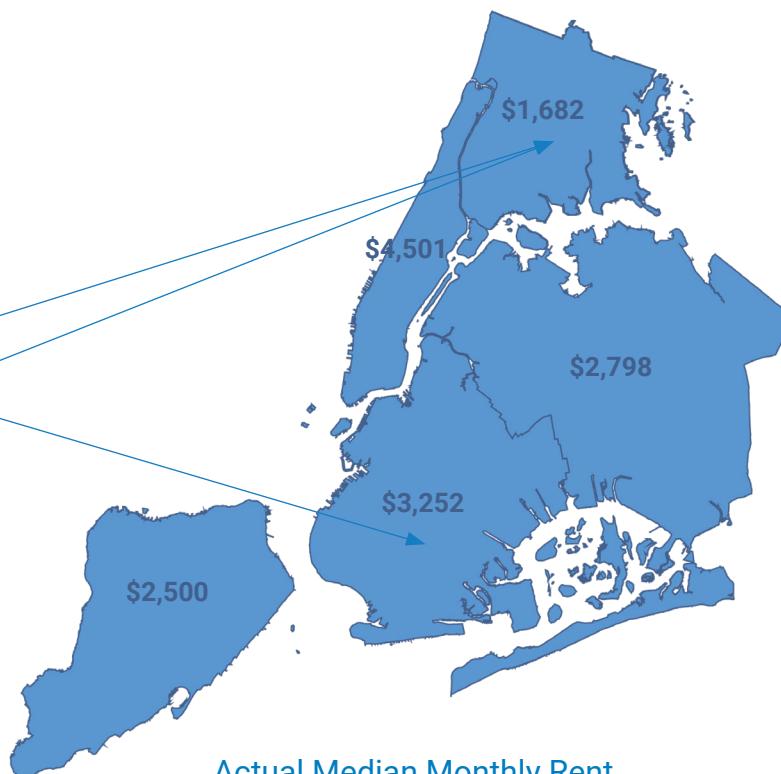
It is worth noting that Brooklyn requires the most amount of raise so that the household median income can afford Brooklyn's rents unburdened.

04 WHICH BOROUGH'S RENTS ARE AFFORDABLE ACCORDING TO AREA MEDIAN INCOME?

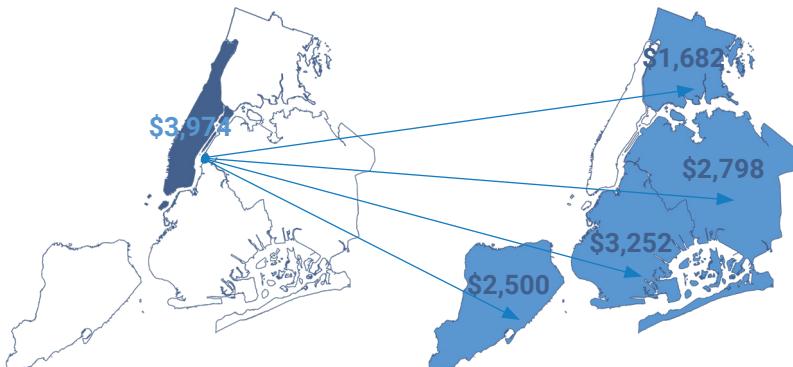
There is a dramatic mismatch between the rents residents of each borough can pay, and what landlords charge, shown below. This drives displacement and gentrification.



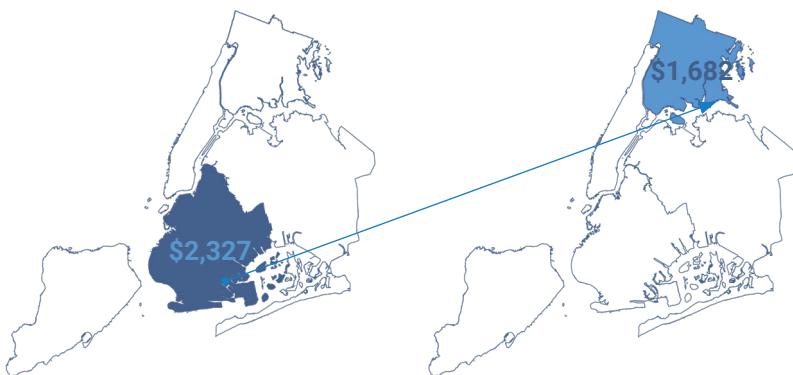
Max. Monthly Rent Based on Borough Median Income



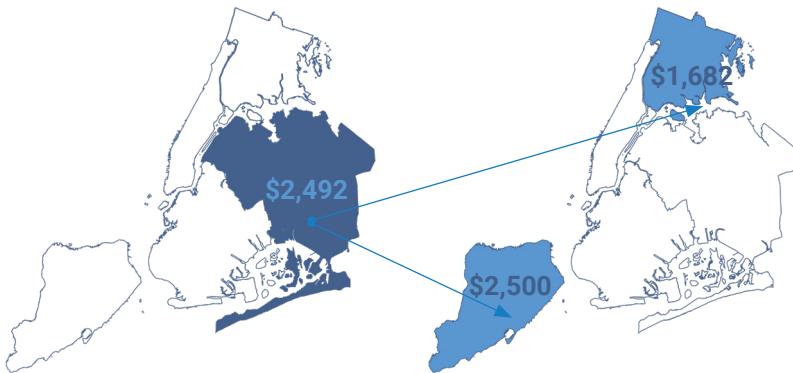
Actual Median Monthly Rent



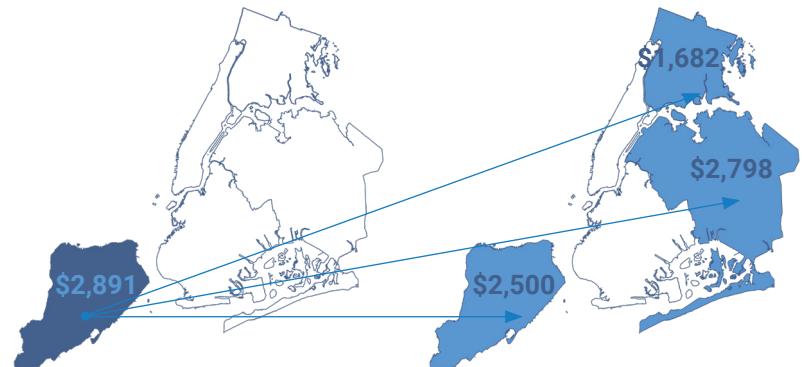
Manhattan can afford to live in any borough except itself.



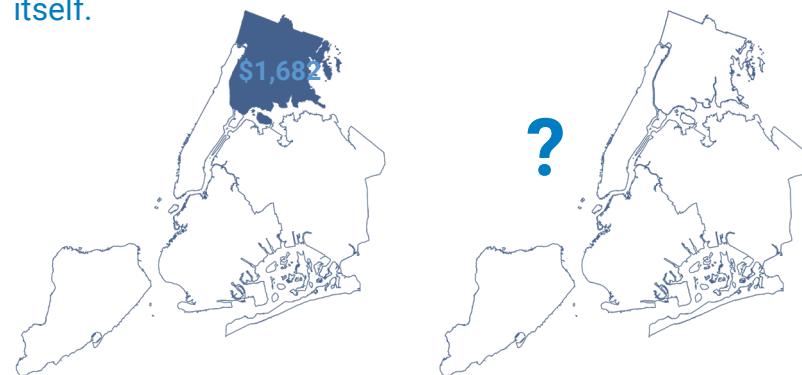
Brooklyn can only afford to move to the Bronx.



Queens can have the option to move to Staten Island and the Bronx.



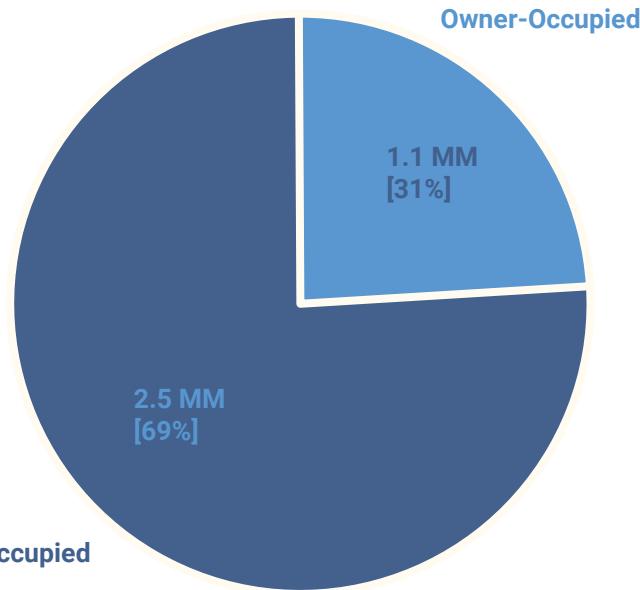
Staten Island is the only borough that can afford living in itself.



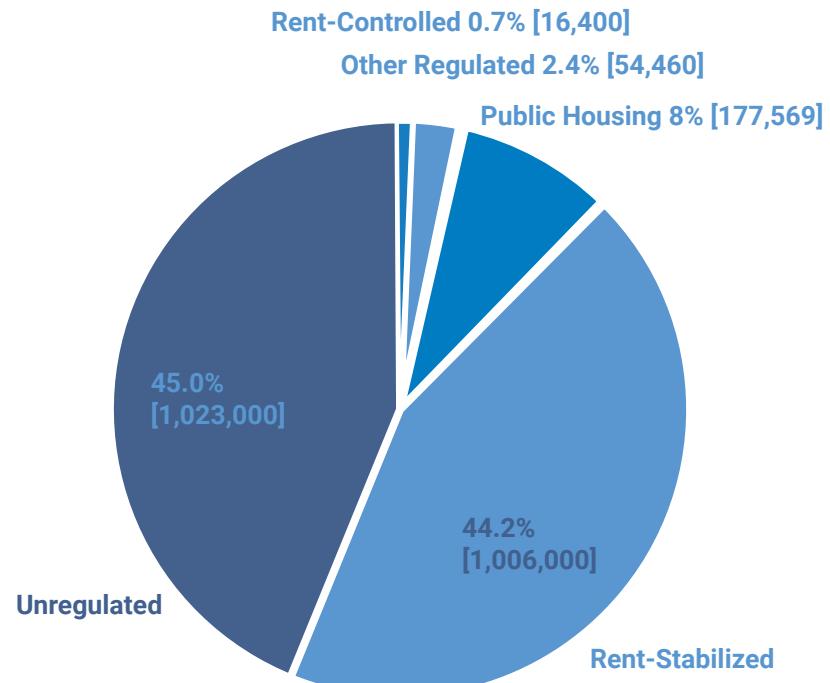
Where can people living in the Bronx go?
They cannot afford living in anywhere in New York City.

Appropriate affordable housing that serve the local borough is key to improving the housing crisis within the city.

05 ARE THERE ALREADY ENOUGH VACANT APARTMENTS TO HOUSE EVERYONE IN NEW YORK?



In 2021, NYC had a total housing stock of 3.6 million units. The majority of New York's housing are rental, while in the United States, most cities have the majority of housing stock as owner-occupied. This shows that studying the rental market is crucial to understanding the housing situation in NYC.



The majority of the rental units in NYC are regulated.

Rent-stabilized units provide protections to tenants besides limitations on the amount of rent increases. Tenants are entitled to receive required services, to have their leases renewed, and may not be evicted except on grounds allowed by law. Leases may be renewed for a term of one or two years, at the tenant's choice.

Rent Above 100% AMI

Rent Below 100% AMI

Staten Island

11
[100%]
0
[0%]

Total Units: 11



140
[85.37%]
24
[14.63%]

Total Units: 164

The Bronx



140
[85.37%]
24
[14.63%]

Total Units: 164

Queens



636
[69.36%]
192
[36.23%]

Total Units: 828

Brooklyn



636
[69.36%]
281
[30.64%]

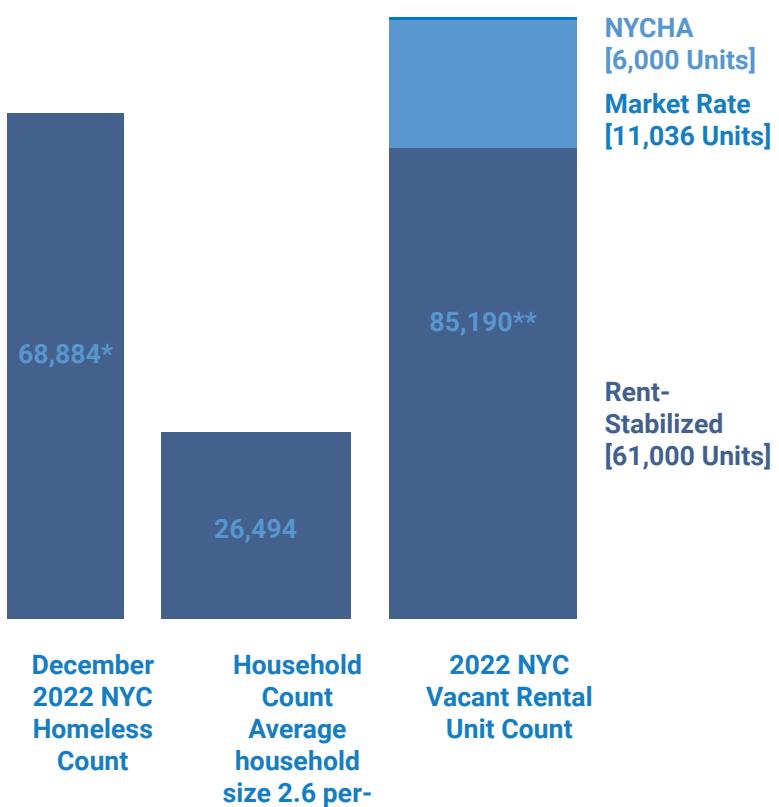
Total Units: 917

Manhattan



2,089
[89.54%]
244
[10.46%]

Total Units: 2,333

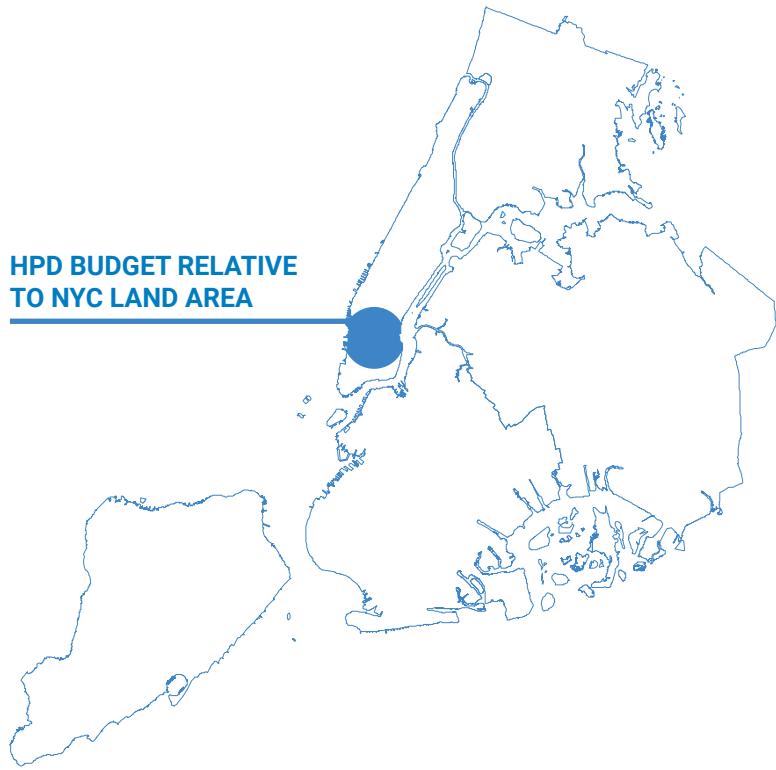


The homeless population is difficult to count and constantly in flux, as is the rental vacancy rate. But generally, there are more vacant rental units in NYC than homeless people.

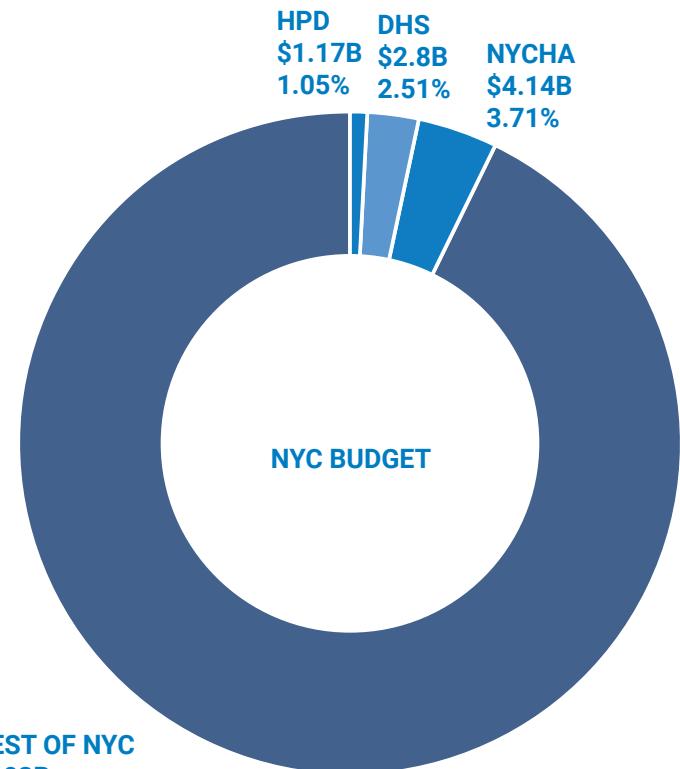
Brooklyn has the greatest total number of units, therefore it is best to move to if renting. Manhattan has the largest proportion of rental units and Queens has the highest proportion of owned units.

What are the odds of getting an apartment you can

06 HOW MUCH DOES NEW YORK CITY SPEND ON HOUSING?



Despite accounting for 75% of the zoned area within New York City, the Department of Housing Preservation & Development (HPD) only receives 1.05% of the city's budget. This is the agency responsible for regulating and assisting in the funding of the over one million Rent-Stabilized units across the city.



The Department of Homeless Services' (DHS) budget is over twice that of HPD. The New York City Housing Authority (NYCHA), which is responsible for the operation of over 177,000 rental units in the city as well as the administration of the Federal Section 8 Housing Program, has the largest budget of the three.

WHERE DOES THE MONEY GO?

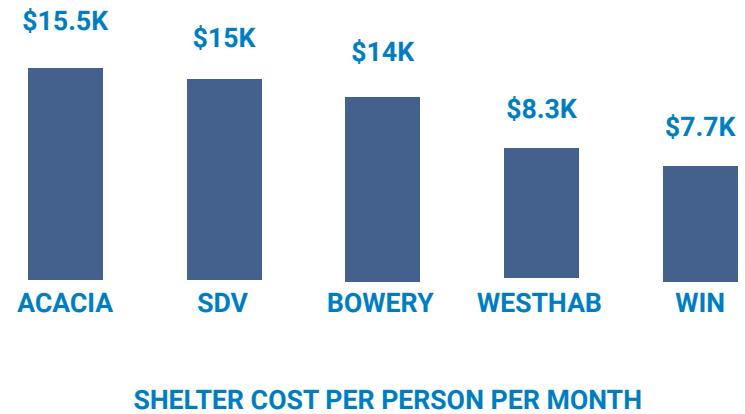


The Department of Homeless Services (DHS) spends nearly 90% of its budget on Shelter Operations, with less than 0.5% dedicated to Prevention, Aftercare, Rental Assistance & Housing Placement.

This is a symptom of chronically underfunded programs. It has resulted in a desperate situation where prevention has been abandoned, keeping the city in a position of constantly struggling to keep pace with a ballooning homeless population.

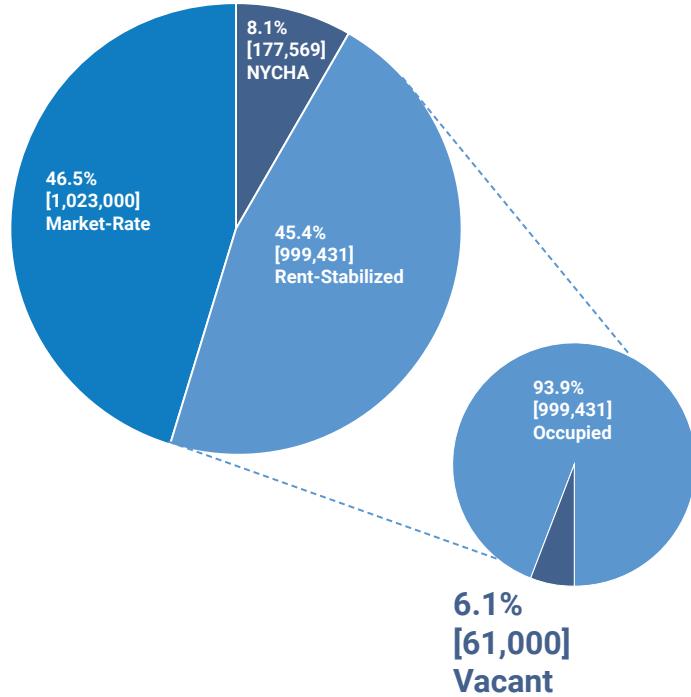
Shelters in New York City are privately operated. Shelter operators are awarded contracts by and receive funding from the city (as shown on the left, the vast majority of DHS's budget).

Looking at the amount of money some shelter operators receive from DHS and the estimated number of beds they offer, we can see the exorbitant price the city pays to house someone in a shelter for a month.

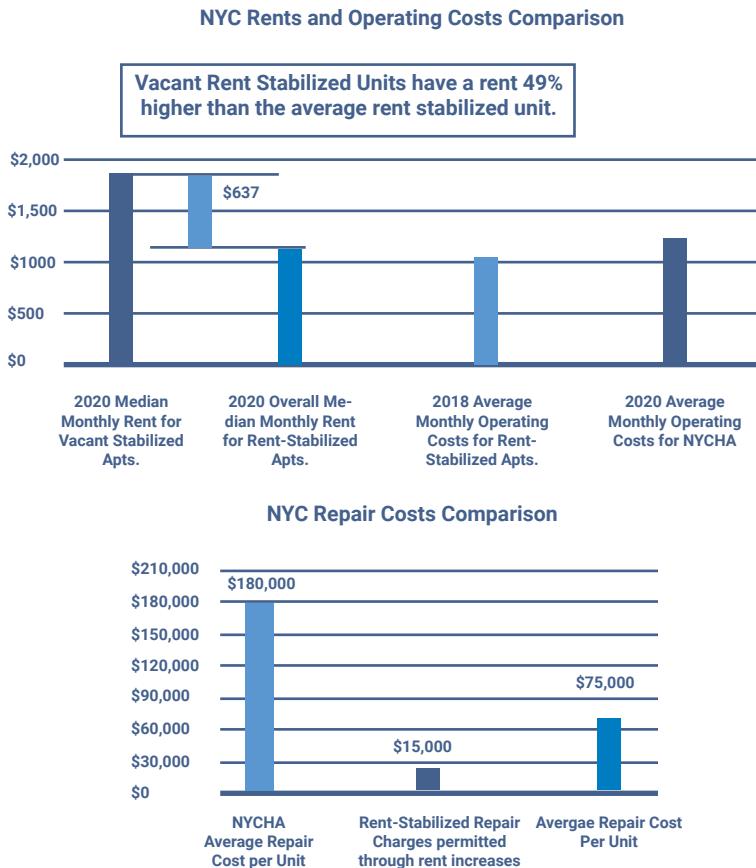


These costs coupled with the myriad exposures regarding corruption with shelter operators over the last 5 years underscores how shelters have become a booming and profitable business in the city.

07 HOW DO WE MAKE SURE ALL VACANT RENTAL UNITS IN NYC ARE OCCUPIED?



While the majority of rental units in NYC is in some way regulated, a sizable portion of its rent-stabilized units remain vacant, due to owners who claim that renting them out is no longer profitable due to rising costs and the inability to increase rent due to vacancy decontrol. As a result, a significant number of owners are warehousing the units while they wait for a court challenge to deregulate their units allow rents to increase.



Vacant rent stabilized units on average would be able to achieve 49% higher rents. Owners reportedly require \$75,000 to repair their units, compared to only \$15,000 they are allowed to pass on to tenants.

RECOMMENDATIONS FOR GETTING VACANT UNITS ONLINE

With such a significant number of rent-stabilized vacant units, bringing this supply of housing stock back online is one of the most important and quickest ways to alleviate the affordable housing crisis. Here are a few recommendations to incentivize landlords to bring them back on the market and disincentivize warehousing.

PUNISH WAREHOUSING

In 2020, New York State Assemblywoman Linda Rosenthal introduced a new bill to punish warehousing. That bill has not made it out of the housing committee.

DEREGULATE/ALLOW VACANCY RESET ON RENTS

Previously, owners could deregulate stabilized units and charge incoming tenants market rate once the unit became vacant if the rent amount reached \$2,774.76.

ALLOW LANDLORDS TO CHARGE MORE FOR REPAIR COSTS THROUGH RENT INCREASES

This could allow landlords to recoup more than the \$15,000 over a 15-year period as currently permitted.

MODIFY HOUSING CODE STANDARDS

The city could modify what the landlord is responsible for maintaining and how often to lessen the financial burden between tenants.

GIVE A ONE-TIME REPAIR SUBSIDY

The city could provide a one-time subsidy to landlords to bring vacant units back up to required standards.

08 SHOULD WE ENACT THE NEW YORK STATE HOUSING COMPACT?

Governor Kathy Hochul announced a statewide strategy to address New York's housing crisis, by building 800,000 new homes over the next decade.



The Housing Compact aims to accomplish this goal by:

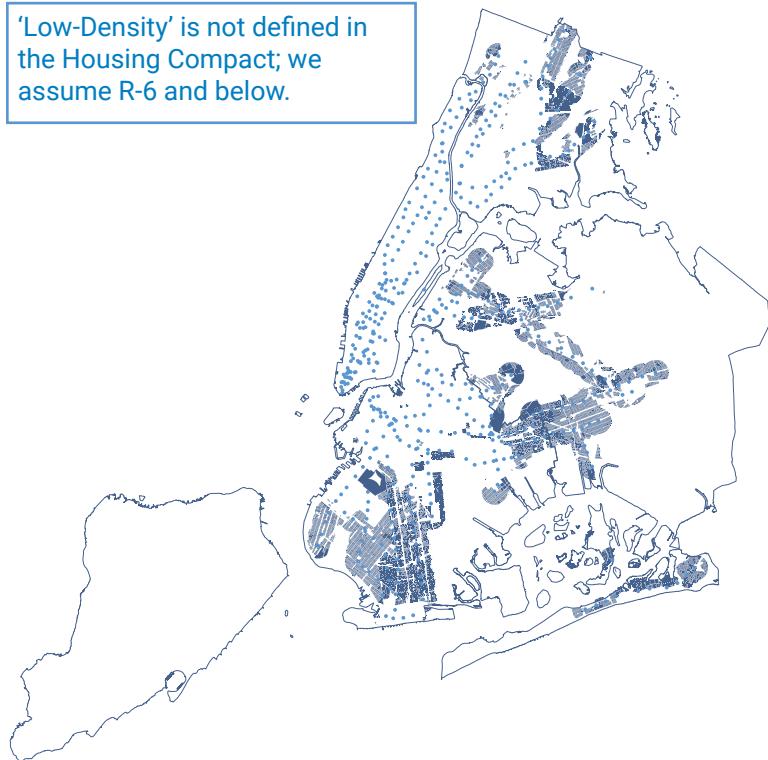
- 01 Set local housing targets**, including local participation, to achieve housing growth in every community
- 02 Remove obstacles to approvals**, grow development opportunities in New York City, and incentivize construction. This focus includes legalizing basement apartments, legalizing ADUs, replacing the 421A.
- 03 Require municipalities with MTA rail stations to locally rezone for higher density residential development.**

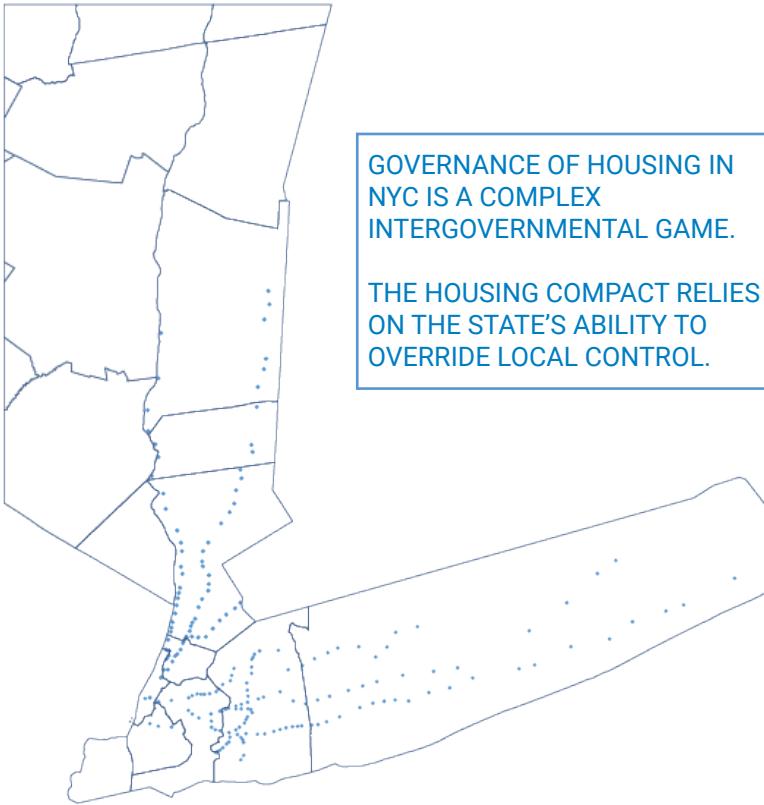
TRANSIT ORIENTED DEVELOPMENT

Localities with MTA rail stations must rezone & accommodate higher density multi family developments.

The rezoning will take place in areas within a half-mile radius from the MTA train stations. Identified neighborhoods with low-density residential units have to increase housing stock by 3% within 3 years.

'Low-Density' is not defined in the Housing Compact; we assume R-6 and below.





GOVERNANCE OF HOUSING IN NYC IS A COMPLEX INTERGOVERNMENTAL GAME.

THE HOUSING COMPACT RELIES ON THE STATE'S ABILITY TO OVERRIDE LOCAL CONTROL.

The New York State Housing Compact will also require areas with Long Island Rail Road and Metro North stations to increase housing stock by 3% in 3 years.

This includes **Westchester, Nassau and Suffolk County**.

NEW YORK CITY HOUSING GOVERNANCE

FEDERAL

U.S. Department of Housing and Urban Development (HUD)

Oversees housing policies and programs at the national level; Hosts FHA, Ginnie Mae and other housing and affordable housing targeted programs.

STATE

New York State Division of Housing and Community Renewal (DHCR)

State agency, oversees rent regulation and affordable housing programs in New York City

CITY

New York City Department of Housing Preservation and Development (HPD)
Preservation & development of affordable housing

New York City Housing Authority (NYCHA)

Manages public housing

New York City Department of Buildings (DOB)

Enforces building codes and regulations

Office of the Mayor

Sets policies and decisions on affordable housing, coordinates efforts among various city agencies

New York City Council

Legislative body that plays a role in decision-making related to housing policies and regulations

LOCAL

Community Boards (59)
Decision-making related to land use, zoning, and development proposals in their respective communities

Borough Presidents (5)
Advisory roles, make recommendations on housing-related policies affecting respective boroughs

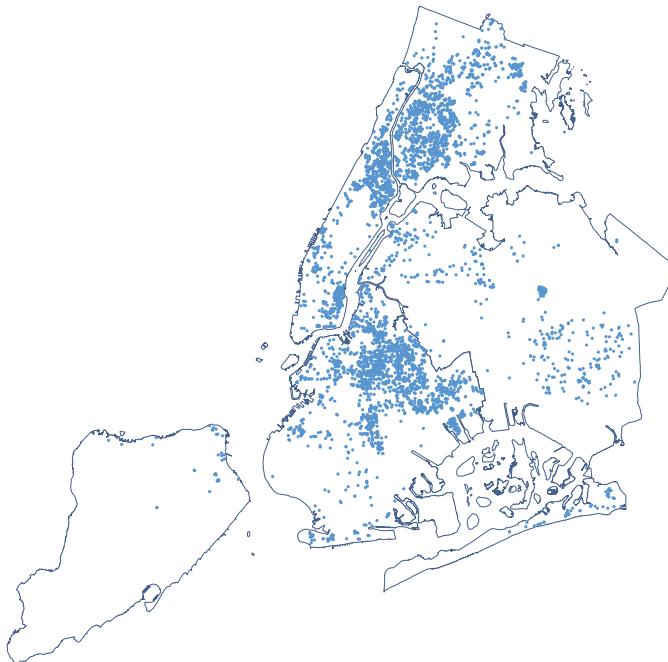
New York State budget negotiations are currently underway, with advocates arguing both for and against the New York State Housing Compact, and other affordable housing measures.

The compact is not aggressive enough to solve the affordability crisis in the region, but it is a step in the right direction.

09 HOW CAN WE EQUITABLY RETHINK THE AREA MEDIAN INCOME (AMI) IN NYC?

Every neighborhood and borough of New York City has a very different economic reality. The median household income in Manhattan is over 2.5 that of the Bronx. Despite this, a single Area Median Income (AMI) value is used across the entire city.

Additionally, this value utilized the High Housing Cost Adjustment (HHCA), which inflates this number higher.

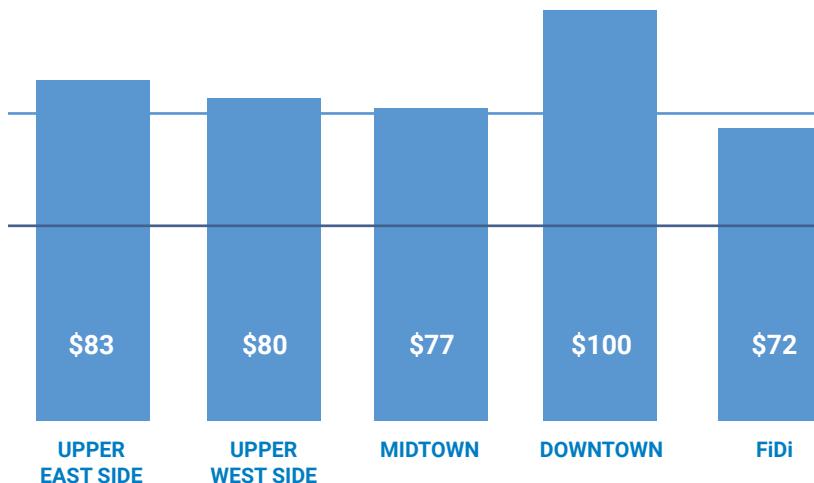


AMI VALUE USED ACROSS NYC	
ACTUAL BRONX AMI	\$59,168
ACTUAL BROOKLYN AMI	\$93,062
ACTUAL QUEENS AMI	\$99,694
ACTUAL STATEN ISLAND AMI	\$115,646
ACTUAL MANHATTAN AMI	\$158,961
REGIONAL AMI W/ HHCA (USED BY NYC)	\$120,100

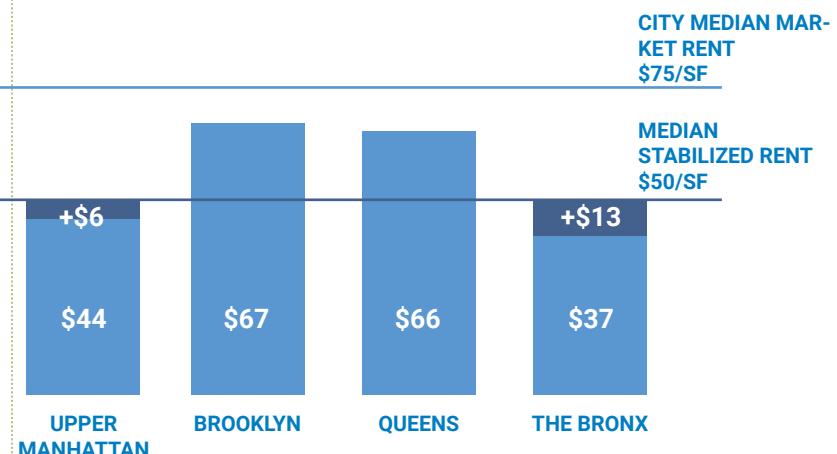
WHAT IF AMI WERE CALCULATED BY BOROUGH?

In some neighborhoods, 'affordable,' rent-stabilized projects/units which participate in the Mandatory or Voluntary Inclusionary Housing Programs (MIH and VIH) are more expensive than market rate. These projects may receive financing from HPD.

Not coincidentally, these are the same neighborhoods where 'affordable' projects are most likely to be built.

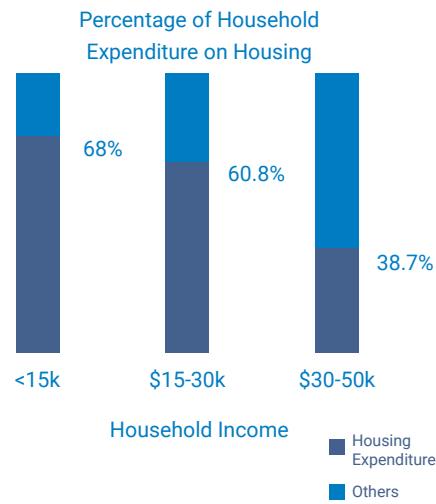


If AMI were calculated per borough or neighborhood, affordable rents would be truly affordable in the neighborhoods in which they're built. This would also allow projects to be geographically cross-subsidized, reduce concerns around gentrification, and improve rent-stabilized vacancy rates.



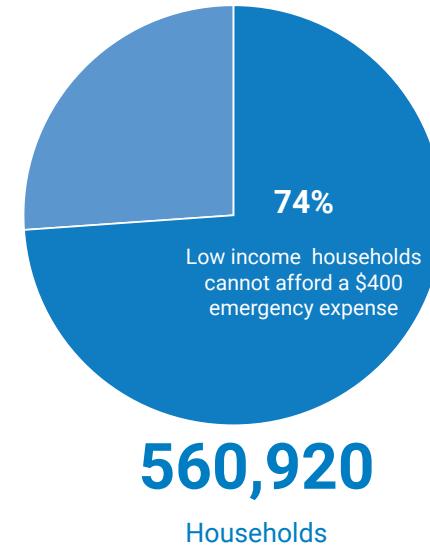
10 CAN A SUSTAINABLE TARGETED BASIC INCOME HELP SOLVE NYC'S HOUSING CRISIS?

WHY UNIVERSAL BASIC INCOME?



The percentage a household spends on housing is easily the first and most significant item on the budget. As a result, income and housing are inextricably linked, and the loss of one frequently leads to the loss of the other. A sustainable, targeted Basic Income can thus help to alleviate housing affordability while preventing the bureaucratic exclusion and stigma of subsidies.

WHAT DOES IT TAKE TO BE HOMELESS?

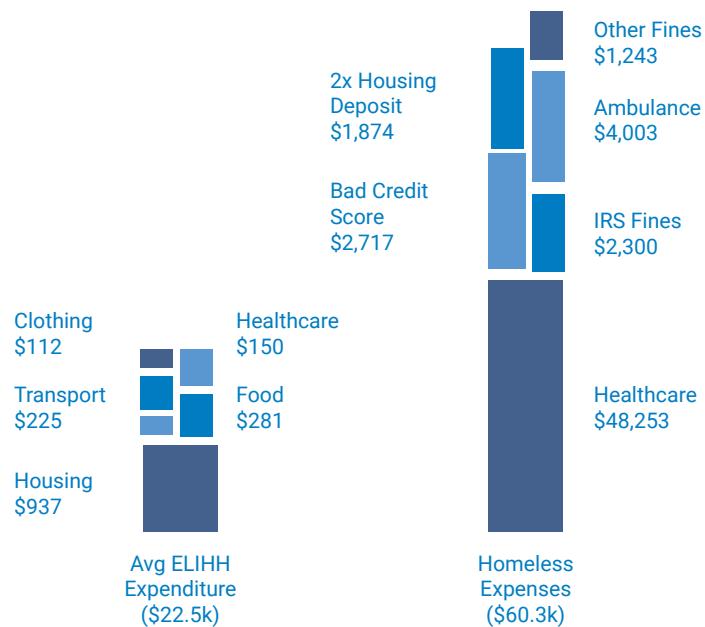


A significant number of low income households in New York City are unable to afford an emergency expense of \$400. These emergency expenses are one of the potential tipping points that push people over the edge into homelessness.

PERSONAL COST OF HOMELESSNESS

Yearly expenditure nearly triples when one becomes homeless

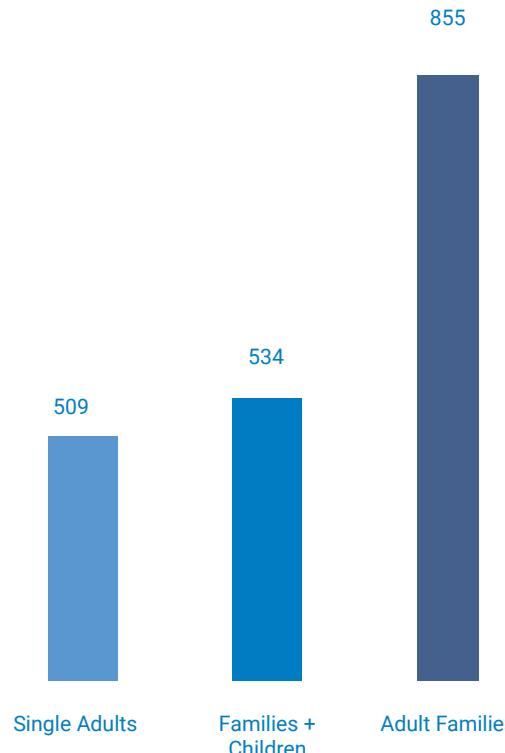
When one becomes homeless, there are significant costs attached to the uncertainty of homelessness it that makes it extremely hard to get out of it. As a result of these expenses, the cost of being homeless can easily be over 3x that of an extremely low income household.



*As costs of homelessness varies widely, this is an illustration based on a NYT story of a journalist who became homeless and kept meticulous records of expenses.

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AVERAGE DAYS SPENT IN SHELTER



As a result, once a person enters the shelter system, it is extremely hard to get out, with single adults and families with children taking over 500 days on average and adult families taking over 3 years to get out of the shelter system.

HOW MUCH DOES IT COST TO HOUSE SOMEONE IN NYC?

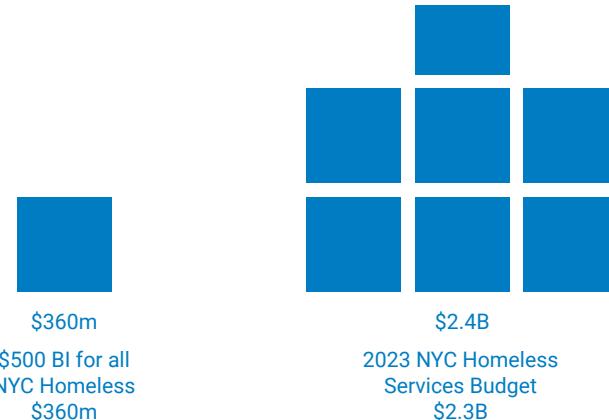


Looking at all the options to house someone in NYC, the average rent-stabilized apartment is actually the cheapest option, but one that is not the most frequently employed.

A sustainable targeted Basic Income as a tool for preventing homelessness is one that could prevent people from falling into homelessness through unexpected emergency expenses, while reducing the cost of poor decisions that arise due to poverty.

Additionally, a basic income avoids the bureaucratic exclusionary process of subsidies and the stigma associated with them.

IF A BASIC INCOME SOUNDS EXPENSIVE, TRY HOMELESS SERVICES.



Even though a \$500 Basic Income for every homeless person is expensive, it is but a fraction of the DHS budget, and only costs \$17 /night, the cheapest of all alternatives, if successful.



Using a variety of design interventions, we can imagine a way that the current city assets are leveraged to generate income which can be dedicated to this program.

NYCHA's Untapped Assets

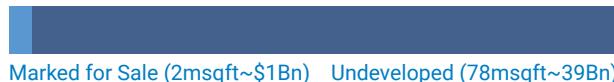
NYCHA is a prime candidate to explore housing as a form of UBI. With its targeted demographics, untapped assets and crumbling infrastructure in need of an overhaul, it is time to rethink how NYCHA's assets can be utilized in a more meaningful way to provide a sustainable form of housing that provides more than just housing.

Land



Programs in progress
- Build to Preserve (Infill Development, \$2Bn estimated)

Air Rights



Programs in progress
- Transfer to Preserve (\$1Bn estimated)
- Legislation +Zoning Amendment to allow NYCHA air rights to be sold across blocks

Community Spaces



Programs in progress
- None

With a wealth of land, air rights, good locations, and huge potential in the reduction of energy expenditure and energy generation, as well as the demand for its community spaces and market rate retail spaces, NYCHA has the ability to utilize these assets to sustainably provide a targeted basic income for its residents or the homeless population.

Energy Expenditure



Programs in progress
- Next Generation NYCHA Program

Energy Generation



Programs in progress
- NYCHA Solar Program
- HUD's Renew300 Program (300MW in Public Housing by 2020
~77% of NYCHA Rooftop Capacity)

Market Rate Retail Spaces



Programs in progress
- None

SOURCES

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