

## Confronting the Housing Squeeze: Challenges Facing Immigrant Tenants, and What New York Can Do

Pratt Center for Community Development, with the New York Immigrant  
Housing Collaborative<sup>1</sup>

NEW YORK  
**IHC**  
IMMIGRANT HOUSING  
COLLABORATIVE

- NEW YORK IMMIGRATION COALITION
- ASIAN AMERICANS FOR EQUALITY
- CHHAYA COMMUNITY DEVELOPMENT CORPORATION
- MAKE THE ROAD NEW YORK
- MIRABAL SISTERS CULTURAL COMMUNITY CENTER
- YKASEC-EMPOWERING THE KOREAN AMERICAN COMMUNITY
- NEIGHBORS HELPING NEIGHBORS\*



**Pratt Center**  
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## EXECUTIVE SUMMARY

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Immigrant renters in New York City confront severe challenges finding safe, decent, and affordable housing. This report identifies those challenges, and finds that by almost every measure, immigrant tenants face housing problems to a degree much greater than native-born New Yorkers. It also proposes measures New York City and State officials can take to improve housing conditions that disproportionately affect the city's recent immigrants.

More than 1.5 million immigrants moved to NYC between 1990 and 2007, seeking a better life. As a result, New York is once again an immigrant city: as of 2006, 37 percent of New Yorkers were foreign-born. But even as they have brought new energy and investment to neighborhoods, many of these newcomers have ended up in overcrowded, illegal, expensive, or unhealthy living conditions.

Like all renters, immigrants have faced an economic squeeze over the past decade, as rents have risen while incomes have remained flat. The median income for households headed by foreign-born New Yorkers is \$35,500, significantly less than the median income of native born-headed households. Even as the city has seen high levels of new construction, the number of units that are affordable for low- to middle-income families has decreased precipitously.

From 2002 to 2005, the city lost more than 205,000 units affordable to the typical household. The median monthly rent for unsubsidized apartments in the city increased by 8 percent, while the citywide median income fell by 6.3 percent. For unsubsidized low-income renters – a group that includes a disproportionate share of immigrants – the typical share of earnings spent on rent rose from 43 percent to more than half of income, in just three years.

The foreclosure crisis is exacerbating the problem, and even drop in real estate prices is providing little relief. Rent declines are concentrated in Manhattan luxury housing, the only part of the market with a high vacancy rate. In the outer boroughs, where most New Yorkers and most immigrants live, widespread foreclosures are leading to the eviction of tenants and homeowners alike.

To better understand these challenges and move toward policy solutions, the Pratt Center – as part of a collaborative effort convened by the New York Immigration Coalition, including Asian Americans for Equality, Chhaya Community Development Corporation, Make the Road New York, Mirabal Sisters Cultural and Community Center, and Neighbors Helping Neighbors – conducted a study to examine the housing conditions of immigrant tenants in New York City. We surveyed 541 foreign-born residents of the New York City neighborhoods with the greatest concentration of immigrants, asking questions about housing conditions, affordability, access to subsidized housing, and other essential indicators.

**Confronting the Housing Squeeze** presents our findings and recommendations.

### FINDINGS

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1. **Immigrants face severe affordability problems, compounded by “predatory equity,” gentrification, and rapid rent increases:** Foreign-born New Yorkers are more likely to pay high portions of their income for rent. More than half of all immigrant renters pay over 30 percent of their income for rent (56.5 percent, compared with 47 percent for native-born tenants). The problem is especially severe for low-income tenants. For households with

income of less than half of the area median income (about \$37,000 for a family of 4), nearly 82 percent of immigrant tenants pay more than 30 percent of their income for rent, and more than 50 percent pay over half their income for rent. On average, families pay a significantly higher portion of their income for rent than they did just a few years ago. These affordability problems are compounded in neighborhoods where gentrification has increased rents sharply. In addition, an emerging phenomenon of “predatory equity” – in which new building owners and investors seek rapid tenant turnover and dramatic rent increases – is especially prevalent in some immigrant neighborhoods.

2. **Immigrants are more likely to live in overcrowded and illegal conditions:** Immigrants are three times more likely to live in overcrowded conditions than native-born New Yorkers. In addition, many immigrant families live in illegally converted basements or other spaces; about half of survey respondents knew of families living in illegal units. One estimate puts the number of such units at more than 100,000 citywide, concentrated in neighborhoods with high proportions of immigrants.
3. **An overwhelming percentage of respondents to our survey reported that they knew people living in poor conditions. However, the likelihood that a New Yorker lives in substandard housing conditions appears to be correlated with race more than with immigrant status:** More than 70 percent of immigrant renters surveyed for this report indicated that “most” or “a lot” of immigrants they knew live in poor or dangerous conditions. More than half have seen mice or rats in their buildings in the last 90 days, and nearly half have cracks or holes in their apartments.

The likelihood that a New Yorker lives in substandard housing conditions appears to be correlated with race more than with immigrant status. As a group, immigrants are more likely than native-born white and Asian tenants but less likely than native-born Black and Latino tenants to live in substandard housing.

4. **Immigrants have less access than native-born New Yorkers to publicly subsidized affordable housing programs:** Immigrants are much less likely than comparable native-born New Yorkers to live in affordable housing created through public programs. A survey by the Community Service Society found that just 32 percent of immigrant black and Hispanic New Yorkers live in subsidized housing, compared with half of native-born black and Hispanic New Yorkers. In Queens, the borough with the highest proportion of immigrants, little affordable housing has been produced by recent city, state, or federal initiatives.

## RECOMMENDATIONS

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Around the country, cities are working to improve housing options for immigrants. Even in the face of national policies that have been hostile, these cities are recognizing the importance of immigrants and taking policy steps to create more safe, decent, affordable, and welcoming places for them to call home.

The City of New York, after years of advocacy by the New York Immigration Coalition, Make the Road New York, and other groups, recently took a pioneering step in recognizing its responsibility to provide support and access to immigrants. In July 2008, Mayor Michael Bloomberg and City Council Speaker Christine Quinn signed an executive order guaranteeing

that important forms and information in government offices will be available in the six most widely spoken languages in the city.

Both the city and state of New York should build upon this step by devoting increased attention to addressing the housing problems confronting the millions of immigrant families who are helping to make the city a vital place, but face challenges finding a decent place of their own. These steps include:

**1. To preserve affordable housing in immigrant neighborhoods:**

- a. Strengthen rent regulations by repealing vacancy decontrol and restoring fairness, transparency, and quality administration of the system.** Immigrants are more likely than native-born New Yorkers to live in rent-stabilized housing, and live in many neighborhoods where rents have increased dramatically. Rent regulations provide a stable stock of rental housing units and should be strengthened in the face of accelerating deregulation.
- b. Establish a “Good Landlord, Good Neighbor” program** for small buildings, rewarding owners who agree to rent units to tenants at below-market rents with fair tenant protections. Many immigrant tenants live in unregulated small buildings. A new program could offer financial incentives to help homeowners provide affordable housing in a cost-effective way for both owners and the city.
- c. Confront “predatory equity” and tenant harassment** by rolling back landlords’ ability to easily obtain unnecessary rent increases, cracking down on harassment, and establishing a new program to rescue buildings where predatory investments by speculators who were hoping for quick profits are now leading to tenant harassment, reductions in services, and other harmful consequences.
- d. Strengthen protections for subsidized affordable housing.** The city, state, and federal government should cooperate to establish a package of regulations and incentives that seek to preserve every existing unit of subsidized affordable housing, in conjunction with new measures serving to increase immigrant access to subsidized housing opportunities (see recommendation #4).

**2. To address issues of overcrowding and “underground” housing:**

- a. Create an “accessory dwelling unit” program** allowing existing units that are safe but forbidden under current zoning or building regulations to be permitted and regulated under the city’s housing and building codes. The city could begin with a targeted pilot program to strengthen affected communities.
- b. Expand priority for publicly subsidized housing** to include severely overcrowded, doubled- and tripled-up families, as well as those living in dangerous conditions. A designated priority for such families would help keep them out of the shelters, while not consigning them to wait in deplorable circumstances with little hope.

### 3. To improve housing conditions.

- a. **Expand the Safe Housing Act**, which provides for inspection and repair of some of the city's worst-maintained buildings, to cover more buildings in immigrant areas, through further expansion of the city's code enforcement program, more bilingual inspectors, and follow-up reinspections where problems are identified.
- b. **Consider moving to cyclical inspections of all at-risk buildings** in neighborhoods with significant evidence of poor conditions.
- c. **Adopt the Asthma-Free Housing Act** to reduce and regulate indoor asthma allergens in New York City apartments, specifically mold hazards and pest infestations, in order to combat the disproportionate incidence of asthma and lung disease in immigrant and low-income neighborhoods.

### 4. To provide better access to public affordable housing programs.

- a. **Build more affordable housing that is accessible to immigrant families, especially in heavily immigrant neighborhoods and Queens**, where very little has been built under the mayor's New Housing Marketplace initiative. Start by dramatically increasing the number of low-income units at Hunters Point South, Willets Point, and Stapleton. Provide affordable units at a wider range of incomes, including some targeted for very-low-income renters.
- b. **Move to a citywide, transparent waiting list for city-subsidized housing programs.** Currently, applicants must apply separately, to each developer or their marketing agent, for every single affordable housing development in which they seek residence. This is an extraordinary burden on all low-income households, and an extra obstacle to families with limited English proficiency. The City Department of Housing Preservation and Development (HPD) should establish a unified application system for units created through government programs and subsidies.
- c. **Targeted strategies to strengthen immigrant neighborhoods.** The network of community organizations and programs that address housing and related issues was developed when the city was facing a geographically different set of problems. HPD, the Department of Buildings (DOB), and other agencies should develop and implement new strategies to address the specific challenges of those neighborhoods where low-income immigrant families face worst-case housing needs.

With these steps, New York City can remain America's gateway, a place that immigrants from around the world, bringing economic and social vitality to our neighborhoods, can safely and affordably call home.

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## INTRODUCTION

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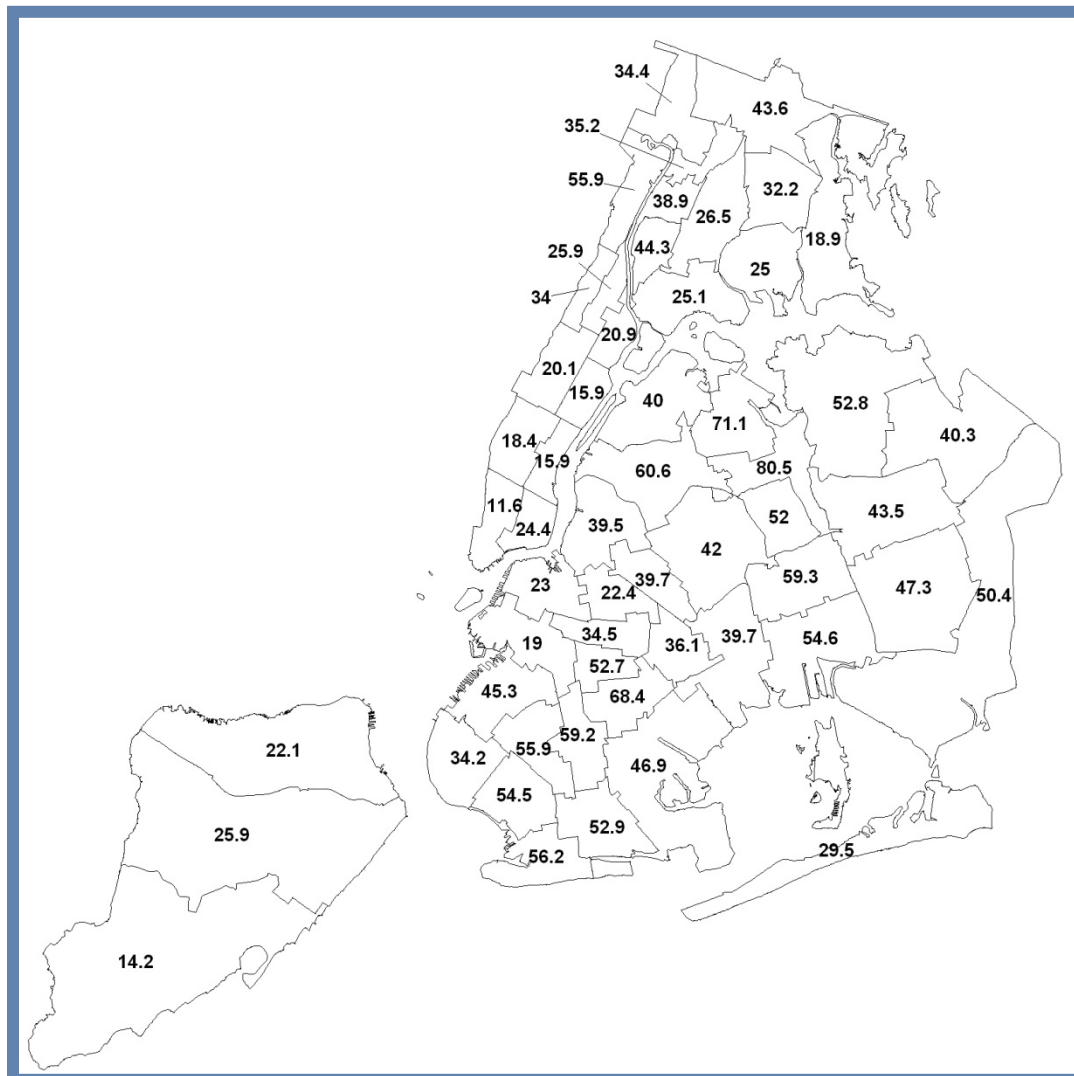
As a result of their dual status as tenants in New York City, at a time with rents are rising and incomes are flat, and as immigrants – facing a range of language, employment, and discrimination barriers – immigrant renters in New York City confront severe challenges finding safe, decent, and affordable housing.

More than 1.5 million immigrants moved to NYC between 1990 and 2007, seeking a better life. Immigrants now make up 37 percent of the population and contribute broadly to New York City, including hundreds of billions of dollars in annual economic output. While immigrants make up two-thirds of the low-wage workers in New York City, they are also one-quarter of CEOs, half of accountants, a third of office clerks and receptionists, and half of building service workers. In many cases, immigrants played a critical role in bringing back neighborhoods that were hit by severe disinvestment in the 1970s and 1980s.<sup>2</sup>

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### IMMIGRANT SHARE OF POPULATION

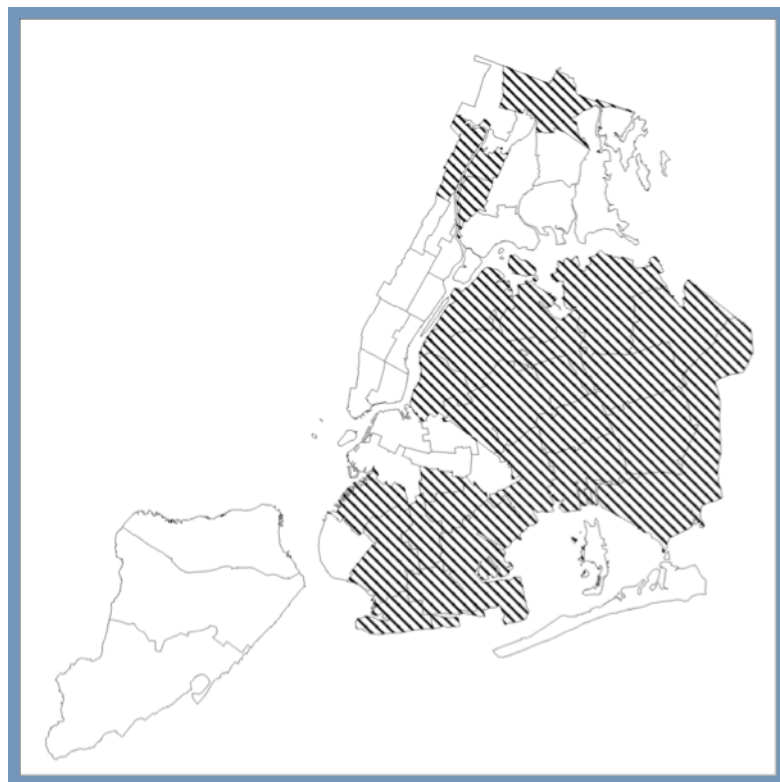
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Source: NYC



## IMMIGRANT-RICH NEIGHBORHOODS



Census sub-borough areas in which more than 38 percent of households (the median for all of NYC) are headed by a foreign-born person(s). Source: NYC Housing and Vacancy Survey, 2005.

But even as they have brought new energy and investment to neighborhoods, many of these newcomers have ended up in overcrowded, illegal, expensive, and sometimes unsafe conditions. Many have limited English proficiency and/or are undocumented, potentially putting them at the mercy of landlords<sup>3</sup>. They are less likely than other New Yorkers to live in publicly subsidized affordable housing and more likely to face problems affording housing.<sup>4</sup> The median income of households headed by immigrants in New York City is \$35,500, significantly less than those whose heads are native-born.

Low and moderate-income tenants in New York City, wherever their national origin, continue to confront severe challenges finding safe, decent,

and affordable housing. In recent years, even as the city has seen high levels of new construction, the number of units that are affordable for low- to middle-income families has decreased precipitously. At the same time, most workers' hourly wages fell<sup>5</sup>. For unsubsidized low-income renters the typical share of earnings spent on rent rose from to more than half of income.

The foreclosure crisis is exacerbating the problem, and even the recent dip in real estate prices is providing little relief. Rent declines are concentrated in Manhattan luxury housing, the only part of the market with a high vacancy rate. In the outer boroughs, where most New Yorkers and most immigrants live, foreclosures are leading to the widespread eviction of both tenants and owners.

Member organizations of the New York Immigrant Housing Collaborative have watched these trends unfold and seen their members and clients experience displacement, harassment, severe rent burdens, and other consequences. Even before sharp rent increases of the 2000s, immigrants have faced harsher housing conditions than other New Yorkers. Writing based on the 1996 NYC Housing and Vacancy Survey, Michael Schill, Samantha Friedman, and Emily Rosenbaum found that immigrant households were more likely than native-born New Yorkers to encounter problems affording housing and to live in overcrowded or unsound residences. With the increased pressure on tenants over the past decade, New York Immigrant Housing Collaborative members suspected that these problems had only intensified.

To better understand these challenges and move toward policy solutions, a coalition of immigrant community organizations convened by the New York Immigration Coalition – including Asian Americans for Equality, Chhaya Community Development Corporation, Make the Road New York/Latin American Integration Center, Mirabal Sisters, and Neighbors Helping Neighbors – formed the New York Immigrant Housing Collaborative (NYIHC). The collaborative asked the Pratt Center for Community Development to conduct a study examining the housing conditions of immigrant tenants in New York City, with the goal of informing our policy advocacy agenda.

This report builds upon past research and adds to it insights collected by our member organizations. We surveyed existing literature on immigrants and housing in New York City. We analyzed the 2005 NYC Housing and Vacancy Survey as well as a telephone survey of low-income New Yorkers conducted by the Community Service Society. We built upon analyses of “underground housing” —units, generally in basements of one-, two-, or 3-family homes, that do not comply with building, housing, or zoning codes — by the Citizens Housing and Planning Council and by the Pratt Center for Community Development and Chhaya CDC.

Finally, members of the New York Immigrant Housing Collaborative conducted a survey of foreign-born residents of the New York City neighborhoods with the greatest concentration of immigrants, asking questions about housing conditions, affordability, access to subsidized housing, and other essential indicators.

This report proceeds to outline a set of public policy proposals that address the findings. These proposals form the basis of the Immigrant Housing Collaborative’s advocacy agenda for individual issue campaigns, for the 2009 New York City elections, and beyond.



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## BACKGROUND

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### BACKGROUND: NYC'S AFFORDABLE HOUSING CRISIS

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The outlines of the housing crisis facing low-, moderate-, and middle-income tenants in New York City are well known. As the population has grown over the past 20 years, housing production has not kept pace – leading to high prices, overcrowding, and homelessness. Tenant incomes have lagged behind rapid increases in rents, leading to ever-higher rent burdens. Gentrification and the expiration of affordable housing requirements on subsidized developments have compounded the problem.

The population of New York City grew from 7 million in 1980 to over 8 million by 2000 and is projected to exceed 9 million before 2030. This growth can be attributed to immigrants; the native-born population of New York City (including that of African-Americans and Puerto Ricans) has actually declined. The City Planning Commission reports that “New York City has averted catastrophic population losses that have occurred in other cities.” In other words, growth through immigration has literally saved New York City from abandonment. Today immigrants and children of immigrants account for more than 60 percent of the population in New York City.<sup>6</sup>

However, New York City's housing supply has not kept up with its surging population. Even with a high rate of residential construction in the City for the past decade, the number of new units has not come close to meeting the needs of the growing population. In addition, few of the new units are affordable to low- or moderate-income households. A glut of new luxury units has not increased availability of housing affordable to low- and moderate-income tenants.

Between 1999 and 2005, the median income of renters declined nearly 6 percent, while the median rent increased by almost 9 percent.<sup>7</sup> A record-high share of New York's tenants, 42 percent, are now paying more than one-third of their income for rent; more than one-quarter of renters pay more than half of their income for housing.<sup>8</sup> Lower-cost apartments have become significantly harder to find, as the number renting for under \$1,000 dropped by more than 536,000.<sup>9</sup>

In response to advocacy from community organizations and citywide policy groups, the Bloomberg administration has sought to help create and preserve affordable housing. Incentives in the zoning code and expanded property tax breaks encourage developers to include below-market-rate units in new development. The city has also committed billions in subsidy and other resources that developers can use to create or preserve low-cost units.

Yet the city is still losing affordable housing much more rapidly than it is being created. The administration's New Housing Marketplace plan promised to create or preserve 95,000 affordable units by 2012. So far, it has produced about half that number. However, in just the three years from 2002 to 2005, the number of rental units in the city affordable to a family earning \$56,000 – an income that qualifies a family of four for most city-subsidized housing programs – fell by 205,000.<sup>10</sup> These included significant numbers of apartments originally built with government subsidies under the Mitchell-Lama and Section 8 programs, as well as formerly middle-income housing like Stuyvesant Town.

The 2005 New York City Housing and Vacancy Survey, the most recent available, shows the resulting pressures on low-income households. The share of earnings these households spend

on rent, which had already been rising steadily for years, jumped sharply between 2002 and 2005 — the typical low-income household went from spending 43 percent of income on rent in 2002 to more than 50 percent in 2005. According to the Community Service Society's annual survey of low-income New Yorkers, the share of low-income households facing one or more housing hardships — falling behind in rent or mortgage payments, utility cut-offs, doubling up, or seeking emergency shelter — grew from 36 percent to more than half between 2002 to 2006.<sup>11</sup>

The widening mismatch between incomes and housing costs has afflicted homeowners as well. Since immigrant New Yorkers are disproportionately renters (71.6 percent of households, versus 64.2 percent for native-born New Yorkers), and the individuals served by the member groups of the New York Immigrant Housing Collaborative are overwhelmingly tenants, we have opted to focus in this report of issues facing tenants and do not consider in detail the issues facing immigrant homeowners.<sup>12</sup> But there are substantial reasons to be concerned about immigrant homeowners as well. Long prior to the recent foreclosure crisis, immigrant New York homeowners paid far more of their incomes for housing, on average, than native-born New Yorkers, and this gap is even wider among homeowners than it is for renters.

During the early years of this decade, stagnant wages coupled with sharply rising real estate values led many owners of one- and two-family homes to cash in on rising home equity, whether to pay for life expenses or to maintain aging structures. Excessive fees and high interest rates made those loans precarious to begin with. The collapse of the subprime lending market rendered refinancing impossible for borrowers with weak credit scores, and has left these homeowners with nowhere to turn. New York homeowners behind on their mortgage payments had nearly 15,000 foreclosure notices filed against them in 2007, double the number in 2005.<sup>13</sup> Personal bankruptcy filings in the city shot up nearly 70 percent over the past year, to more than 10,500.<sup>14</sup>

While an in-depth look at subprime lending, foreclosures, and immigration is beyond the scope of this report, it is worth noting that the subprime lending and foreclosure crisis has hit especially hard in New York City neighborhoods with large immigrant populations — Jamaica/Hollis and Queens Village in Queens, and Flatlands, East Flatbush, and Bushwick in Brooklyn. Foreclosures in New York City have afflicted renters as well. A recent study by the Furman Center for Real Estate and Urban Policy at New York University found that of the 30,035 households in buildings facing foreclosure, just under half, were renters.<sup>15</sup> Tenants in neighborhoods where foreclosures are concentrated may face even greater challenges securing safe and affordable housing, as both homeowners and tenants evicted from foreclosed buildings look to find other rental options in their neighborhoods.

## **BACKGROUND: IMMIGRANTS IN NEW YORK CITY**

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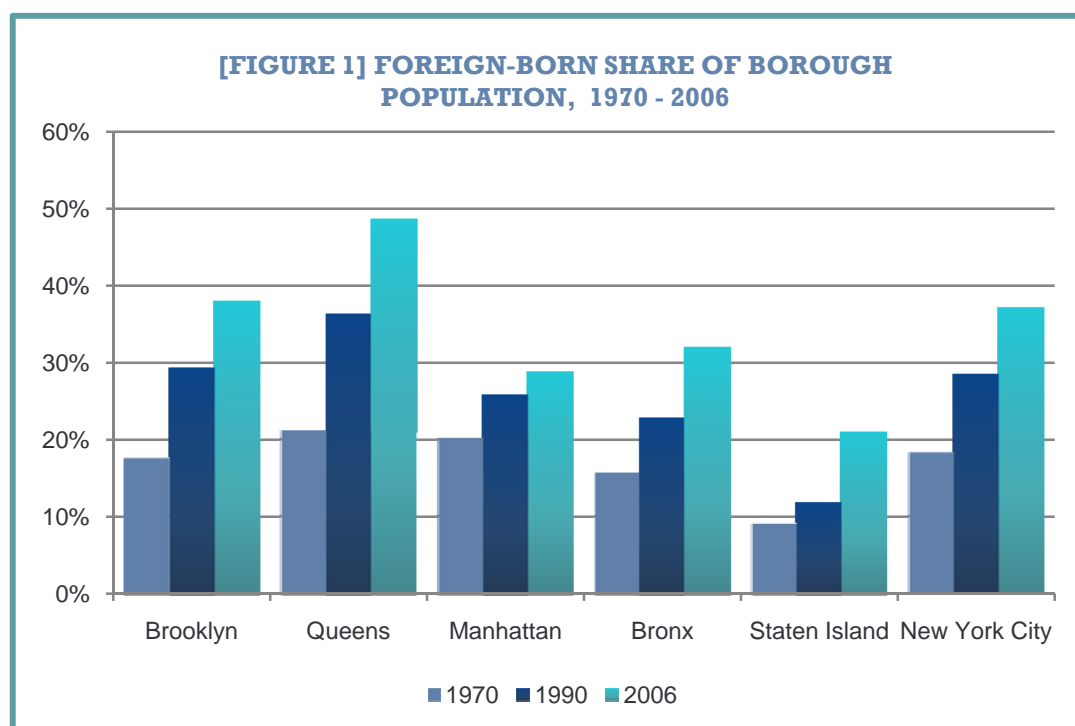
While New York City has historically been an immigrant city and the principal point of entry into the United States, the last generation has seen a dramatic increase in the number of foreign-born individuals residing in the city. Following passage of the Immigration and Nationality Act of 1965, millions of immigrants flowed into the city during the 1980s and 1990s, even as a low-paying, service-oriented economy grew in place of relatively high-paying manufacturing jobs. Between 1990 and 2000 the city admitted 1,224,524 immigrants. In the three decades since 1970, the share of foreign-born New Yorkers doubled, from 18.2 percent to more than one-third.<sup>16</sup> This increase reversed a precipitous population decline of the 1970s, and helped save New York City from abandonment.

While the rate of increase has slowed in recent years, as more new immigrants settle immediately in the city's suburbs and elsewhere in the United States, New York City's overall immigrant population has continued to grow. In 2006, it stood at over 3 million (37 percent), one-fifth of whom had arrived in New York City since 2000.<sup>17</sup>

Newer immigrants come from Latin America, the Caribbean, Asia, Eastern Europe, and Africa. While the immigrant communities in other U.S. cities, such as Los Angeles and Miami, tend to be dominated by a few nationalities, in New York no single country or region predominates. The ten most frequent countries of origin in 2005 were the Dominican Republic, China, Jamaica, Guyana, Mexico, Ecuador, Haiti, Trinidad and Tobago, Colombia, and Russia.<sup>18</sup> New York City has a larger Chinese population than any city outside of Asia, a larger West Indian population than any city outside the Caribbean, and a larger Dominican population than any city outside Santo Domingo.

Compared to native-born households, immigrants tend to be disproportionately of working ages – with 79 percent between the ages of 18 and 64, compared to 56 percent of native born.<sup>19</sup> On average, immigrants continue to earn lower wages than native-born New Yorkers. While immigrants make up to 43 percent of the city's workforce, they are two-thirds of the city's low-wage workers.

While many immigrants live in large families, many immigrants reside here individually, often working in New York City while families remain overseas. As a result, immigrants make up an even greater share of New York City's households (43 percent) than they do of the population overall (37 percent).



Source: U.S. Census Bureau

Recent immigrants are also, by definition, more likely to be seeking housing than other families. Nearly half – 48 percent – of the housing units newly occupied between 1990 and 2002 were headed by an immigrant. In some neighborhoods – Elmhurst, Jackson Heights, Woodside, East Flatbush, Bensonhurst – immigrants rented 70 percent or more of units occupied since 1990.<sup>20</sup>

Many immigrant households, especially newer immigrants, face barriers as a result of limited English proficiency. Residents of New York City speak nearly 200 different languages, and nearly half of all households speak a language other than English at home. More than two in five of Asian and Hispanic households both speak a language other than English at home and have a head of household who is not English proficient, including more than 60 percent of Mexican and Ecuadorian households, and more than half of Chinese, Dominican, Korean, and Colombian households.<sup>21</sup> Limited English proficiency makes it more difficult for tenants to know their rights or to negotiate with landlords, and possibly less likely to pursue legal action if they believe their rights have been violated.

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## HOUSING CONDITIONS FOR IMMIGRANT RENTERS IN NEW YORK CITY

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To develop an on-the-ground understanding of the housing-related problems faced by immigrants in their neighborhoods, the New York Immigrant Housing Collaborative conducted a survey in 2007 of immigrants living in the neighborhoods in Brooklyn, Manhattan, Queens, and Staten Island that they represent. The team collected 541 surveys from immigrant tenants across a wide range of ages, gender, and country of origin.<sup>22</sup> More information on the survey and resulting data is available in our Methodological Appendix, available at [www.prattcenter.net](http://www.prattcenter.net). In addition to the surveys, each community organization in the NYIHC conducted a focus group of tenants to discuss the challenges facing immigrants and their ideas for solutions to those problems.

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## FINDING #1

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### **Immigrants face severe affordability problems, compounded by “predatory equity,” gentrification, and rapid rent increases.**

#### **RENT BURDEN**

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Foreign-born tenants face significantly greater rent burdens than native-born New Yorkers. According to the 2005 NYC Housing and Vacancy Survey (HVS), more than half of all immigrant renters pay more than 30 percent of their income for rent (57 percent, compared with 47 percent for native-born tenants).

The problem is especially severe for low-income tenants. For households with incomes of less than half of the area median income, or about \$37,000 for a family of 4, nearly 82 percent of immigrant tenants pay more than 30 percent of their income for rent (compared with 76 percent of native-born tenants), and more than 50 percent pay over half their income for rent (compared with 47 percent of native-born tenants).

#### **SHARE OF INCOME SPENT ON RENT**

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	<b>Foreign Born</b>	<b>Native Born</b>
<b>All Households (%)</b>		
Renter pays more than 30% of income for rent	56.5	47.1
Renter pays more than 50% of income for rent	31.5	24.9
<b>Households with income less than 80% of Area Median Income (AMI) (%)</b>		
Renter pays more than 30% of income for rent	69.2	63
Renter pays more than 50% of income for rent	39.1	35.1
<b>Households with income less than 50% of AMI (%)</b>		
Renter pays more than 30% of income for rent	81.8	75.7
Renter pays more than 50% of income for rent	50.3	47.2
<b>Median Household Income</b>	\$35,000	\$46,980
<b>Median Gross Rent</b>	\$875	\$894

**Source:** New York City Housing and Vacancy Survey, 2005

Immigrant households typically pay slightly less in rent (\$875 a month) than native-born households (\$894 a month). But because immigrants' median household income is substantially lower — \$35,500 annually, nearly one-fourth lower than median income for native-born households — immigrant tenants face a much higher rent burden.

But low incomes don't tell the whole story. Native-born Black households have an even lower median income than those headed by immigrants – just \$32,000 a year – but spend a median of \$703 a month on rent, resulting in a rent burden lower than that of immigrant households. This difference is most pronounced among the poorest: Immigrant families earning less than half of the area median income were 25 percent more likely than Black families with comparable incomes to pay more than half their income for rent. The difference presumably reflects Black households' greater likelihood of living in government-subsidized housing (see Finding #4).

The NYIHC survey findings likewise reveal extremely high rent burdens. More than two-thirds of respondents (71.4 percent) reported that housing in general is not affordable, and fewer half (44.5 percent) reported that they agree or strongly agree that their own housing is affordable.

Rent burdens – the percent of household incomes spent on rent — vary both by neighborhood and household type:

Community Group	Average Rent Burden	Neighborhoods
<b>Asian Americans for Equality</b>	48%	Chinatown, various neighborhoods in Queens
<b>Chhaya</b>	51%	Jackson Heights and Elmhurst, Queens
<b>Mirabal Sisters</b>	58%	Upper Manhattan, esp. West and Central Harlem
<b>Neighbors Helping Neighbors</b>	62%	Sunset Park and surrounding Brooklyn neighborhoods
<b>Make the Road NY (Make the Road by Walking)</b>	63%	Bushwick, Brooklyn
<b>Make the Road NY (Latin American Integration Center)<sup>23</sup></b>	80%	Sunnyside, Woodside, and other Queens neighborhoods

- Households with seniors but no children had an average rent burden of 47 percent
- Households with no children and no seniors had a rent burden of 51 percent
- Households with both children and seniors had a rent burden of 68 percent, and
- Households with children and no seniors had a rent burden of 70 percent

Immigrants who arrived in the U.S. in the 1980s or earlier reported the lowest rent burdens – an average of half of monthly income going toward rent. Those who arrived after 1989 reported spending two-thirds of monthly income on rent. This may be largely due to the fact that 73 percent of immigrants who arrived before 1988 indicated they lived in rent stabilized apartments, compared to 55 percent of immigrants who arrived between 1989 and 1998, and just 44 percent of those who arrived after 1999.<sup>24</sup>

Immigrants from different parts of the world face different rent burdens. According to the NYIHC survey, respondents from Central America and China face the lowest rent burdens (roughly 48 percent), while those from South America and Mexico face the highest (71.7 percent and 79.8 percent, respectively).<sup>25</sup>



## PREDATORY EQUITY

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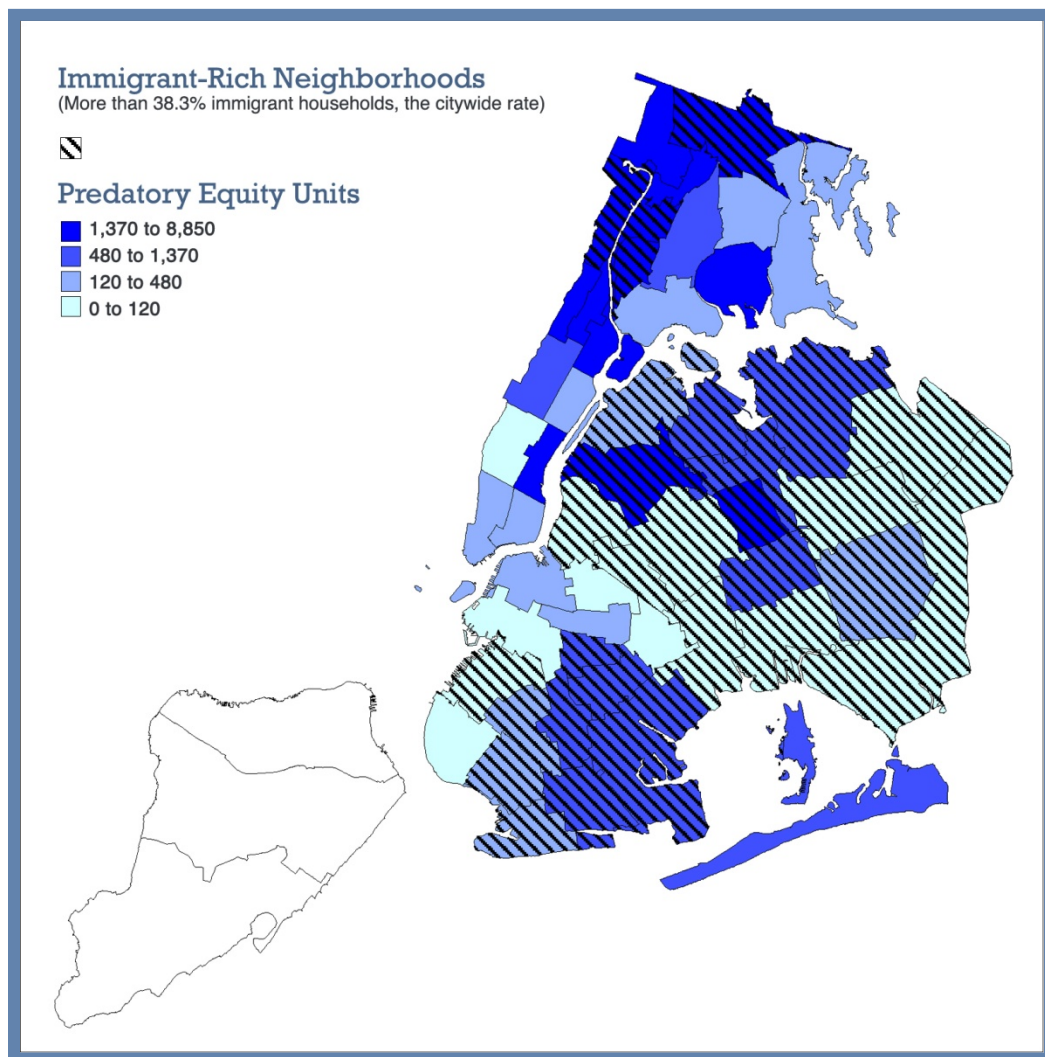
Housing advocates have identified the relatively new phenomenon of “predatory equity” as jeopardizing rent stabilized housing units and placing tenants at risk of harassment.<sup>26</sup> In this situation, which erupted onto the NYC scene during the real estate bubble of recent years, a real estate company – backed by a pool of investors seeking outsized returns – purchases a rent-regulated building. In order to deliver on their promise to rapidly produce high returns, the new owner then moves quickly to raise rents to levels that the current tenants cannot afford.

In many buildings, nearly every tenant in the building received an eviction notice, even those who were not behind in their rent. In some cases, tenants simply vacate their apartments out of fear. In nearly all cases, the rates of turnover in buildings purchased with predatory equity investors are far higher than in other rent stabilized buildings. And the new rents are much higher.

There is now a substantial risk, with the downturn in the real estate market, that many of these investments will fail. Even with aggressive tactics, landlords are unlikely in some neighborhoods to achieve the high rents that their deals were premised on. Buildings are at risk of bankruptcy or foreclosure, which could place the health and safety of tenants and neighbors in jeopardy. Whether the outcome is tenant harassment and evictions or abandonment and blight, affordable housing will be lost at a dramatic rate.

This phenomenon appears to be prevalent in neighborhoods with high proportions of immigrants. The Association for Neighborhood and Housing Development has identified approximately 90,000 units in multifamily buildings purchased with predatory equity. With the exception of Stuyvesant Town/Peter Cooper Village, a majority of the neighborhoods with high concentrations of these buildings have more than the citywide average of immigrant households. This may be because landlords have sought immigrant buildings, where immigrants may be relatively likely to vacate after receiving an eviction notice, even if they are not behind in their rent, or are especially vulnerable to other harassment techniques.

## NEIGHBORHOODS WITH LARGEST NUMBER OF UNITS AT RISK OF “PREDATORY EQUITY”



Source: Association for Neighborhood and Housing Development. Staten Island not included in data.

### RAPID RENT INCREASES

While rents have increased in all neighborhoods in recent years, some neighborhoods have seen especially precipitous increases, making it significantly more difficult for working families to stay in these communities. In some parts of the city, the rent increases are driven by gentrification – the arrival of relatively wealthy and typically native-born new residents in large numbers. But rapid rent increases are by no means limited to such areas as Williamsburg and Washington Heights – they’re also apparent in outer-borough neighborhoods like Ridgewood, Bayside, and Gravesend, and many of the comparatively prosperous new arrivals are immigrants themselves.

Because buildings with fewer than six apartments are not covered by rent regulations, neighborhoods where small buildings predominate are especially vulnerable to rapid rent increases, not only making it difficult for low- and moderate-income families to find affordable

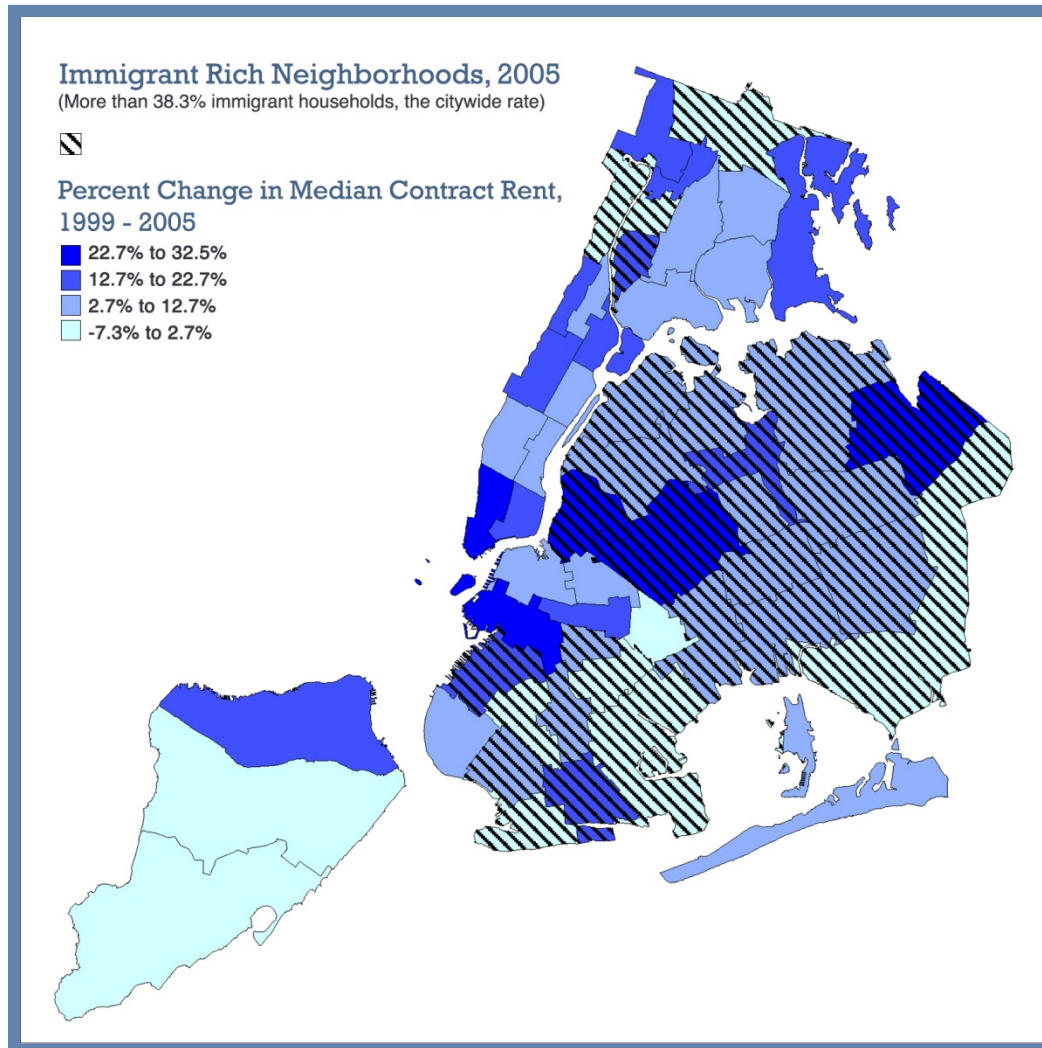
housing there but also putting excessive pressure on existing tenants who live in below-market apartments.

As with predatory equity, many of the neighborhoods experiencing rapid rent increases – Bayside/Little Neck, Williamsburg, Middle Village/Ridgewood, Bushwick, and Sheepshead Bay/Gravesend – have a percentage of immigrants greater than the citywide average.

#### **RIISING RENTS IN IMMIGRANT NEIGHBORHOODS, 1999–2005**

<b>Neighborhood</b>	<b>Median Contract Rent, 1999</b>	<b>Median Contract Rent, 2005</b>	<b>Percent Increase</b>	<b>Immigrant Households, Percent, 2005</b>
Bayside/Little Neck	\$906	\$1,200	32	40
Greenwich Village/Financial District	\$1,256	\$ 1,600	27	12
Park Slope/Carroll Gardens	\$ 797	\$ 1,000	25	19
Williamsburg/Greenpoint	\$640	\$800	25	40
Middle Village/Ridgewood	\$724	\$900	24	42
Bushwick	\$ 604	\$743	23	40
Lower East Side/Chinatown	\$ 543	\$657	21	24
East Harlem	\$500	\$600	20	21
Sheepshead Bay/Gravesend	\$755	\$900	19	53
Kingsbridge Heights/Mosholu	\$676	\$800	18	35
Riverdale/Kingsbridge	\$724	\$852	18	34
Throgs Neck/Co-op City	\$724	\$850	17	19
Highbridge/South Concourse	\$635	\$743	17	44
Elmhurst/Corona	\$833	\$950	14	81
Crown Heights/Prospect Heights	\$664	\$757	14	35

## RISING RENTS



Source: NYC Housing and Vacancy Survey, 1999 and 2005

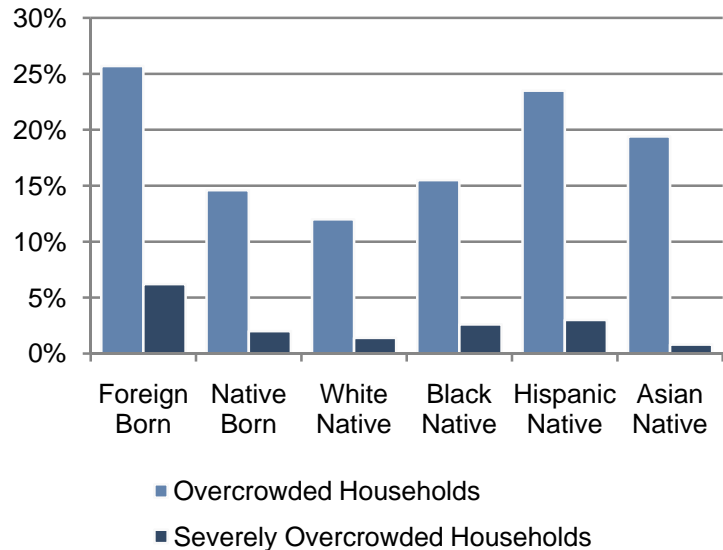
Several of these neighborhoods are anticipated to be areas of significant population growth over the next 20 years, according to projections by the New York City Department of City Planning. Flushing, Seagate/Coney Island, East New York, Jamaica, Washington Heights, and Mott Haven are all projected to see significant population growth, which is likely to increase housing pressure and prices.

## FINDING #2

### **Immigrants are more likely than native-born New Yorkers to live in overcrowded and illegal conditions.**

According to the 2005 Housing and Vacancy Survey, the share of immigrant households that were overcrowded, with more than 1 person per room, was nearly double that of native born households – more than one-quarter of immigrant households, versus 15 percent for native-born. The percentage of immigrant households facing severe crowding (more than 1.5 persons per room) was, at 6 percent, more than triple that of native born households. This problem has grown more severe in recent years: the percentage of foreign-born New Yorkers living in crowded conditions grew from 15 percent in 1996 to 26 percent in 2005.

**[Figure 2] Overcrowded & Severely Overcrowded Households, Within Groups**



Source: NYC Housing and Vacancy Survey, 2005

In the NYIHC survey, respondents from Latin America were most likely to self-report that “many” or “most” immigrants they knew live in crowded conditions, and that those from East Asia (China, Hong Kong, Tibet or Taiwan) were the least likely to report knowing immigrants living in crowded conditions.

## DO YOU KNOW IMMIGRANTS WHO LIVE IN OVERCROWDED CONDITIONS?

	Latin America	South Asia	East Asia	Other	Total
<b>No one</b>	2%	2%	8%	7%	3%
<b>A few people</b>	4%	5%	20%	7%	7%
<b>Some people</b>	14%	26%	20%	15%	17%
<b>Many people</b>	46%	30%	22%	37%	28%
<b>Most people</b>	34%	37%	30%	33%	34%

Overcrowding can in some instance serve as a strategy to address high rents by pooling incomes. This does not mean, however, that it is a choice freely made. In every focus group conducted by NYIHC organizations, individuals consistently expressed feeling claustrophobic and being forced to live in overcrowded conditions. Moreover, while some immigrant groups live in large extended families, average household size for immigrant households is actually smaller than for native born New Yorkers, due to the large number of singles among immigrants – so crowding is not simply a matter of living with large numbers of people. Finally, despite the much higher rates of crowding, immigrant households still face higher rent burdens than native-born New Yorkers. Crowding must be addressed as a public policy challenge, not as an individual choice.

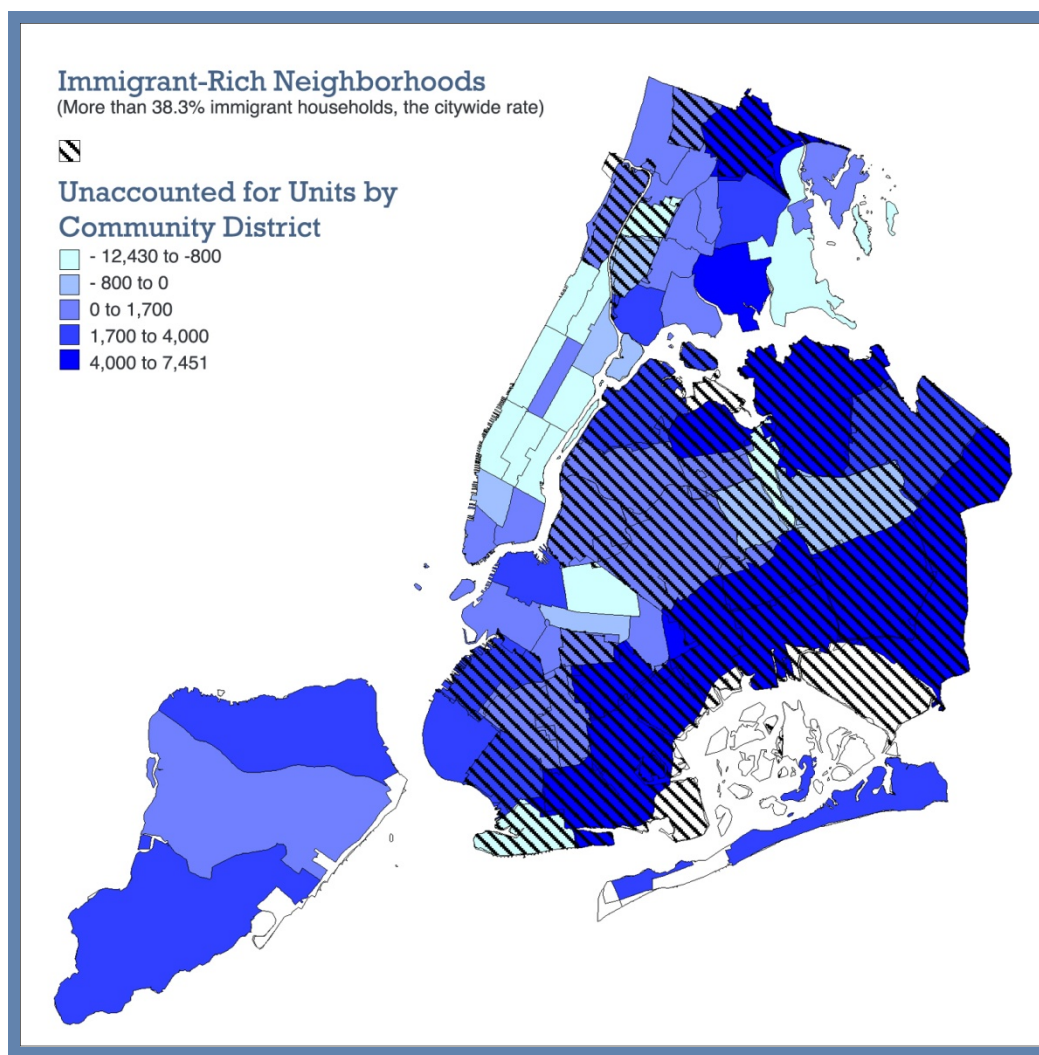
## UNDERGROUND HOUSING

Between 1990 and 2000, New York City gained approximately 114,000 apartments that are not reflected in the official number of certificates of occupancy the city granted for new construction or renovation. Many more have almost certainly been created since. These phantom apartments are the city's housing underground: units that have been created in spaces that are not approved for living. They include private homes that have been cut into rooming houses, two-family homes with unauthorized basement apartments that house an illegal third family, unapproved residential conversions of commercial lofts, and other types of unlawful construction.

Research by the Pratt Center for Community Development and Chhaya Community Development Corporation shows that these units predominate in neighborhoods on the outskirts of the city, in Queens, Brooklyn, and the Bronx. In these communities, populated by large numbers of recent immigrants, the existence of unauthorized apartments is controversial. Many neighbors view these units as drains on neighborhood services, indications of an uncounted population using schools, hospitals, streets, and services. The people who live in these units, understandably, see things differently. For them, these units are necessary, a crucial resource in a city sorely lacking in affordable alternatives. While these units provide an important refuge for families who cannot find other housing options, they are a tenuous option. One call to the Department of Buildings can lead to eviction, and tenants in these units are not protected by rent laws or the housing maintenance code.



## “UNACCOUNTED FOR” HOUSING UNITS



By Community District. Source: U.S. Census Bureau; New York City Department of City Planning. For methodology see “New York’s Housing Underground,” Pratt Center for Community Development, 2008.

Respondents in the NYIHC survey were asked whether they knew immigrant families living in units that had been illegally converted into apartments. Approximately half knew of immigrant families living in partitioned rooms (49 percent) or basements (52 percent) and a similar proportion (48 percent) of respondents knew of immigrants living in apartments of one sort or another – such as those in attics, garages, or basements — that they understood to be illegal.

Interestingly, knowledge of immigrants living in illegal units was not concentrated at the lowest incomes. While 43 percent of the lowest-income respondents reported an awareness of immigrants in illegal apartments, 55 percent of the middle income tier and 58 percent of those in the highest income tier reported such awareness.



## FINDING #3

**An overwhelming percentage of respondents to our survey reported that they knew people living in poor conditions. However, the likelihood that a New Yorker lives in substandard housing conditions appears to be correlated with race more than with immigrant status.**

Unlike overcrowding, which correlates strongly with immigrant status, substandard housing conditions appear to correlate more strongly with race than immigrant status.

As a group, immigrants are more likely than native-born white and Asian tenants but less likely than native-born Black and Latino tenants to live in substandard housing.

	Foreign Born	Native Born	White Native	Black Native	Hispanic Native	Asian Native
<b>Housing Quality</b>						
<b>Deficiencies (%)</b>						
2 or more	25.8	25.3	15.8	28	28	18.9
3 or more	14	14.1	11.4	20.6	17.9	12.9
4 or more	7.5	7.6	9.1	13.4	13.2	11.1
5 or more	3.6	3.2	8.2	10.9	9.1	10.1
<b>Specific Deficiencies (%)</b>						
Peeling Paint on Inside Walls	14.7	16.7	13.5	20.7	21.2	17
Presence of Mice or Rats	25.6	18	10.5	29.1	27.3	11.1
Heating Equipment Breakdowns	13.7	15	11.3	21.1	17.6	15.5
Water Leakage Inside Apartment	17.7	18.5	15.4	22.8	22.8	14.6
Boarded up Structures in	8	11.6	8.7	16.9	11.6	9.7
<b>Resident rating of residential structures in neighborhood (%)</b>						
Excellent	17.6	28.6	39.5	12.2	17	30.1
Good	57	51.4	51.3	51.0	53.1	52.1
Fair	21.4	17.1	8.3	30.9	25.1	16.8
Poor	3.9	2.9	0.9	5.9	4.8	1

Source: New York City Housing and Vacancy Survey, 2005

Immigrant households stand out from native-born households in two areas:

- Immigrants were more likely to report the presence of mice or rats in their apartments
- Immigrants were less likely to live in neighborhoods with boarded-up structures.

In a departure from the HVS data, the NYIHC survey findings suggested a much greater prevalence of dangerous housing conditions. More than 70 percent of respondent said that “most” or “a lot” of immigrants they knew live in poor or dangerous conditions. More than half have seen mice or rats in their buildings in the last 90 days, and nearly half have cracks or holes in their apartments.

#### DO YOU KNOW IMMIGRANTS THAT LIVE IN POOR OR DANGEROUS CONDITIONS?

No one	5%
A few people	5%
Some people	15%
Many people	36%
Most people	39%

Of those who responded to the question:

- 57 percent had seen mice or rats in their building in the last 90 days
- 45 percent had cracks or holes in their apartment or house
- 70 percent reported that housing is not of good quality, and
- Only 51 percent reported that their home is well maintained by the super or landlord.

Across all groups, only 30 percent reported that housing was of good quality. The vast majority, 78 percent, of the respondents from Latin America reported that housing was not of good quality; about 70 percent of the respondents from China, Hong Kong, Tibet, or Taiwan felt this way, followed by 52 percent of the respondents from South Asia.

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## FINDING #4

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### **Immigrants have less access than native-born New Yorkers to publicly subsidized affordable housing programs.**

Immigrants are much less likely than comparable native-born New Yorkers to live in affordable housing created through public programs. A survey of low-income New Yorkers by the Community Service Society found that just under one-third of immigrant black and Hispanic low-income New Yorkers live in subsidized housing, compared with half of native-born black and Hispanic low-income New Yorkers. Similarly, the 2005 Housing and Vacancy Survey found that 10.9 percent of native-born New Yorkers live in public housing, compared with 6.6 percent of foreign-born New Yorkers.

Respondents to the Immigrant Housing Collaborative survey were not likely to participate in affordable housing programs: 63 percent of the respondents reported that they don't participate in any affordable housing programs; only 9 percent reported access to a Section 8 voucher, while only 7 percent lived in public housing.

It appears that immigrant New Yorkers do not apply for affordable housing programs that they may be eligible for. A majority in our survey, 61 percent, reported that they had never applied for affordable housing programs (these include Section 8, Public Housing, SCRIE, Jiggets, FEPS, Mitchell-Lama, and programs administered by nonprofit developers). When asked why, roughly equal numbers of people said that they did not know about the programs, did not need the programs, or believed that they did not qualify for the programs.<sup>27</sup>

### **LITTLE AFFORDABLE HOUSING BUILT IN THE BOROUGH OF IMMIGRANTS**

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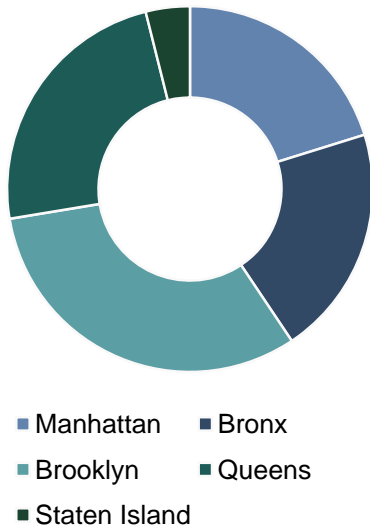
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A recent analysis by the New York City Independent Budget Office reveals that the Bloomberg Administration's affordable housing development initiative, the New Housing Marketplace, consistently shortchanges low-income families and communities in Queens, the borough with by far the highest percentage of immigrant New Yorkers. According to the 2005 HVS, 51.5 percent of Queens households are headed by immigrants, compared with 44.1 percent in Brooklyn, 32 percent in the Bronx, 23.8 percent in Manhattan, and 20.2 percent in Staten Island.

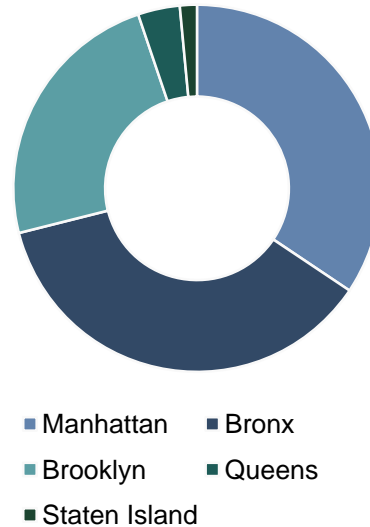
Yet, while Queens is home to 23.7 percent of the city's households that earn less than \$50,000 per year and are thus eligible for a range of affordable programs targeting low-income families, the borough has received only 3.7 percent of the units affordable to these families under the Bloomberg administration's programs.

This vast gap effectively locks Queens residents – and therefore many immigrant families – out of affordable housing opportunities. Most New Housing Marketplace programs set aside half of units for residents of surrounding neighborhoods. By locating so little affordable housing in Queens, city policies are forgoing precious opportunities to create affordable housing as New York City's geographically largest borough goes through a major growth spurt.

**[Figure 4] Citywide share of households < \$50,000**



**[Figure 5] Citywide share of NHMP low-income units**



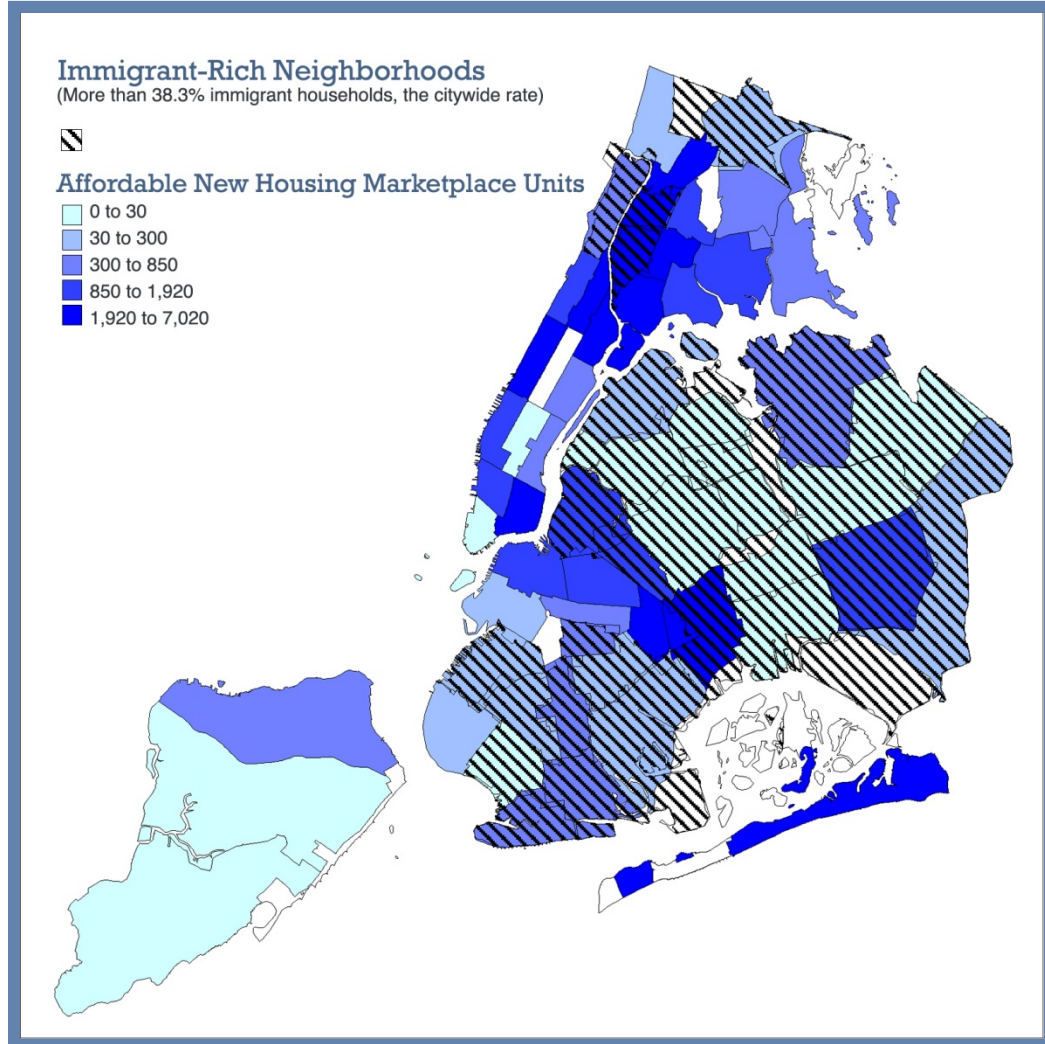
Source: New York City Independent Budget Office

#### NEW HOUSING MARKETPLACE LOW-INCOME UNITS

	Households < \$50,000, 2006	Share of citywide households < \$50k	NHMP Low- Income Units	Share of citywide NHMP low- income units	Percent of immigrant households
<b>Manhattan</b>	321,232	20%	16,073	35%	24%
<b>Bronx</b>	324,924	20%	17,037	37%	32%
<b>Brooklyn</b>	506,834	32%	11,096	24%	44%
<b>Queens</b>	377,645	24%	1,709	4%	51%
<b>Staten Island</b>	61,586	4%	679	2%	20%
<b>NYC</b>	1,592,221	100%	46,594	100%	

Population data from 2006 American Community Survey; immigrant percentage from 2005 NYC Housing and Vacancy Survey; affordable housing data from New York City Independent Budget Office and Department of Housing Preservation and Development. Numbers may not add up because of rounding.

## NEW HOUSING MARKETPLACE UNITS



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## IMMIGRANTS' EXPERIENCES OF DISCRIMINATION AND SERVICE AVAILABILITY

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Members groups of the Immigrant Housing Collaborative have found that a range of factors, including actual and perceived discrimination, limited English proficiency, and lack of linguistically appropriate housing-related services prevent immigrants from obtaining safe, decent, and affordable housing. The NYIHC survey therefore explored a range of issues related to immigrants' access to services and their experiences of discrimination and fear.

Because this data is not tracked in the NYC Housing and Vacancy Survey, comparison with native-born New Yorkers is not possible.

### DISCRIMINATION AND FEAR

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More than one-third of respondents (34 percent) indicated that they, or people they knew, had been afraid to make a housing complaint. This is particular of concern in cases of tenant harassment and predatory equity. Immigrants living in poor housing conditions were the most likely to report having been afraid to make a housing complaint: 84 percent of those reporting fear related to making a housing complaint also report that “a lot” or “most” immigrants they know live in poor conditions. Slightly fewer respondents indicated that they, or others they knew, had been discriminated against in their “housing experience” because of race/ethnicity (31 percent) or immigrant status (28 percent).

### HAVE YOU OR OTHERS YOU KNOW....

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	Yes	No	Don't Know
<b>Been discriminated against because of race/ethnicity</b>	31%	55%	14%
<b>Been discriminated against because of immigrant status</b>	28%	54%	19%
<b>Been afraid to make a housing complaint</b>	34%	49%	16%

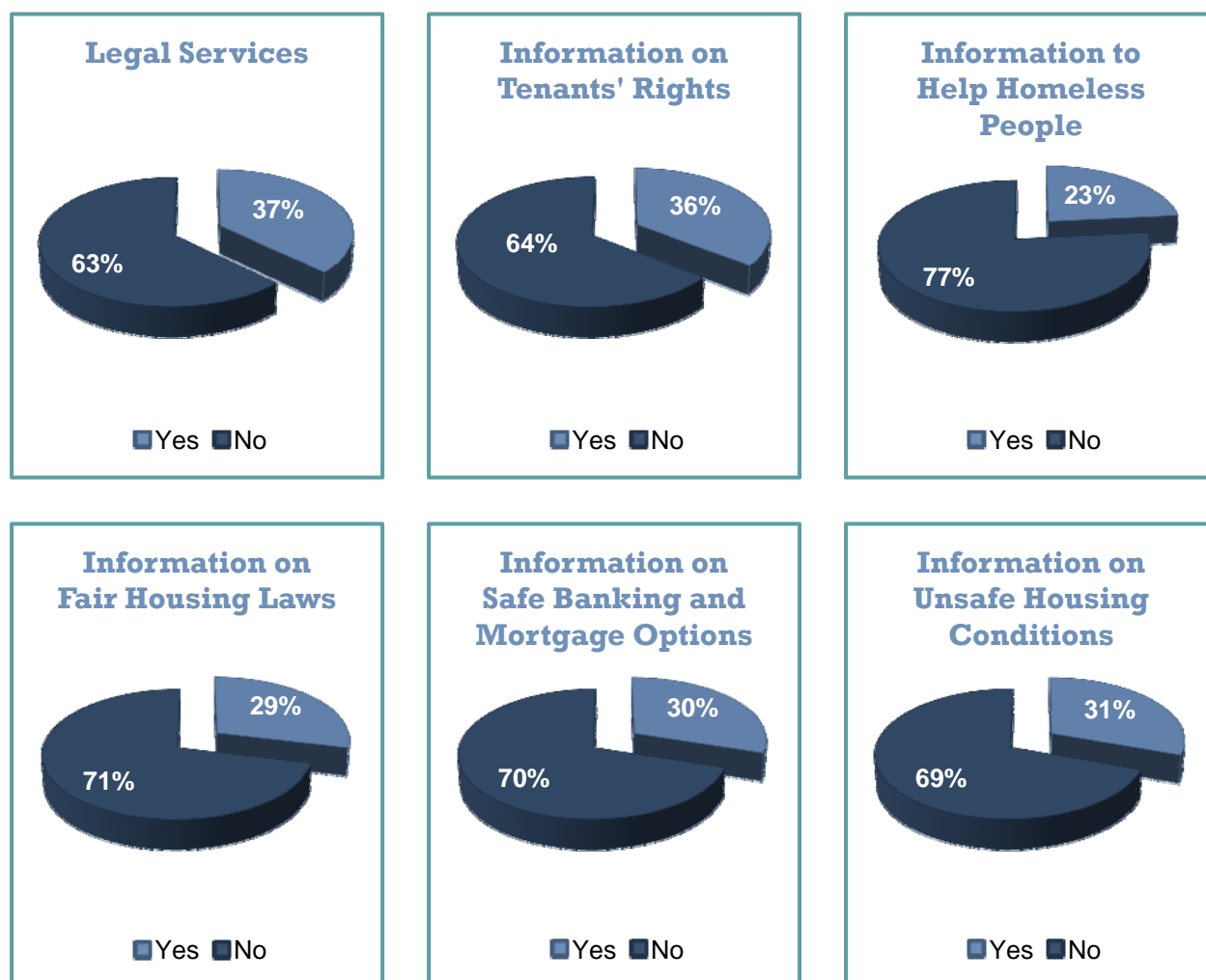
This finding supports the concern of many in the immigrant advocacy community that immigrants do not receive their fair share of city housing services because of the fear that engaging city officials or agencies will have negative consequences.

### SERVICE AVAILABILITY AND LANGUAGE ACCESS

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Two-thirds or more of survey respondents indicated that they were not aware of available housing information and legal services in their language and community.

## ARE SERVICES AVAILABLE IN YOUR NEIGHBORHOOD & IN YOUR LANGUAGE?



SOURCE: New York City Immigrant Housing Collaborative Survey

Limited English proficiency and lack of access to linguistically appropriate services limit access to information and legal services, and therefore pose significant obstacles for many immigrants in finding and maintaining safe and affordable housing. While most immigrants learn English quickly, and a majority of foreign-born New Yorkers are fluent in English, many have limited English proficiency. A 2006 report, *Hear This: The Need for Multilingual Services in New York City*, showed that many tenants with limited English proficiency are living in unhealthy and unsafe conditions but do not know that there is a city agency dedicated to addressing their housing needs. Moreover, even when they tried to access these city services, survey respondents were often unable to communicate with agency staff members in their own language.<sup>28</sup>

After a multi-year campaign by the New York Immigration Coalition, Make the Road New York, and other groups, the City of New York recently took a pioneering step in recognizing its responsibility to provide support and access to immigrants. In July 2008, Mayor Michael Bloomberg and City Council Speaker Christine Quinn signed an executive order guaranteeing that important forms and information in government offices will be available in the six most-spoken languages in the city. This will help immigrants access services, including safe and



decent affordable housing, but additional outreach will be needed to provide services to tenants with limited English proficiency who are facing harassment, overcrowding, high rent burdens, and discrimination.

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## RECOMMENDATIONS

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Around the country, cities are working to improve housing options for immigrants. Even in the face of national politics and policies that have sought to undermine the critical contributions that immigrants are making to the vitality of communities, these cities are recognizing the importance of immigrants and taking policy steps to create more safe, decent, affordable, and welcoming places for them to call home.

- The state of Minnesota has an annual training requirement for real estate brokers and realtors, one option for which is “courses designed to help licensees to meet the housing needs of immigrant and other underserved populations.”<sup>29</sup>
- Washington, D.C., has identified affordable housing “especially for immigrant families” as a goal for neighborhoods, such as the Columbia Heights area.<sup>30</sup>
- The City of New York, after years of advocacy by the New York Immigration Coalition, Make the Road NY, and other groups, recently took a pioneering step of an executive order guaranteeing that important forms and information in government offices will be available in the six most-spoken languages in the city.

The City of New York should build upon this step by devoting increased attention to addressing the housing problems confronting the millions of immigrant families who are helping to make the city a thriving place, but have challenges finding a decent place of their own.

Over the past century, the City and State of New York have demonstrated that local housing policy action can make a profound difference in the lives of millions of New Yorkers. From the New York Tenement House Law of 1901, to the first public housing in the United States in 1934, to the Mitchell Lama Program of the 1950s, to the Koch 10-Year Plan of the 1970s, to the Bloomberg “New Housing Marketplace Plan,” New York has been at the forefront of improving housing options through public policy.

Just as the tenement house laws responded directly to the conditions the great early 20th century wave of immigrants faced, New York must again step up to provide safe, decent, and affordable housing to immigrant families, through a range of public policy actions. These steps include:

### 1. **To preserve affordable housing in immigrant neighborhoods:**

- a. **Strengthen rent regulations by repealing vacancy decontrol and restoring fairness, transparency, and quality administration of the system.** Immigrants are even more likely than native-born New Yorkers to live in rent-stabilized housing, and to live in many neighborhoods where rents have increased dramatically. Rent regulations provide a stable, predictable stock of rental housing units. But deregulation has led to sharply increased rents removed tens of thousands of units from the city’s stock of affordable housing.

Public action is needed to stop widespread and growing removal of affordable housing units from the system of rent regulation. The single most important step is to repeal vacancy decontrol, the provision by which a landlord can remove a unit from rent regulation upon vacancy if the nominal rent can be pushed above \$2,000. Landlords in many neighborhoods can readily push rents above this level by passing on the cost of improvements and repeatedly turning over occupied apartments to new tenants. This

loophole has allowed landlords to deregulate tens of thousands of units, encouraged the harassment of existing tenants, and undermined the entire systems of rent regulations. It should be repealed, either directly by the state legislature, or by repealing the state's "Urstadt Law," which grants control over New York State's rent laws exclusively to the state legislature, and restoring it to the city of New York.

In addition, the administration of the rent laws by the New York State Division of Housing and Community Renewal must be made more fair and transparent. During the Pataki administration, it was weakened, and tilted decidedly in favor of landlords, prompting widespread deregulation of apartments and severe rent hikes even among units that remained regulated.<sup>31</sup> While new leadership in Albany has made the state's supervision of rent regulated housing much fairer, owners can still achieve rent increases for improvements that simply bring a building up to the building code, and if they fail to register a unit with the rent regulation program will simply receive notices urging voluntary compliance. DHCR and the state legislature should address these and other issues.

In addition, DHCR should move into the 21st century by providing on-line, public information about rent registration status and history, harassment, building conditions, and unusual rent increases. These are not private matters to be hiding in dusty file cabinets, but profound matters of public interest that should be available (like most public data) online.

- b. **Establish a "Good Landlord, Good Neighbor" program** that provides cost-effective incentives for small buildings where homeowners agree to rent units to tenants at below-market rents, with fair tenant protections.

Many immigrant tenants live in buildings with fewer than six units. These apartments are not protected by rent regulations, and tenants therefore have no protection against rapid rent increases. Many owners of such properties, especially those who live in the buildings, rent their units to tenants below market price. But in areas where rents are rising rapidly and landlords learn that a neighbor is charging twice as much, they may be tempted to do so as well. When a building sells to a new owner, the existing tenants are often displaced, even if they have lived there for decades and cannot afford another unit in the same neighborhood.

An innovative new "Good Landlord, Good Neighbor" program would provide a financial incentive to homeowners and other small building owners who agree to rent their units out to low-income tenants at below-market rents, with long-term protections in place to provide security and stability. This could come in the form of a property tax deduction or credit, or a utility credit, which would partially offset the money that the owner is foregoing by renting below market.

- c. **Confront "predatory equity" and related tenant harassment** by rolling back landlords' ability to easily obtain unnecessary rent increases, cracking down on harassment, and establishing a new program to rescue buildings where predatory investments by speculators who were hoping for quick profits at tenants' expense are now leading to tenant harassment, reductions in services, and other harmful consequences.

DHCR can take immediate action by eliminating landlord self-certification of rent increases based on charges for major capital improvements. Allowing landlords to certify their own rent increases give them the ability to raise rents at will, by claiming to provide various improvements regardless of whether they are needed or desired by the tenants, or whether they even actually provide them. Any such increases should require approval by DHCR, either through inspections that affirm the need and the actual improvement or through an affirmation by the tenant.

Both the city and state can help tenants to enforce new protections against harassment established by Intro 627-a, passed by the City Council and signed by the mayor earlier this year. They can also provide support to legal services and community-based housing organizations that help tenants to enforce their right to confront harassment under the new law.

The City should also consider establishing a new program to rescue buildings that were purchased by predatory investors during the real estate bubble but are now facing abandonment and neglect as those investments fail. The city should look to opportunities, including those arising from the newly expanded federal role in housing finance, to establish a program that could transfer these buildings to reputable purchasers and restructure their financing so they can be preserved as decent and affordable housing. Such a program would need to balance the goal of preserving housing with the need not to reward those actors whose predatory speculation created the problem.

- d. **Strengthen affordability protections for subsidized affordable housing.** While immigrants are generally underrepresented in subsidized affordable housing, several developments, including Starrett City and Co-op City, are home to large number of immigrant families. City, state, and federal government have a range of tools that can be used to prevent current owners from opting out of subsidy programs and selling their developments to the highest bidder.

The state should adopt proposals by Mayor Bloomberg that would insure that any subsidized buildings leaving affordability programs enter the rent-regulation system. All three levels of government should cooperate to establish a much stronger package of regulations and incentives that seek to preserve every existing unit of subsidized affordable housing.

## 2. **To address issues of overcrowding and illegal units:**

- a. **Create an “accessory dwelling unit” category** within both the building and zoning codes, which would allow safe units that are now illegal to be legal and regulated under the city’s housing code and system. Many basement and other unauthorized units could be made into safe and appropriate housing but for the current building and zoning codes.

Like other cities around the country, New York should establish a new category of “accessory dwelling units” to allow these units to be regulated, so that safety can be better assured, tenants protected, and neighborhood infrastructure needs such as schools, parking, and public services more appropriately addressed. The city should offer incentives and assistance to landlords who legalize their units and agree to keep tenants in place or units affordable.

The city could pilot this program in neighborhoods with significant numbers of immigrants and currently illegal units, with community-based task forces providing language-appropriate outreach and helping address neighborhood issues and needs.

- b. **Expand priority for publicly subsidized housing** to include severely overcrowded, doubled- and tripled-up families. Many immigrant families are more likely to double or triple up, in severely overcrowded conditions, rather than go into the shelter system. As a result, they are not eligible for the priority status that homeless families receive. Even if tenants live in severely overcrowded and dangerous conditions, their only opportunity for affordable housing is to seek to get on every waiting list for every available affordable housing development.

The city should establish a system in which the most housing-needy households receive priority for Section 8 vouchers, public housing units, and newly created affordable housing. First priority should be given to homeless families and to families displaced by emergencies. Second priority should go families living in dangerous conditions. Third should go to households that are doubled and tripled up. Many opportunities should remain for broad lotteries that give a wider set of New Yorkers and opportunity to apply for affordable housing, while maintaining the city's current commitment to giving neighborhood residents preference in the application process. This can be done by setting aside some vouchers and units for the priority lists, and leaving many for lottery.

### 3. **To improve housing conditions:**

- a. **Expand the Safe Housing Act**, which provides for inspection and repair of some of the city's worst-maintained buildings, to cover more buildings in immigrant areas through an expansion of the program, more bilingual inspectors, and follow-up reinspections where problems are identified.

In 2007, the city adopted Local Law 29, through which HPD identifies 200 building annually with the most housing code violations, and targets them for aggressive inspection, follow-up, and comprehensive repairs. The legislation gives landlords four months to make repairs that address the core of physical problems in distressed buildings, after which the city will make the repairs at landlord expense.

The program appears to be working and should be expanded, with consistent follow-up to insure that work is actually done, to increase the number of units that are included in the program, provide a stronger focus on general building-wide conditions, and insure that the program includes buildings in immigrant neighborhoods where tenants may be relatively unlikely to bring complaints to HPD. The expansion should be done based on a mix of data, including 311 calls and community organization referrals.

- b. **Consider moving to cyclical inspections of all at-risk buildings** in neighborhoods with significant evidence of poor conditions. The Safe Housing Act is a strong approach to reaching some of the worst buildings, especially where strong tenants associations have registered complaints. However, in some neighborhoods with poor housing conditions and many immigrants, tenants are less likely to register complaints.

New York City could look to Los Angeles' Systematic Code Enforcement Program (SCEP). SCEP came about in response to a rental housing crisis, as many landlords deferred maintenance on their properties and tenants suffered unsafe conditions. The

municipal administrative system responsible for code enforcement became overwhelmed by complaints, an increasing number of buildings fell into disrepair, and the city began to lose more affordable units than ever. In response, L.A. undertook a major reform effort, which led to the establishment of SCEP at the Los Angeles Housing Department. With the dual goals of achieving code compliance and stemming the tide of affordable units being lost to irreversible disrepair, SCEP was organized as a systematic rather than a complaint-driven system. The program ensures that every rental unit in the city is inspected for violations at least once every five years. SCEP funds itself through its annual inspection fees, currently \$27.24 per rental unit. Since SCEP's establishment in 1998, more than 90 percent of the city's multifamily housing stock has been inspected and more than 1.5 million habitability violations have been corrected, resulting in an estimated \$1.3 billion reinvestment by owners.

New York City ought to establish a narrower target universe of buildings for inspection, but it would do well to expand the reach of its Safe Housing Act beyond a limited number of the city's very worst buildings. New York must treat the building and maintenance code as law to be enforced, rather than a program to be (sometimes) implemented.

- c. **Adopt the Asthma-Free Housing Act** to reduce and regulate indoor asthma aggravators in New York City apartments, specifically mold hazards and pest infestations. Poor conditions in rental housing in New York City, experienced by many immigrant families, include significant triggers for asthma and put families and especially children at risk. Partially as a result of this, residents of low-income and immigrant neighborhoods experience disproportionate incidence of asthma and lung disease. This is, in many ways, a return to the abhorrent conditions that immigrants faced in substandard housing at the turn of the last century, which led to housing regulations being established in the first place.

The Asthma-Free Housing Act, Intro 750, would amend the housing maintenance code to require HPD to establish a minimum standard for the prevention and clean-up of these hazards to reduce asthma attacks. It would also require owners of multifamily buildings where a person with respiratory problems resides to prevent and immediately remove indoor allergen hazards.

#### 4. **To provide better access to public affordable housing programs:**

- a. **Build more affordable housing that is accessible to immigrant families, especially in Queens and immigrant neighborhoods elsewhere.**

The Administration should start by dramatically increasing the number of low-income units at Hunters Point South, Willets Point, and also at Stapleton on Staten Island. It should then move on to aggressively identify sites for low- and moderate-income housing in neighborhoods with rising populations.

In developments targeted to offer opportunities to more immigrant families, HPD should include more two- and three-bedroom units, rather than the one-bedrooms and studios that make up half the units in many HPD-sponsored developments. Units should be affordable at a wide range of incomes, in recognition that the median household income for immigrant families in New York City is below even the lowest qualifying income level — 50 percent of area median income — for families seeking housing units built with HPD's assistance.

- b. Move to a citywide, transparent waiting list for HPD programs.** Currently, applicants must apply separately, to the developer or their marketing agent, for every single new affordable housing development subsidized by HPD or DHCR. This is an extraordinary burden on all low-income households, many of whose members are working multiple jobs and do not have time to watch the HPD and DHCR websites weekly, then apply for every new development. For families with limited literacy, the application process poses an even greater obstacle. In contrast, the waiting list for public housing and Section 8 vouchers is unified and transparent; applicants know how to apply and where they are on the waiting list.

The city should establish a similar system for units created through HPD programs and subsidies. Preferences for neighborhood residents would remain, as would other priorities for specialized residences — such as those for grandparents raising grandchildren or people with special needs — but the system would be open to all. This list — like public schools and hospitals — must not require proof of citizenship or green card.

- c. More outreach in immigrant neighborhoods.**

The New York City Department of Housing Preservation and Development has been part of a heroic effort over the past several decades to bring back once-abandoned neighborhoods. Because much of this work was done in response to the abandonment crisis of the 1970s, HPD's local offices and areas of focus tend to locate in the neighborhoods that experienced need at that time. While many of those neighborhoods continue to merit strong attention, changing demographic patterns mean that many new immigrant communities — identified in this report as facing severe housing conditions — do not receive the same level of attention.

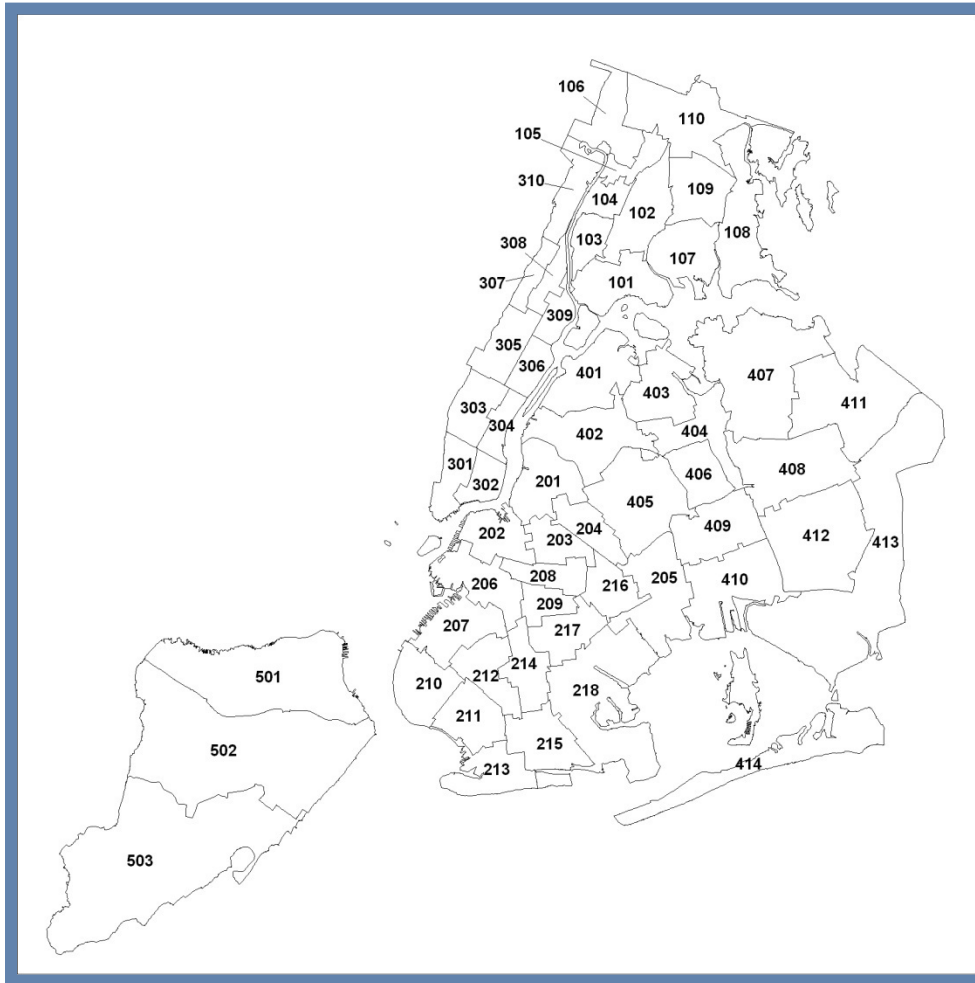
HPD, in partnership with DOB, the Department of City Planning, the New York City Commission on Human Rights, and other agencies, should conduct more outreach in those neighborhoods where low-income immigrant families face worst-case housing needs, in order to help residents identify opportunities for affordable housing and to provide assistance to tenants and owners in preserving housing that is safe, decent, and affordable.

With these steps, New York City can renew once more its tradition of leadership on affordable housing policy, and remain America's gateway — a place that immigrants from around the world, bringing economic and social vitality to our neighborhoods, can safely and affordably call home.



## APPENDIX

### NEIGHBORHOOD KEY



U.S. Census Bureau, Sub-borough Districts, New York City

Census "Sub- borough" number	Borough	Neighborhoods in Sub-borough	Census "Sub- borough" number	Borough	Neighborhoods in Sub-borough
101	Bronx	Mott Haven/Hunts Point	301	Manhattan	Greenwich Village/Financial Dist.
102	Bronx	Morrisania/East Tremont	302	Manhattan	Lower East Side/Chinatown
103	Bronx	Highbridge/S. Concourse	303	Manhattan	Chelsea/Clinton/Midtown
104	Bronx	University Hts./Fordham	304	Manhattan	Stuyvesant Town/Turtle Bay

Census “Sub- borough” number	Borough	Neighborhoods in Sub-borough	Census “Sub- borough” number	Borough	Neighborhoods in Sub-borough
105	Bronx	Kingsbridge Hts./Mosholu	305	Manhattan	Upper West Side
106	Bronx	Riverdale/Kingsbridge	306	Manhattan	Upper East Side
107	Bronx	Soundview/Parkchester	307	Manhattan	Morningside Hts./Hamilton Hts.
108	Bronx	Throgs Neck/Co-op City	308	Manhattan	Central Harlem
109	Bronx	Pelham Parkway	309	Manhattan	East Harlem
110	Bronx	Williamsbridge/Baychester	310	Manhattan	Washington Hts./Inwood
201	Brooklyn	Williamsburg/Greenpoint	401	Queens	Astoria
202	Brooklyn	Brooklyn Hts./Fort Greene	402	Queens	Sunnyside/Woodside
203	Brooklyn	Bedford Stuyvesant	403	Queens	Jackson Heights
204	Brooklyn	Bushwick	404	Queens	Elmhurst/Corona
205	Brooklyn	East New York/Starrett City	405	Queens	Middle Village/Ridgewood
206	Brooklyn	Park Slope/Carroll Gardens	406	Queens	Forest Hills/Rego Park
207	Brooklyn	Sunset Park	407	Queens	Flushing/Whitestone
208	Brooklyn	N. Crown Hts./Prospect Hts.	408	Queens	Hillcrest/Fresh Meadows
209	Brooklyn	S. Crown Heights	409	Queens	Kew Gardens/Woodhaven
210	Brooklyn	Bay Ridge	410	Queens	Howard Beach/S. Ozone Park
211	Brooklyn	Bensonhurst	411	Queens	Bayside/Little Neck
212	Brooklyn	Borough Park	412	Queens	Jamaica
213	Brooklyn	Coney Island	413	Queens	Bellerose/Rosedale
214	Brooklyn	Flatbush/Midwood	414	Queens	Rockaways
215	Brooklyn	Sheepshead Bay/Gravesend	501	Staten Island	North Shore
216	Brooklyn	Brownsville/Ocean Hill	502	Staten Island	Mid-Island
217	Brooklyn	East Flatbush	503	Staten Island	South Shore
218	Brooklyn	Flatlands/Canarsie			

<sup>1</sup> At the time of this report’s research, the New York Immigrant Housing Collaborative consisted of the New York Immigration Coalition, Asian Americans for Equality, Chhaya Community Development Corporation, Make the Road by Walking, Latin American Integration Center, Mirabal Sisters Cultural and Community Center, and Neighbors Helping Neighbors. Latin American Integration Center and Make the Road by Walking merged in 2007, to form Make the Road New York. The NYIHC now includes the New York Immigration Coalition, Asian Americans for Equality, Chhaya Community Development Corporation, Make the Road New York, Mirabal Sisters Cultural and Community Center and YKASEC-Empowering the Korean American Community, with additional support from the Urban Justice Center.

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This document was written by Brad Lander and edited by Alyssa Katz. Research was conducted by Andrea Anderson and Justin Kray, with assistance from Jessenia Vazcones. Surveys were conducted by the New York Immigration Coalition, Asian Americans for Equality, Chhaya Community Development Corporation, Make the Road New York, Mirabel Sisters Cultural and Community Center and Neighbors Helping Neighbors. Special thanks to Michelle Tang (michelle.e.tang@gmail.com) for design and layout and to Ericka Stallings and Javier Valdes of NYIC for their consistent efforts throughout to coordinate the collaborative, and to all of the staff, surveyors, and tenant leaders of collaborative groups.

Special thanks to our funders, Robert Sterling Clark Foundation, New York Community Trust, Fund for New Citizens, Independence Community Foundation, Deutsche Bank and M&T Bank; without whom this report would not have been possible.

<sup>2</sup> Fiscal Policy Institute, “Working for a Better Life: A Profile of Immigrants in the New York State Economy,” November 2007.

<sup>3</sup> Communities for Housing Equity, “Hear This! The Need for Multilingual Housing Services in New York City,” prepared by the Community Development Project of the Urban Justice Center, 2006.

<sup>4</sup> Michael Schill et al. “The Housing Conditions of Immigrants in New York City,” *Journal of Housing Research*, Vol. 9 No. 2, Fannie Mae Foundation, 1988.

<sup>5</sup> Analysis of the Current Population Survey data 1998-2006 conducted by the Fiscal Policy Institute, to be published in “One City/One Future: A Blueprint for Making Growth Work for All New Yorkers,” forthcoming from Pratt Center for Community Development, National Employment Law Project, and NY Jobs with Justice. Wages are adjusted for increases in the cost of living.

<sup>6</sup> New York City Planning Commission, “The Newest New Yorkers,” 2000.

<sup>7</sup> Income and rent statistics are from the New York Housing and Vacancy Survey. Rents are calculated from 1999 to 2005, adjusted to 2005 dollars. Median household income of renters in New York City declined 5.6 percent from 1999 to 2004, adjusted to 2004 dollars. Median rent paid in New York City increased 8.9 percent from 1999 to 2005.

<sup>8</sup> The share of renters with a high housing cost burden increased from 36 percent to 42 percent; the share of homeowners with a high housing cost burden increased from 27 percent to 35 percent. U.S. Census American Community Survey.

<sup>9</sup> From 2000 to 2006, New York City lost 589,000 apartments renting for less than \$1,000, a 36 percent decrease. U.S. Census 2000 and the 2006 American Community Survey.

<sup>10</sup> Furman Center for Real Estate and Urban Policy, *State of New York City’s Housing and Neighborhoods 2005*, 2.

<sup>11</sup> Victor Bach and Tom Waters, *Making the Rent, 2002 to 2005: Changing Rent Burdens & Housing Hardships Among Low-Income New-Yorkers*, Community Service Society, 2006.

<sup>12</sup> In addition to assisting tenants, Chhaya CDC also assists many South Asian homeowners.

<sup>13</sup> Foreclosure Filings, New York City 2007, Furman Center for Real Estate & Urban Policy, New York University.

<sup>14</sup> Eliot Brown, “Bankruptcy Filings Jump Signals Trouble,” *New York Sun*, October 24, 2007; Michelle Chen, The City Responds to the Foreclosure Crisis. *Gotham Gazette*. March 10, 2008.

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<sup>15</sup> Furman Center for Real Estate & Urban Policy, New York University, Press release, April 14, 2008, “New Analysis of NYC Foreclosure Data Reveals 15,000 Renter Households Living in Buildings that Entered Foreclosure in 2007.”

<sup>16</sup> U.S. Census data, New York City Department of City Planning.

<sup>17</sup> 2006 American Community Survey (U.S. Census). Many analysts believe that these figures represent an undercount of the immigrant population, which tends to be undercounted in Census surveys.

<sup>18</sup> NYC Department of City Planning, Results from the 2005 American Community Survey, Socioeconomic Characteristics by Race/Hispanic Origin and Ancestry Group.

<sup>19</sup> “The Newest New Yorkers.”

<sup>20</sup> Ibid, 39.

<sup>21</sup> NYC Department of City Planning, Results from the 2005 American Community Survey, Socioeconomic Characteristics by Race/Hispanic Origin and Ancestry Group.

<sup>22</sup> Surveys were collected using “convenience sampling,” meaning that each group enlisted a group of volunteers to canvass targeted neighborhoods and administer the survey. Surveys were administered in: English, Spanish, Urdu, Hindi, and Chinese languages (Mandarin and Cantonese). More detailed information about survey methodology is available at [www.prattcenter.net](http://www.prattcenter.net).

<sup>23</sup> Latin American Integration Center and Make the Road by Walking merged in 2007, to form Make the Road New York. Surveys were conducted prior to the merger.

<sup>24</sup> These results exclude respondents who answered “don’t know” to the survey question about rent control/rent stabilized apartments.

<sup>25</sup> This analysis excluded respondents who reported “other” on the Region question (a heterogeneous group from parts of Europe, Canada, Israel and other countries).

<sup>26</sup> See the Association for Neighborhood and Housing Development, “The Next Sub-Prime Loan Crisis: How Predatory Equity Investment is Undermining New York’s Affordable Multi-Family Rental Housing,” 2008.

<sup>27</sup> Only 159 of the 451 renters answered the question “Why did you not apply for affordable housing programs?”

<sup>28</sup> Communities for Housing Equity, “Hear This!”

<sup>29</sup> Minnesota Statutes Annotated § 82.32 (2008).

<sup>30</sup> D.C. Statutes § 6-1073 (2008).

<sup>31</sup> Pratt Center for Community Development, “Time for a Gut Rehab: How the Next Governor Can Rebuild New York State’s Affordable Housing Legacy,” 2006.