

New York City housing situation grows increasingly desperate

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The recent New York state \$229 billion budget passed last week, over a month late, is catastrophic for the housing needs of the poorest layers of the working class all over the state and especially in New York City. Removed from the budget was a “good cause” eviction bill that would have prohibited landlords from evicting tenants for reasons other than violations of their leases, such as the failure to pay rent.

Also removed from the budget was the Housing Access Voucher Program which would have allowed as many as 50,000 homeless people a relatively easy way to obtain housing vouchers. Other endeavors, such as a commitment to build 800,000 more units of housing statewide, were also excluded.

To compound the social misery, the New York City Rent Guidelines Board, a city agency that sets the amounts by which landlords can raise rents in the nearly 1 million rent-stabilized apartments in the city, voted to allow increases for 1-year leases of 2-5 percent and for 2-year leases of 4-7 percent, a devastating burden on hundreds of thousands of the elderly and working class families.

Since the expiration of the New York state eviction moratorium in January 2022, evictions in the state have skyrocketed. There were nearly 194,000 of them in 2022, up from 69,000 in 2021.

Fearing a social explosion because of mass unemployment and poverty, Democratic politicians in New York state in March 2020 enacted the COVID-19 Emergency Eviction and Foreclosure Prevention Act, which suspended eviction and foreclosure procedures in the state for homeowners and renters who faced a loss of income due to the pandemic. The act was extended in 2021.

There are nearly 3.5 million renter-occupied households in New York state, of which 2.1 million are in New York City. Over half of renters in New York City spend more

than 30 percent of their income on rent, while one-third spend 50 percent or more.

The state has the highest percentage of renters in the US, with roughly 47 percent of the households being renter-occupied. Manhattan is tied with Singapore as the most expensive city in the world, and housing costs are routinely cited as the main factor for the high cost of living.

In Manhattan, rent for a small studio (single room dwelling) averages \$3,275 a month, and \$5,173 for a two-bedroom apartment. Prices in the city’s outer boroughs are only nominally more affordable, though a few neighborhoods in Brooklyn and Queens are registering higher average rents than Manhattan.

According to The Eviction Lab at Princeton University, New York City led the nation in terms of evictions prior to the pandemic, and the highest eviction rates are in the poorest areas. Last year, nearly 74,000 evictions were filed in the Bronx, the poorest urban county in the United States, compared to 38,000 in more affluent Manhattan, which has a somewhat larger population.

One issue facing the evicted is right to counsel. New York City’s Right to Counsel law was the country’s first to promise representation to the poorest tenants facing eviction. Statistics show that 84 percent of those targeted for eviction who received counsel stayed in their homes. However, the share of those receiving counsel has been trending downward.

State data shows that only 36 percent of tenants received legal counsel when appearing for an eviction case this year as opposed to 98 percent of landlords.

In February 2023 there were nearly 75,000 people spending the night in city-run shelters and thousands more living on the streets, in encampments and in abandoned buildings. The city’s Department of Education estimates that 104,000 students are homeless, using a broader measure that includes families who have doubled up with

relatives or live in their cars.

One of the huge contradictions in the housing crisis in New York City is found in the decades-long construction boom and the precipitous rise in homelessness in the same period. Between 2010 and 2020, some 206,000 new residential units were created. Over the same period, according to the Coalition for the Homeless, homelessness in New York City rose 112 percent.

Many of the new units built during the construction boom are rentals owned by large real estate concerns. There have been suggestions by some industry observers that the large landlords have been keeping apartments off the market to keep prices artificially high.

Many of the condominium units coming on the market are bought by investors who buy in bulk and then rent them. The housing boom, fueled by low interest rates and city tax incentives to builders, has done nothing to alleviate the housing crisis.

According to a report by the City Planning Commission, “Generally, the highest concentrations of housing growth were in transit-accessible neighborhoods in Brooklyn, Queens, the Bronx, and portions of Manhattan. There has generally been little housing growth or loss in lower-density neighborhoods.”

In other words, most of the new housing has been built in areas served by existing transit lines. Decades of underfunding public transport has exacerbated the housing situation by limiting development in areas with inadequate public transit.

The housing crisis in New York is compounded by a systematic lack of investment in public housing. According to the New York City Housing Authority (NYCHA), the number of vacant units in the city’s public housing system operated by NYCHA has jumped more than 600 percent in a year. It had 486 vacant units in January 2022. That number had risen to 3,593 by February.

But these have made little dent in the years-long waiting list, since they are withheld for move-in for a variety of reasons, such as the need for cleaning, which NYCHA cannot afford. An additional 1,000 apartments have been taken off the list of rentable apartments because they need extensive repairs. Over \$40 billion is needed for repairs to NYCHA housing, and residents must wait years for the most basic maintenance requests to be fulfilled.

Ostensibly to fund repairs, NYCHA has allowed 36,000 units to come under private management. Housing advocates have expressed alarm over the creeping privatization or “collocation” of private development in

the public housing projects. It is rightly seen as a prelude to complete privatization.

These problems at NYCHA did not happen overnight, but rather are the result of years of underfunding under both Democratic and Republican administrations, and they have only been exacerbated by the social dislocation caused by the COVID-19 pandemic. Currently, over 70,000 NYCHA residents owe a total of \$466 million in back rent, which is forcing NYCHA to use reserves slated for capital improvement. The average amount owed is \$6,000 and the average annual income of an NYCHA resident is \$24,000.

In stark relief to these conditions for the poor, an apartment on so called “Billionaires’ Row” near Central Park in Manhattan was listed last fall for \$250 million. An 800-square-foot mobile home in a trailer park in the resort town of Montauk on Long Island sold for \$3.75 million.

In New York City, the most densely populated and expensive big city in the country, the state and city governments, both controlled by Democrats, have fueled the crisis by ending the eviction moratoriums as rents and living costs have increased.

There is no answer to be found to the housing crisis within the Democratic Party, which works closely with big real estate concerns. The American proxy war in Ukraine and the economic crisis it has sparked make it impossible for capitalist governments at the federal, state and local levels to create affordable housing for millions of working class families. Nor can a solution to the housing crises be left to market forces, which are now providing lucrative returns in rent and sales to big real estate. The housing crisis can only be addressed by ending the current private, profit-driven system and replacing it with a socialist program under which housing is treated as a basic social right.



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