Near the beginning of his three terms in office, Mayor Bloomberg made two promises: He'd pump billions into affordable housing. And he'd do everything he could to make the city more desirable. He kept both promises.

"We will continue to transform New York physically, giving it room to grow for the next century to make it even more attractive to the world's most talented people," he said in his 2003 state of the city address.

What followed: a building boom that dramatically changed the city's landscape - from waterfront parks to modern skyscrapers to big box shopping malls. And soaring housing prices for everyone from the mega-rich willing to drop $15 million for a pied a terre, to the working poor living in what were once considered marginal neighborhoods.

"It does seem that people continue to want to live in New York and that may be a measure of success on the one hand," said Ingrid Gould-Ellen, co-director of NYU's the Furman Center for Real Estate and Urban Policy. "But it's a double-edged sword, because the more people that want to live here, the more expensive it becomes."

As part of our series, "New York Remade: The Bloomberg Years," WNYC is looking at the consequences of Bloomberg's policies on affordable housing - and on the real estate market as a whole.

The data is stark. In neighborhoods like Harlem, property values have jumped 222 percent and in East Harlem, median market rents went from roughly $1200 in 2002 to $1900 in 2011.

To counter that, the city is on track to create 165,000 units of affordable housing. But at the same time, tens of thousand of affordable units went off-line as landlords exited subsidized programs and regulated apartments went market rate.

It's not only that rents are rising; it's also that a growing part of the population is trying to live in New York City on very modest incomes. According to the city's own poverty measure, roughly 46 percent of New Yorkers were what is considered "near poor" in 2011. For a family of four, that means earning under $46,000 annually.

With incomes that low, the Furman Center says that nearly a third of New Yorkers were what is called...
"severely rent burdened" in 2011 - which means they were spending more than half their monthly income on rent.

Struggling on minimum wage

In the Bronx, Ricky Padin, who lives near 167th Street and the Grand Concourse, knows what that's like. Padin said he practically grew up in New York City shelters. Now he pays $900 a month for a one bedroom apartment he shares with a younger brother.

Padin's rent takes up roughly 75 percent of what he brings home each month. His brother lives with him and helps out, but is inconsistent. Both young men have fast food jobs.

According to the Bureau of Labor statistics, food service has been one of the fastest growing industries during Bloomberg's time in office. It's also the industry with the lowest wages.

"I do everything" at work, Padin said. "Wash the dishes, take out the garbage, everything. I can't say what I don't do over there."

To pay the rent he had been working up to 80 hours a week at two different McDonald's. But he said he was fired from one location after taking part in an effort to protest the low wages of fast food workers.

Padin's apartment is meticulously organized. Even his dirty clothes are neatly folded. He said he has to be careful about how he spends, which means he eats at work or skips meals altogether. Still, Padin said he felt lucky to have his own place. "A lot of people I work with live in shelters, you know, they live with friends, they live in a room or they live with family," Padin said. "But nobody's able to live alone."
As Bloomberg Built Affordable Housing, City Became Less Affordable - WNYC

To newcomers like writer Jonathan Larson, the choices can also be stark. Larson lives on the edge of Bushwick and Bedford-Stuyvesant, in an apartment that was once housing for ex-cons, the homeless, and people leaving mental institutions - so-called three-quarters housing. But now the tiny rooms lined up off two hallways get rented for $580 a pop to tenants like Larson, who came to New York City to attend a creative writing program. His neighbor across the hall moved to New York City to become a merchandiser for Macy's.

Larson says he's aware his presence in this neighborhood is likely driving up rents. In Bedford-Stuyvesant for instance, the median market rate rent went from $925 to roughly $1400 between 2002 and 2011.

Gould-Ellen said living in the city is increasingly out of reach. "We've seen in the last 10 years and especially recently during this recession it's been particularly punishing. Rents have continued to go up, but incomes have fallen and poverty rates are increasing," she added.

Winning the housing game

Without a doubt, there have been winners in the Bloomberg years, like those who have won housing lotteries and are now living in apartments newly constructed as part of the Mayor's affordable housing program.

On 166th Street and Tinton Avenue in the Bronx, new residents enter an attractive, eight-story building. The lobby and halls here resemble a nice hotel. There is a new gym - and at the top of the building, a glass-enclosed vegetable farm. "You've got basil and a variety of greens, bok choy," said Les Bluestone, the developer of the building.

The urban farm is impressive. The perfect plants are lush and the George Washington Bridge hovers in the distance. To live here, a couple with two kids can't earn more than $52,000 annually. Monthly rents range from roughly $600 to $1000. Five thousand households applied for the 124 apartments.

The Bloomberg administration is proud of its record building well-designed, affordable housing and the effect that this housing has had on neighborhoods. Housing Commissioner Mathew Wambua said the new developments have lifted neighborhoods up. "If in fact rents are rising in a place like Morrisania, in many respects that's a testament to massive investment," Wambua said.

The mayor, Wambua added, "bolstered the tapestry" of poor neighborhoods such as Morrisania. "There was a time where the sense was, you lived here at times as a default and not a choice," he said.

Not too long ago, Harlem was one of those depressed neighborhoods. Right before Bloomberg took office, Carl and Ramona Scott paid just over $400 thousand for their Harlem brownstone. "The prices now for this house would probably be in the neighborhood of a million, maybe more than that, probably a million and a half," said Carl Scott.

Property values rose in Central Harlem 222 percent between 2000 and 2012. The property values here did
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not go down even during the housing bust. In nearby Morningside Heights, the increase was even greater. Scott, a retired school teacher, and his wife, a legal secretary, are solidly middle class. They feel lucky to have reaped the rewards as their neighborhood gains value. "For me it was great," Carl Scott said.

TAGS: bloomberg legacy, housing affordability, local news, mayor michael bloomberg, news

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CINDY RODRIGUEZ
Cindy Rodriguez is the Urban Policy reporter for New York Public Radio.

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Comments [8]

Robert from Manhattan
I live on the UWS of Manhattan. Too desireable for affordable housing. The only housing Bloomie put up here was for Multi Millionaires. Even regular millionaires couldnt afford to live here. I always wondered if he was going to have all the city projects in the area condemned so he could tear them down and build luxury highrises for the Euro-Asian Billionaires. But he didnt. Guess the process was too time consuming for him. I think Bloombergs the only person living in NYC who's income went up during the last depression. Personally, I think he cared less about the middle and lower class citizen than most mayors.
Jul. 09 2013 02:05 PM
Score: 0/0

JoeyWall from Stuy Town
We will never have affordable housing if we don't acknowledge that supply and demand set housing prices, not landlords and real estate developers.
There were less than 1,300 new condos built in 2012, in a city already suffering from a housing shortage, this is unacceptable. We need to build tens of thousands of units to stabilize prices and tens of thousands of additional units to lower prices.
Nearly every economist in the world, including those on the far left such as Nobel laureates Paul Krugman and Assar Lindbeck (a Socialist Party member in Sweden) agree that rental price controls (whether they escalate annually or not) lead to housing scarcity, higher prices for market-rate units, and lower quality housing for all. Rent control and rent stabilization are not the answer and never will be.
Join like minded citizens on facebook discussing how we can change our housing policies and create less expensive and higher quality housing for all New Yorkers.
-Jul 09 2013 01:17 PM
Score: 0/0

Carol from Greenpoint, Brooklyn, NYC
I'm what I'd like to term an "NYC Intra-Immigrant" – born in the Bronx, raised on the Queens/Nassau border, got a BA from a SUNY upstate, and an NYC resident since 1996. Even in the Late '90s, I feared with my liberal arts education, I was bound to be priced out. Surprisingly, I've survived this long w/o relocating, thanks to a career shift
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Thom Hessel from Manhattan

The City, or someone, also has a responsibility to watch for fraud. There are individuals who hide income, thus qualifying for low-income housing in ritzy buildings. They then sublet the space for market rent, and no one's

And...in April, my landlord decided he wants his apt back. Turns out a tax loophole will award him ~$500K after making his 10+ year-owned building his primary residence for 2 years.

Adding insult to injury, Greenpoint, Brooklyn is where I’ve called home for the last 9 years. When I moved to the working-class bastion, it was a slightly-gritty haven where up-and-comers, Polish strivers, and marginal artists could call home. In the ensuing years, I went from a $950/mo studio, to an $800/mo share...to moving to the South Bronx, which I will be doing this Sunday. Mr. Landlord will do his bid, renovate the already huge unit lavishly, collect his payout, relocate back to Ridgewood (which will be the NEW Greenpoint), and likely hike the $1500/mo rent 3x. (2BR apts in Greenpoint now go for ~3500/mo.)

I’ve lived in and around NYC all my life. My parents, an ex-Wall Street banker and an ex-NYPD Lieutenant Sergeant, are comfortably retired in FL. They migrated from Guyana in the ‘60s and reaped the benefits of an economically robust ‘80s. Lest I return to my previous earning capacity, get into a two-income relationship, or find wealthy patronage (HA!), I’ll be pushed farther into the margins of NYC, until needing to leave. Practically NO ONE SAVES ANYTHING barely STAYING ALIVE in NYC. Thus, another vicious circle: relocating is expensive, but so is staying.

That's why I call myself an "Intra-Immigrant." Bronx-born (funnily enough), I'm on the run from "talented transplants" from everywhere BUT here, forced to fight for my life. C'est la guerre.

Clif from Work

The housing (renting) market is just ruthless. Long story short, we lived in a nice apt in Brooklyn and would have been happy there. However, we had a problem with our landlord/neighbor. They refused to cooperate regarding noise. Unfortunately, the house is not soundproof at all and they were constantly slamming the back door (right under our apt, shaking it) and making other loud pounding/banging noises at inappropriate times (6am, 1am, etc...). We tried everything, talking to them, asking them to come up and listen to the noise (they refused), emailing/leaving them when it happened, contacting a mediator (they refused), etc... Furthermore, there were two different occasions where they released some chemical smells into the house (and our apt) without warning. We found out that one was spray paint and the other was some kind of furniture paint. The first time, my partner was 7 months pregnant; the second time our son was 3 months old. Both times we had to leave the apt for the day while it aired out. They refused to compensate us for those days under the warranty of habitability (apt should be safe, clean & livable at all times). They even screamed and yelled at me when I called them to ask them to please try to control the banging/pounding noise. They told me we should be more tolerant or move or take them to court.

When I told them about the quiet enjoyment section of the lease they told me “...quiet enjoyment means that you have to be quiet while you enjoy your apt. ask your lawyer.” This is defined as harassment under NYC housing laws (landlords cannot misrepresented the law). And it just went on like this.

If you were basically faced with a situation where we have a newborn baby and we either have to take these people to court and have that whole experience or we move and find a better place. Our choice was to move because, under the circumstances, we just didn’t want to get entangled with people like that.

We spent 4 weeks looking for a place and found 3 that we wanted to rent. All of them fell through for one reason or another. Two of them fell through after we put in the application. The first was a bait-and-switch; they took our app for apt 12H (the nice, newly renovated apt) but then said it wasn’t available because someone else put an application on it. But 11H was available but not renovated (for the same $!). The second apt took 5 days to ultimately reject our application saying that they gave it to another couple (no kids) that made 2x the $$. We currently make well over 4x the rent they were asking.

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So now we currently homeless and I am staying with a friend in Brooklyn while I look for an apt and my partner & son are in Florida with family.

Jul. 09 2013 12:29 PM

Score: 0/0

Thom Hessel from Manhattan

The City, or someone, also has a responsibility to watch for fraud. There are individuals who hide income, thus qualifying for low-income housing in ritzy buildings. They then sublet the space for market rent, and no one's
parsing attention. Shameful (and criminal)!

Jul. 09 2013 10:56 AM

Score: 0/0

ladyjay114

The reason why NYC became more unaffordable is due to the 421a program. Developers got to build endless amounts of luxury housing that carried low real estate taxes for 15 years in exchange for building low income housing. But the amount of low income housing constructed has not kept up with the amount of luxury housing that was built.

The other problem with luxury housing is that there's not enough actually residents buying these high end properties. Too many of these luxury units are being bought by foreign investors. There are thousands of apartments, priced in the millions, that are owned yet unoccupied because they're part of an investment portfolio of some multimillionaire living on the other side of the world. The result is an artificially low housing stock but an artificially high demand caused by speculation.

Unfortunately Bloomberg, undyingly loyal to his millionaire/billionaire base, encouraged this type of development at the expense of his city's citizenry.

Jul. 09 2013 10:47 AM

Score: 0/0

roberta gratz from NYC

Do you know how many units lost vs. how many new low-income units built? Not just deregulated apts but all the affordable units emptied for conversion to upscale units? I suspect more lost than gained.

Jul. 09 2013 10:27 AM

Score: 0/0

xtian2013 from Manhattan

"To live here, a couple with two kids can't earn more than $52,000 annually." - I'm just curious, what happens if, after moving in, one or both members of the couple gets a raise or simply wants a better job, which results in, say, an income of $53,000? Are they then evicted? I hope that income requirements such as these don't prevent otherwise hard-working people from furthering their educations or seeking career advancement. I understand the need for income caps on subsidized housing developments, but it seems that it assumes a couple making above that limit (within a reasonable amount above that limit) are somehow then able to afford apartments/homes at market rates, which we all know in NYC if you're a couple who earns $55,000, that hardly opens up a wealth of stock from which to choose. Furthermore, too many of these housing developments discriminate against single, childless New Yorkers, by not having any units reserved for them. Again, the assumption is that being single & childless you can somehow afford market rates, or heck-you'll just live with five roommates, because "it's New York City, that's just how it is." What all of this really is, is further creating a city of the haves & have-nots.

Jul. 09 2013 10:14 AM

Score: 0/0

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