

THERE IS AN IRONY TO URBAN AFFAIRS often lost on reformers. Apparent solutions of one era become the obstacles to solutions in the next. The biggest obstacle of all is the failure to recognize that hindrance. Reformers' trusted ally of regulation becomes their secret enemy: a "stealth" instrument of obstruction they cannot identify.

Housing is a case in point—housing in the Los Angeles region, poignantly so. Southern California's burgeoning population and accompanying extremes in housing poverty and housing wealth have spurred some ludicrous uses of regulation, making illegal not only *substandard* but *suprastandard* housing.

The region has a desperate housing affordability problem among its poor. It has the largest homeless population in the United States (at least 35,000). The near-homeless (more than 200,000 people), while not out on the street, can only afford to rent garages, chicken coops, and other substandard structures for shelter. Those who are able to rent often pay an exorbitant 40 to 50 percent of their incomes to do so.

Not everyone is caught up in the housing shortage. Even more people than the homeless live in housing worth at least \$1 million. Perfectly good houses that would sell for \$500,000 or more are torn down to make way for housing worth millions. Some areas experiencing these "teardowns" have adopted sumptuary zoning laws limiting house size. The new units replacing the old are thought to be too big, too grand, too out-of-scale for the rest of the neighborhood.

The reasons for the current housing crisis in Southern California are complex and not yet well understood. But one is that the region has fallen captive to the very devices fashioned to liberate cities from their housing crises of times past.

UNTIL THE MIDDLE OF THE 19TH CENTURY, housing in the Western world was a private matter. Minimal regulations, such as prohibitions on thatched roofs, were designed largely to prevent fires. When rural workers streamed into the cities following the Industrial Revolution, the construction industry was barely formed. It could hardly keep pace with the demand for housing by the middle and upper classes, nor readily produce units that unskilled workers could afford. New units provided for low-skilled workers became instant slums, even by the low standards of the day.

The result was, quite naturally, massive overcrowding and truly wretched living conditions among the urban poor. Europe and the United States alike experienced urban epidemics of cholera, typhus, and yellow fever. (During much of the century, these were erroneously believed to emanate from vapors rising from dampness or putrid matter—the *miasma* theory of disease). Not only could these diseases spread to the well-to-do through normal urban interaction, civic elites worried that a moral decline of the lower classes brought about by their low "quality of life" as well as their version of "substance abuse"—drunkenness—would begin to pervade much of "respectable society." They also fretted about a loss of worker productivity in the factories, a stirring of political discontent and clamor for socialist reforms in the slums, and, on the Continent, the

physical incapacity of men to serve in the army.

A housing and health "crisis" was at hand. Out of this crisis grew reforms. Chief among these was the state's right to enter private premises to conduct building inspections, to mandate corrections in living conditions, and to regulate new construction—all in the name of the health,

safety, and welfare of the public.

It was a sea-change in the boundary line between private property rights and the powers of the state. Subsequently, subdivision regulations, building codes, and zoning ordinances expanded the powers of governments to scrutinize and supervise housing development. (Surprisingly, given its "unplanned" reputation, Los Angeles, in 1909, became the first city in the United States to adopt districting—the forerunner of zoning.)

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H A U S E D HOUSING

BY WILLIAM L. BAER

tions in housing did not cure the housing problem, however. Housing improvement over the last 100 years is more likely the result of: (1) basic changes in plumbing and waste disposal and in public inoculations and medical treatment and (2) rising economic prosperity that has allowed the poor to rent or purchase higher-quality housing. The regulations undoubtedly did *some* good—but less than has been claimed for them.

LOS ANGELES, THE WESTERN WORLD'S preeminent urban recipient of immigrants, today faces an influx the likes of which has not been seen in the United States since the wave of immigrants that hit Ellis Island and the East Coast at the turn of the century. Like the major cities of 100 years ago, the Los Angeles region has been unable to keep up with demand for housing. But there are differences, too.

Unlike cities of a century ago, we have a well-developed construction industry. It can produce housing in large quantities—if allowed to do so. That was demonstrated in the 1950s and '60s when the growth rate was just as great, the building regulations less stringent, and the housing crisis, comparatively speaking, nonexistent. To be sure, even those eras could not have quickly housed today's poorest immigrant. But they would have reduced the problem more quickly than we are managing at present.

Nor do middle-class and elite homeowners in Los Angeles today experience the same anxiety about the ill-housed as was



felt 100 years ago. Today's concern is not miasma but smog, not pestilence but traffic congestion, not a threat to the body politic but erosion of property values. Indeed, the primary danger, in the view of middle-class property owners, is not old slums but new construction, particularly in their neighborhoods—new units most apt to be inhabited by people like themselves.

Communities have enacted a host of building and zoning regulations, as well as outright growth controls, to inhibit the very housing construction that would over time help to lower housing costs by expanding supply. The very kind of regulations formulated in another century to *solve* a housing crisis is used today in a way that *exacerbates* one.

THE PROBLEM TODAY, therefore, is not only the problem of housing but the problem of encrusted past reforms threatening the success of future ones. The variety of housing markets and the diversity of government approaches to housing problems provide some hope—but barely. Homeowners and landlords have the power to solve a major portion of the problem, but they are not allowed to do so. The region, despite the vitality inherent in a diverse, sprawling, seemingly unstructured regional economy, is still encumbered by mistakes of the past. These mistakes can be summarized as a misplaced admiration for the big, the uniform, and the centralized.

Following the Depression, and then World War II, many cities in Southern California dutifully adopted large-scale government approaches to housing. Redevelopment and construction of public housing were intended to tear down slums faster than code enforcement could and to make government responsible for supplying the replacement housing—often, but not always, aimed at the poor.

The whole approach was in part premised on economies of

scale. Presumably, large housing organizations should be able to produce affordable housing less expensively than private, but smaller, builders. They could spread their fixed costs over many more units; strike better deals with suppliers, labor, and lenders; deal more effectively with city hall; and in general develop the expertise to provide housing for the poor.

Yet the two largest housing-oriented agencies in Los Angeles are in trouble. Their very size has made them unwieldy and their successes and failures difficult to monitor. For instance, the public Housing Authority of the City of Los Angeles, with a \$135-million annual budget (and beholden to the whims of Congress for its funds) is in perpetual turmoil as it attempts to manage its far-flung holdings of 35,000 units with diverse occupants of different ethnicities. Tenants persistently complain that their special needs are ignored. Even the authority's attempt to sell off about 700 units in the Jordan Downs project—government-owned but nevertheless dilapidated—to privatize the project's management seems to be foundering from Housing Authority management problems.

The other major actor in affordable housing is the Los Angeles Community Redevelopment Agency (CRA)—at the moment, the only major developer of low-cost housing in town. Its large size and intricate tax-increment financing make its workings difficult to penetrate. Mayor Tom Bradley has proposed that the CRA use another \$2 billion from tax increments to provide affordable housing over the next 20 years. But a county watchdog group, according to the *Los Angeles Times*, found that the CRA has "repeatedly produced misleading and inaccurate data when reporting its affordable housing record to city and state officials." Once again, "bigness" cannot necessarily be equated with "goodness," no matter how noble the original intent.

By contrast, the region's 75-plus nonprofit housing developers have sparked a wave of interest. These smaller, decentralized providers of affordable housing are inherently diverse, tapping different sources of funds and expertise and tending to develop smaller and more-manageable projects, averaging 25 to 100 units a year. In total they build about 2,000 units annually in the region, with the prospect that this will grow to about 10,000 within five years. Because of their very diversity, they are better attuned than a large agency to the various niches of clientele. Each does not have to be all things to all the needy. They tailor their housing to special groups of needy and are able to provide close supervision of their projects.

Andy Raubeson, executive director of the Single Room Occupancy Housing Corp., even worries that his group's growing

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success in developing projects will render him unable to personally inspect all 1,000-plus units four times a year. This kind of close involvement is essential to successfully housing low-income tenants. No staff memos can provide such direct communication of tenants' problems to top executives so that tenants can be confident that their concerns are getting through. Gaining tenant confidence is a primary way of keeping maintenance costs down; satisfied tenants take good care of their units. Large-scale, centralized housing empires cannot assure this close attention.

California's state government has also contributed to a decentralized approach to regional housing problems. In its strong observance of "home rule" and local control, it has devised a system of coordinating local efforts without a central fiat. (A key purpose was to encourage local governments to relax their building regulations so as to lower housing costs.) In 1980 the state mandated that local governments devise a housing element as part of their general plans. The process assumes that local estimates of housing needs must sum to a regional total, and the regional totals must sum to the state's. Yet there is provision for local governments' estimates to supersede regional estimates of local need. Although cities' responses to this requirement run the gamut from whole-hearted support to ill-disguised resistance, the political process is accommodating these disparities as it moves toward decentralized, regional coordination of housing.

THESE "OFFICIAL" OR "RECOGNIZED" WAYS to alleviate L.A.'s housing crunch are not sufficient. Community leaders should be paying more attention to a largely overlooked means—the "shadow market." It annually produces about *twice as many* lower-cost rentals as new construction, even after counting subsidized units. The shadow market is the work—unplanned by housing officials—of literally thousands of homeowners and landlords subdividing large, existing units into several smaller ones; converting old offices, stores, and even unused schools into housing; and carving apartments out of existing houses. All of these are sources of affordable housing. The costs of this "non-new construction" is lower than new construction because the land is already paid or being paid for and the neighborhood infrastructure (public improvements and facilities) is already in place. Combined, these factors can knock 25 to 35 percent off the price.

Some equate the shadow market with illegal or substandard housing "bootlegged" without a building permit. But unless local regulations prohibit such creative use of space, shadow-market housing need not be illegal or substandard, and it has

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an important role to play in meeting the housing needs of the elderly, students, and single-parent households.

"Granny flats" and accessory apartments offer another backyard source of low-cost, unsubsidized housing that small homeowners and landlords can produce. Yet here too regulations unduly fetter their initiative. Middle- and upper-income people, afraid of what such units might do to property values, demand regulations. Although the state has mandated that each city allow for such units, most local governments have responded with deliberately onerous restrictions to discourage their production. One popular means to is to prohibit tandem (single-file) parking. To meet requirements for additional off-street parking, building owners have to build side-by-side slots, which take significantly more space and expense.

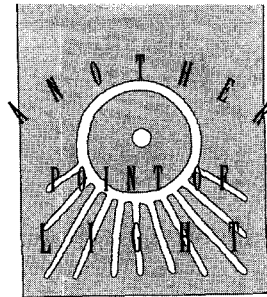
This is just one instance of the larger problem presented by building codes. Nominally established to protect the health, safety, and welfare of occupants, they too often do the reverse. For instance, in the city of Los Angeles there are about 50,000 unreinforced brick structures that do not meet current earthquake safety requirements. The city has set a deadline for these units to be brought up to code or torn down. Yet these old units are an important source of low-income housing. Renovation requires rent increases; tearing them down removes them from the stock. Either way the poor are harmed in the very name of protecting them. The city council recognizes the dilemma and is searching for ways to provide rehabilitation assistance to keep the stock and hold rents down, but it is highly unlikely that enough funds will be forthcoming.

Similarly, the city council has decided to punish garage dwellers' landlords. Owners of illegally converted garages will be required to pay \$5,000 relocation expenses to their occupants when the units are discovered and closed down. But the garage owners are the only ones providing shelter for these people. If they don't undertake this "greedy" (yet humanitarian) act, who will? Not the city council, which is hard-pressed to find housing; not the public, which recently failed to pass a bond issue to finance low-income housing.

Which is more harmful to health, safety, and welfare? To be inadequately sheltered or to have no shelter at all? It would seem more reasonable to harness this private and individual initiative, guiding it in constructive ways, than merely to prohibit it. A compromise might be to grant a limited-use permit for, say, 10 years, or until the crisis abates (as it surely will) and with minimum health facilities installed (a portable toilet in the backyard if the garage has no plumbing).

L.A.'s freewheeling, anything-goes days are gone. Instead, the powers that be have passed a host of regulations to "protect" the people. Some hurt, instead. We should be devising ways to encourage private innovative responses to the housing problem rather than uniformly squelching them. We have a half-century of demonstration in Los Angeles that "official," publicly subsidized approaches cannot by themselves do the job. ■

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THE WIZARD OF WATTS

BY CRAIG M. COLLINS

WHILE MOVIES such as *Stand and Deliver* and *Lean on Me* glorify the near miracles that some teachers have been able to perform in inner-city schools, Dolores Sheen of the Sheenway School in Watts accomplishes something every single month that no public school teacher has ever done. She pays the school's electric bill. And the telephone bill, salaries for the school's 13 employees, and all other expenses of a private school for kids from preschool through 12th grade.

It isn't easy. She has about 60 students who are supposed to pay tuition of somewhere between \$225 and \$300 per month. Although the school operates year-round, this wouldn't cover the \$5,000 it costs to meet state regulatory standards, even if all the students paid it. They don't. Aunt Dolores, as the kids call her, is a full-bodied black woman with blondish hair and an indefatigable smile. She speaks as crisply as a typewriter and resignedly says, "We give a lot of scholarships."

Her father, a family physician, founded the school in 1971 to give children the heart, brains, and courage to escape their riot-torn ghetto. His financial legacy, and a handful of private donors including celebrities such as Lionel Richie and Harold Ramis, keep the school in business. Barely. Still, the school takes no state or federal funds. "If you get these grants," says Sheen, "you're indebted to the people who give them."

Local business people contribute whatever they can—one gave two arcade video games, another loaned a full-grown hog for stud purposes when the school had a pig named Petunia. Sadly, Petunia died of fright on her wedding night because, says Sheen, "She never saw a man before." (At her wake, Petunia was roasted luau-style and served to the students—"even the Muslims"—who loved it.)

Sheen's independence gives her the freedom to create an environment unlike anything you would find in a typical public school. The pig is survived by a menagerie of small animals, including pigeons, chickens, rabbits, gerbils, geese, and a snake that has slipped out of its aquarium and is living somewhere in one of the school buildings, sixth-grader Tanisha explains, "in hibernation." The premises are guarded by Barney, a dog of uncertain parentage who stands as high as a pony—an easy comparison to make, since the school does own a pony named Apache.

Sheen hopes that taking care of the animals will teach these city kids responsibility. She wants to expose them to all kinds of new stimuli, to expand the horizons of their very limited urban lives. The students grow vegetables in a small garden across the street. One second-grader who was asked to help pull weeds quite innocently responded, "Pull weeds? You supposed to *smoke* weed."

She tries to teach kids what they need to know to survive in the ghetto—karate class is mandatory—and also what they need to know so they won't have to. In addition to learning the three Rs and computer skills, Sheenway kids learn about culture. They all take dance class and a Shakespeare course taught by actress Jenny Agutter.

"From Purim to Chinese New Year,"

Sheen explains, "we celebrate all cultures.

We have seder at Passover. We've had a priest come in and say Mass." All students learn a foreign language, beginning in grammar school. Now it's French. It can be Japanese or something else depending on which teachers the school can get. Sheenway also offers English as a Second Language for Hispanic adults.

For the children, however, some of whom have spent their entire lives speaking only ghetto vernacular, proper English is a second language. Meisha, a soft-spoken 13-year-old, politely introduces herself to guests and explains, "I was the one you seen earlier." Sheen, about five feet away and on the telephone, stops her conversation to correct her. "Saw earlier. I was the one you *saw* earlier." But later, in a characteristic moment of boasting about her kids, Sheen slips: "These kids wouldn't steal for nothing in the world. *Anything*. Excuse me. I have to talk both ways."

Her energy seems limitless when she talks about her students. She still wears a neck brace, however, from a spinal injury suffered in a car accident in January. Her right arm is partially paralyzed. She has begun to think about what would happen to the school if she entered the hospital. She wonders who would do the cooking, cleaning, teaching, and other jobs that she now does and that she could not afford to hire someone else to do.

A number of parents, such as Mary Gray, are scared about having to send their kids elsewhere. Gray jerked her daughter Monique out of a nearby Catholic school after some students there beat her face bloody. Parents have begun to organize candy sales and fish fries to raise badly needed money.

The school's fate is uncertain, but Sheen's optimism is not. She believes that she is accomplishing her goal. She's reaching the kids. She's making them feel like students, not education-system conscripts. Shortly after the school was founded, she recounts, the fire bell rang. Everyone poured out into the street. The kids gathered around her. "Everything was a clanging and a ringing," she remembers. "And they said—these big tough gang kids—they said, 'Our dog okay? Our horse okay?' Using the word *our*. Ownership. And I said, 'We're in.'"

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