

Metropolis

City Councils Are Villains of the Housing Crisis

Their members have too much power over what gets built—or, more often, what doesn’t.

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On Tuesday, Rep. Alexandria Ocasio-Cortez released a test for New York City Council candidates seeking her endorsement in this year’s elections. She calls the project, run through her political action committee, a “certification of sorts”—a checklist of progressive bona fides that multiple candidates in a given race could fulfill.

One question asks about the longstanding New York City custom known as “member deference,” in which the city council votes on the approval of, say, a big new affordable housing project according to the wishes of the council member in whose district it sits. “Will you vote in favor of zoning changes to include mixed-income housing developments in an affluent neighborhood if the local council member was opposed?” the questionnaire asks. In other words: Are you for member deference, or for doing something about New York’s housing crunch?

It’s not just her. On Wednesday, from the opposite side of the Democratic spectrum, mayoral candidate Andrew Yang said he would also support a policy of eliminating member deference.

It feels like a bit of momentum behind the idea that, when it comes to approving new buildings, local control has not produced a more just and equitable city. “I won’t mess with your district if you don’t mess with mine” has long been the preferred policy of politicians from rich and poor neighborhoods alike in many of the nation’s largest cities. But its effect has been to restrict the creation of new housing, foster corruption, and entrench boundaries of race and class.

Theoretically, members of big-city governing bodies only have a say over big changes such as neighborhood upzonings—that is, when builders are allowed to construct taller, denser structures than before. In reality, however, thanks to outdated zoning codes and other city-run approvals, each local representative exerts a great degree of power over even minute changes to the cityscape.

Consider Chicago, where Mayor Lori Lightfoot ran for office on ending this practice, known there as “aldermanic privilege.” Under the Chicago system, even insubstantial changes to buildings and lots require groveling before each ward’s leader, perpetuating the city’s infamous culture of bribery and self-dealing that has sent dozens of Chicago aldermen to prison over the years. The most recent indictment was of South Side power broker Ed Burke, who is facing extortion charges over—are you ready for this?—*the remodeling of a Burger King drive-thru.*

The more important problem in Chicago, according to a study by the Chicago Area Fair Housing Alliance: The city lets aldermen decide where affordable housing goes, and as a result, lets them maintain rigid racial boundaries. Nothing about that will change, the report concludes, “unless and

until the structural barriers imposed by aldermanic prerogative are dismantled.” This deferral to local pols was infamously deployed to maintain segregation in Chicago during the era of public housing construction, but it continues in force today.

Aldermanic control, the CFHA study outlines, has shrunk the available land for apartment development to just 20 percent of the city. Three-quarters of that land is outside majority-white wards; 98 percent of new, affordable multifamily housing is built there. One-quarter of that land is in majority-white wards; 2 percent of new, affordable multifamily housing is built there.

One Chicago power broker is facing extortion charges over the remodeling of a Burger King drive-thru.

A version of this “privilege” policy also exists in Los Angeles, where a San Fernando Valley council member appears to be backtracking on a 55-unit homeless housing project approved for his district—the only project there from the city’s \$1.2 billion affordable housing bond measure. Other districts have given the green light for hundreds and hundreds of units; this stretch of the Northwestern Valley has only that one proposed building, permitted but now under reconsideration.

And it exists in Philadelphia, where a Pew study of one six-year period found that not only did the 10-member city council not once overrule member prerogative, the vote was unanimous on 726 of 730 occasions.

Why does this system yield bad results? It’s not rocket science. New housing, subsidized or otherwise, may help alleviate citywide problems with homelessness, overcrowding, affordability, and a dwindling tax base. But it may exacerbate neighborhood-level problems such as traffic, classroom size, and a shortage of parking. By devolving decision-making to individual neighborhoods, cities have internally recreated the fragmented, selfish governance pattern that characterizes their suburbs.

For an example of what happens when a politician tries to take on the issue, look no further than Chicago’s Mayor Lightfoot. She stripped aldermen of control of licensing and permitting within hours of taking office. But then she put the fight over aldermanic privilege on hold. A fellow reformer on the city council, Scott Waguespeck, gave a simple reason for why she did so: She would lose the vote.

That is the core of the problem. In most cities, this policy of neighborhood rights dates back decades, and its philosophical underpinning lies in the mid-century urban-renewal era. Black leaders seized an opportunity to take control, protecting their districts after the devastation of highway projects and other environmental hazards. White neighborhoods feared racial integration in the form of public housing from liberal planners like the Chicago Housing Authority’s Elizabeth Wood.

Today’s urban planners could hardly be more toothless by comparison, yet in all these cities, few politicians have tried to dismantle a system that, as the Chicago fair housing study shows, traded the possibility of citywide desegregation for the assurance of neighborhood control.

These days, it's hard to know who earnestly believes this feudal system does good because local control is important and who simply wants to maintain extractive interests in every new project. This latter goal kind of makes sense, by the way: It's hard for cities to raise money to address their many social problems, and it's complicated to duke it out at city meetings for a share of the pie. Pay-to-play policies for new construction can directly funnel millions of dollars into new local assets such as community centers, if that's what a council member or an alderman wants.

Still, the drawbacks of local deference on housing outweigh the benefits. In California, advocates have mostly given up on swaying city politicians. Instead, cutting-edge legislation happens mostly in the statehouse, and consists of more liberal state politicians pre-empting their local peers. One example is the state's new policy giving blanket permission for accessory dwellings units, also known as granny flats or backyard cottages. That set of laws overruled hundreds of city prohibitions, and paved the way for an explosion in small-scale infill housing in cities like Los Angeles. (A similar strategy may be afoot in Illinois.)

In New York City, meanwhile, don't let the AOC-Andrew Yang alignment convince you that politicians are ready to end this practice. On the contrary: The New York City Council is preparing to give members just such veto power over the construction of hotels. Hotel builders say it will all but end new hotel construction just as tourism is getting back on its feet, pushing thousands of tourists into Airbnbs that eat up the city's housing stock and discouraging budget visitors. Three years ago, such a policy was introduced in some city neighborhoods including Tribeca and Long Island City. The result? No new hotels.

The stultifying effect on housing growth is similar, and its consequences are increasingly extreme. No politician wants to unilaterally disarm their district. Still, with rumblings of dissent from AOC to newly elected Los Angeles councilwoman Nithya Raman, from Mayor Lori Lightfoot to candidate Andrew Yang, there's reason to hope that council members' privilege might finally be checked.