

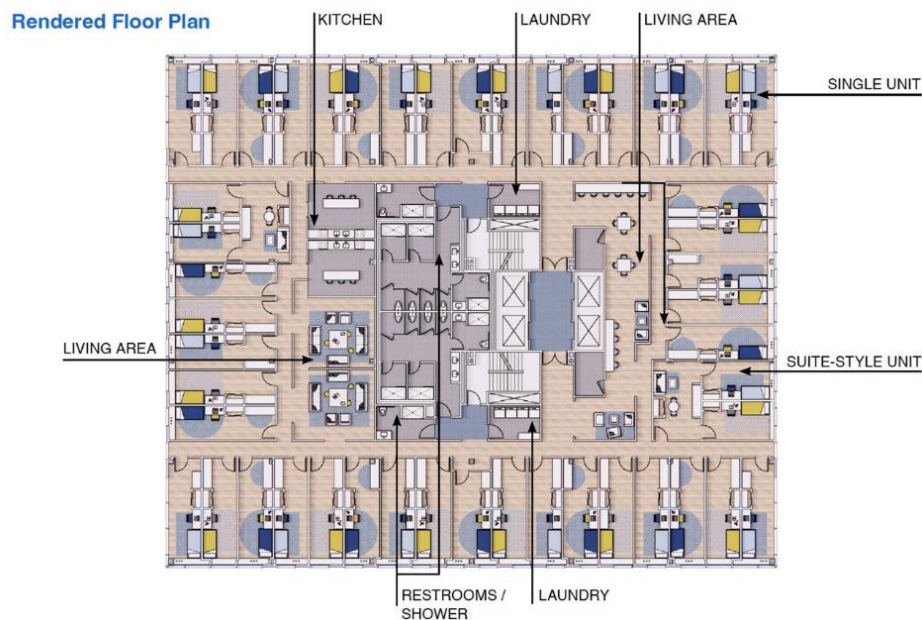
## A Possible Source of New Housing in Los Angeles

By: Alex Horowitz, The Pew Charitable Trusts' Housing Policy Initiative.

The recent loss of homes in Los Angeles from the tragic wildfires has added to L.A.'s severe housing shortage, which had already caused rents and homelessness to soar. As the city begins to recover, more housing is the long-term solution. One effective strategy is converting abundant vacant office buildings into co-living spaces with low-cost micro-apartments—small, private apartments that share laundry, kitchen, living, and bathroom spaces. These are essentially upscale college dorms.

In the wake of the pandemic, office vacancies have exploded nationwide—and even more so in Los Angeles, where the vacancy rate has reached 28%. Meanwhile, median rents in L.A. are nearly \$2,100 a month and are expected to rise. To address both issues, The Pew Charitable Trusts and the global architectural firm [Gensler](#) researched designs for [creating micro-apartments](#) in several cities, including L.A.

*Two renderings from Gensler show how a micro-apartment could be arranged (above); and a cutaway view of how several units could fit on a single floor of an office building (below).*



Here are some of the benefits of this innovative approach to the housing shortage:

**They're fast:** Office conversions can bring additional housing online quickly, taking about half the time of new apartment buildings because there's no need to tear down a building and replace it from the ground up. Using the existing shell saves time and prevents air pollution and other environmental damage that can result from demolishing a large building.

**They're low-cost:** Keeping the plumbing in the center of each floor for common use rather than extending it to each unit cuts construction costs. Today, California and the city spend billions of dollars subsidizing low-cost housing. But the same subsidy that L.A. currently needs for one new studio apartment could support three micro-apartments in a conversion—or about \$120,000 per unit instead of \$380,000.

**They're affordable:** Rent for a converted micro-apartment in L.A. is estimated to be \$1,000 per month, including furniture and utilities—less than half the city's median rent.

**They're energy-efficient:** Multifamily housing uses less energy and water than single-family housing, and small units use even less energy than conventional apartments.

**They won't require regulatory changes:** L.A.'s forward-thinking adaptive reuse ordinance means no regulatory changes are needed for these conversions.

**They're fire-safe:** Downtown office buildings are in areas at low risk for wildfires. The buildings themselves already have sprinkler systems (or they would be added for older buildings) and are made of noncombustible materials such as steel and concrete.

**They put people closer to jobs:** Many low- and moderate-income residents now have long, costly commutes to work because there's no housing they can afford near their jobs. Creating housing downtown and near colleges and universities allows people to walk, bike, or use public transit for shorter rides, cutting costs, emissions, and traffic.

**They can serve many populations:** Micro-apartment renters could include students, senior citizens, low-wage workers, new arrivals to the city, and those who need short-term leases. Adding a new, low-cost rung on the housing ladder could also help shrink the number of people who become homeless. The projected rents would be affordable to people earning roughly \$40,000 per year.

**They can help revitalize downtown areas:** Many downtown areas have languished since the pandemic. Having new tenants who live in former office towers 24/7 will help businesses with potential customers and employees nearby and will boost foot traffic.

People living in one-room apartments with shared common space is not new. Decades ago, American cities had single-room occupancy (SRO) housing, with shared bathrooms and very low rents. In 1950s New York, these units made up 10% of the rental housing stock, serving primarily low-income medium- and long-term tenants. Homelessness was so rare that no one

even kept statistics on it. But once zoning and building codes began to restrict SROs in the 1970s, tenants often couldn't find better—or any—housing, leading to large numbers of Angelenos and other Americans living on the streets.

The proposed new micro-apartments would be a far cry from L.A.'s skid row, around 190 to 200 square feet—a little bigger than a cruise ship cabin or a large single-room college dorm, with plenty of natural light from external windows, a private fridge and microwave, a workspace, and a closet—in buildings with top-of-the-line fire and earthquake safety features, 24-hour security, and daily cleaning of common areas. Tiny apartments are not the answer for every situation; they wouldn't suit big families with children. But 66% of Los Angeles renter households have one or two people.

Developing micro-units could stretch the billions of dollars spent subsidizing low-cost housing. Getting three times as many homes for the same subsidy dollars that produce just one home today is a solution hiding in plain sight. Developers, property owners, and policymakers can make it a reality.

[Alex Horowitz](#) directs *The Pew Charitable Trusts' housing policy initiative*.