

**Education, population, poverty, tax...getting views on topics like those in Jersey isn't the difficult part – but have you ever noticed how many people sound eminently credible when talking about them, even though they may actually be basing their views on conjecture, false facts and blind guesswork?**

There is a real danger in making the 'facts' fit the opinion, rather than the other way around – which is exactly the point at which someone with an eye on the latest buzzwords will smugly insert the phrase 'post-truth' into the conversation, imagining its actually helpful.

So, we've asked the Jersey Policy Forum to add some robust material to those crucial local debates – the point is not to provoke agreement or acquiescence; it is to provide reliable material on which others can build their views.



Edited by Gailina Liew, Executive Director, Jersey Policy Forum

## The US West Coast and Jersey: shared housing problem, shared partial solution?

**The wonder of living on an island with ubiquitous high-speed broadband is the ability to quickly scan the internet for interesting reading material from around the world. Yesterday was one such day.**

The on-going and broad policy debate in Jersey about the future sustainable economy, and growth - both in economic and population terms - quickly leads to consideration of the more tangible impacts on our quality of life, and the environmental impact of growth on this lovely island.

Independent of the population policy debate in Jersey, recent public discussions around housing and rent controls highlighted the need for some creative and joined-up thinking around housing options to meet the current and future needs of island residents.

That is where the morning scan of internet articles produced a thoughtful piece by Matthew Okazaki in The Bold Italic, an online New Journalism culture magazine based in San Francisco. Mr Okazaki's article was titled: An Overlooked Solution to the Affordable Housing Crisis: Hotels.



Commenting on the extreme housing crisis facing the San Francisco Bay area and other cities across the United States, Okazaki put some interesting facts before his readers. Rising construction costs, and a widening gap between income and home prices was putting single-family home ownership beyond reach for many. He questioned whether the post-war emphasis on single-family homes and systematic assault on communal living, including use of hotels for longer-term housing needs remain appropriate, given the new economic reality for individuals and families, and alternative ways of living and lifestyles.

The Joint Centre for Housing Studies at

Harvard University publishes the annual State of the Nation's Housing and its 2018 report<sup>1</sup> is the source for much of Okazaki's generic facts regarding housing pressures in the US. The startling issues it highlights include:

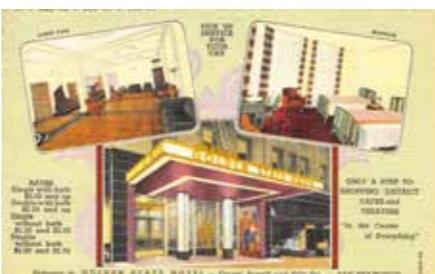
- home ownership rates of young adults are lower than when the first report was done in 1988;
- the share of cost-burdened renters is significantly higher, with almost half of all renters paying more than 30% of their income for housing, and lower income households paying over 50% of their income for housing;
- national median rent rose 20% faster than overall inflation between 1990 and 2016 and the median home price rose 41% faster; and,
- higher cost for building materials and labour, limited productivity gains, increased land costs, new regulatory barriers, and growing income inequality all were identified as having played major roles as well.

<sup>1</sup><https://www.jchs.harvard.edu/state-nations-housing-2018>

## THINK-TANK



Many of these same issues were prominent in the briefing material prepared by the Jersey Policy Forum for the recent debates in the States of Jersey on housing issues.<sup>2</sup>



Given the housing pressures identified in the Harvard report, and the acute situation in San Francisco, Okazaki points to hotels as an untapped resource which might serve as a partial solution. He says:

"It's estimated that between one-third and one-half of urban residents in the 19th century tried hotel life at some point in their lives. In 20th century San Francisco, approximately one hotel room existed for every 10 people, and at least half of those rooms were used as permanent residences, meaning they were occupied by the same tenant for at least 30 days." He also added: "...until 1960, the majority of [hotels] offered rooms by the month as well." Calls to the two Government of Jersey

<sup>2</sup><https://www.jerseypolicyforum.org/static/files/JPF%20E-Petition%20Briefing%20Pack.pdf>

<sup>3</sup><https://www.gov.je/Home/RentingBuying/HousingLaws/Pages/NonQualifiedHousing.aspx#anchor-1>

offices responsible for housing and tourism both yielded very pleasant conversations with responsive and well-meaning officers, but gave no clarity, and generated referrals to the other office. Both acknowledged the ambiguity of the wording regarding the permissible use of hotels for longer-term housing needs.

Okazaki's thesis that hotels are a potential partial solution would seem to resonate with some similar challenges facing Jersey. This raises a few questions, as is usual for this monthly column.

Does Jersey collect the information that could fuel a similar assessment of the potential utility of hotels as a partial housing solution?

Is it clear what the current Government of Jersey policy is regarding the ability to live in hotels for continuous periods of time (e.g., a year or more)?

Are there some hotel properties in Jersey that cannot fill themselves with tourists year-round, or even seasonally to an extent that keeps them economically viable? Would their permitted use for short-term and longer-term housing needs, rather than demolition for new housing or conversion to privately-owned flats make sense?

Are the needs of some short-term workers in Jersey, seasonal workers, longer-term workers, and seniors sufficiently similar that they might all be potentially addressable by such alternative housing options?

If we can fill a hotel bed for a night, what has more enduring value to Jersey's economy: a visiting tourist occupying a hotel room, or a registered resident performing a local job and paying taxes? Does the answer depend upon the income associated with the job being performed by the registered resident, and whether they have dependents making use of public services? It might be presumed that it does.

What, if any, are the implications for the provision of public housing given the reported shortfall of available units?

With the growing awareness of climate change and local environmental issues, are there significant and measurable environmental benefits to embracing such alternative approaches to housing which revolve around smaller footprints and shared infrastructure, amenities and services? Should this be an express consideration in public policy around housing for Jersey?