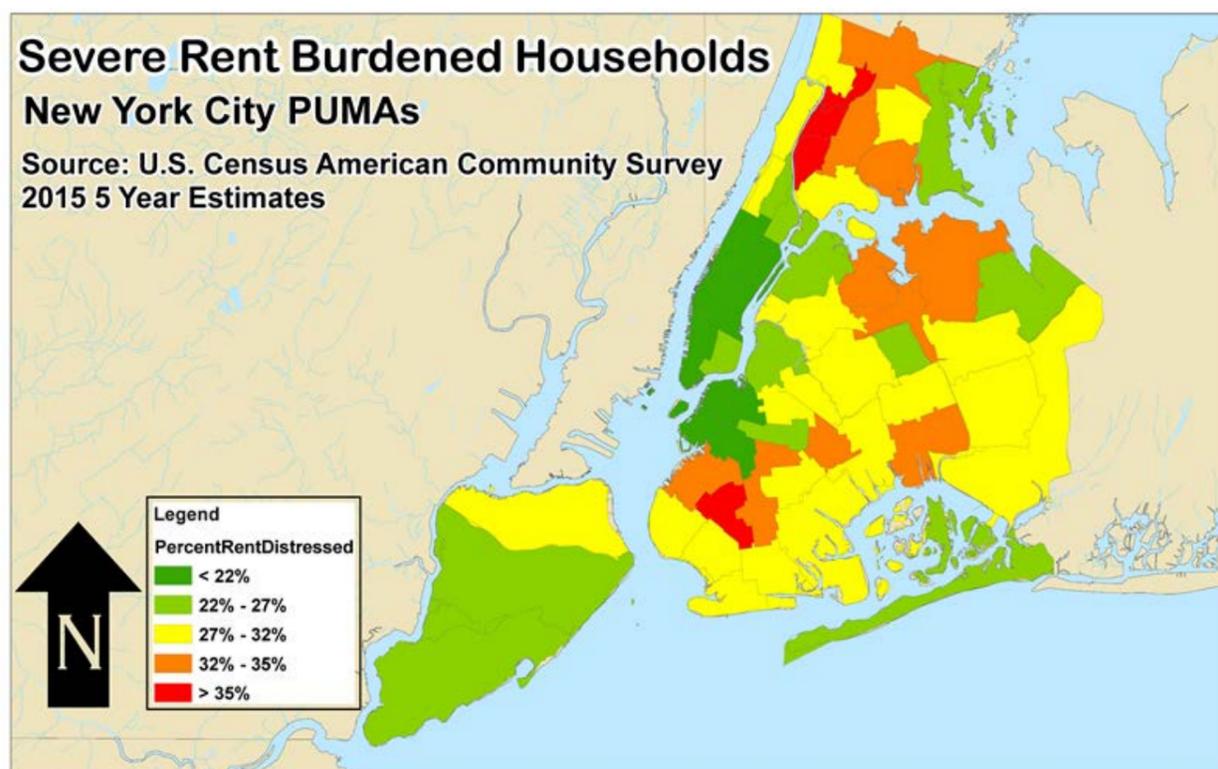


Mayor Bill de Blasio recently [released a plan](#) for tackling the [rise in homelessness](#) in New York City, mentioned in our [post last week](#). The plan describes how the City will deal with homelessness over the next five years. Both in the report and during the press conference, the mayor stressed a borough-by-borough, neighborhood-by-neighborhood strategy to address homeless housing. On its face it is a pragmatic approach. However, the plan doesn't seem to acknowledge the full scope of the homeless crisis, and the dearth of specifics on location of shelters, and the rental status and [quality of transitional sites](#) has prompted some groups and politicians to raise concerns. While the City's shift in approach may manage to reset expectations and encourage communities to shoulder their fair share of shelter housing, it glosses over the high concentration of homeless housing in low-income communities, especially in the northwest Bronx.

Traditionally, homelessness has been considered through the lens of a group we now define as chronically homeless: individuals with an illness or disability who have had multiple encounters with the shelter system. Over the last few decades, the composition of the homeless population has transformed into families, children, and other vulnerable populations such as the working poor. The economic and social trends that contributed to these conditions exist [nationwide](#) and are especially acute in the Bronx.



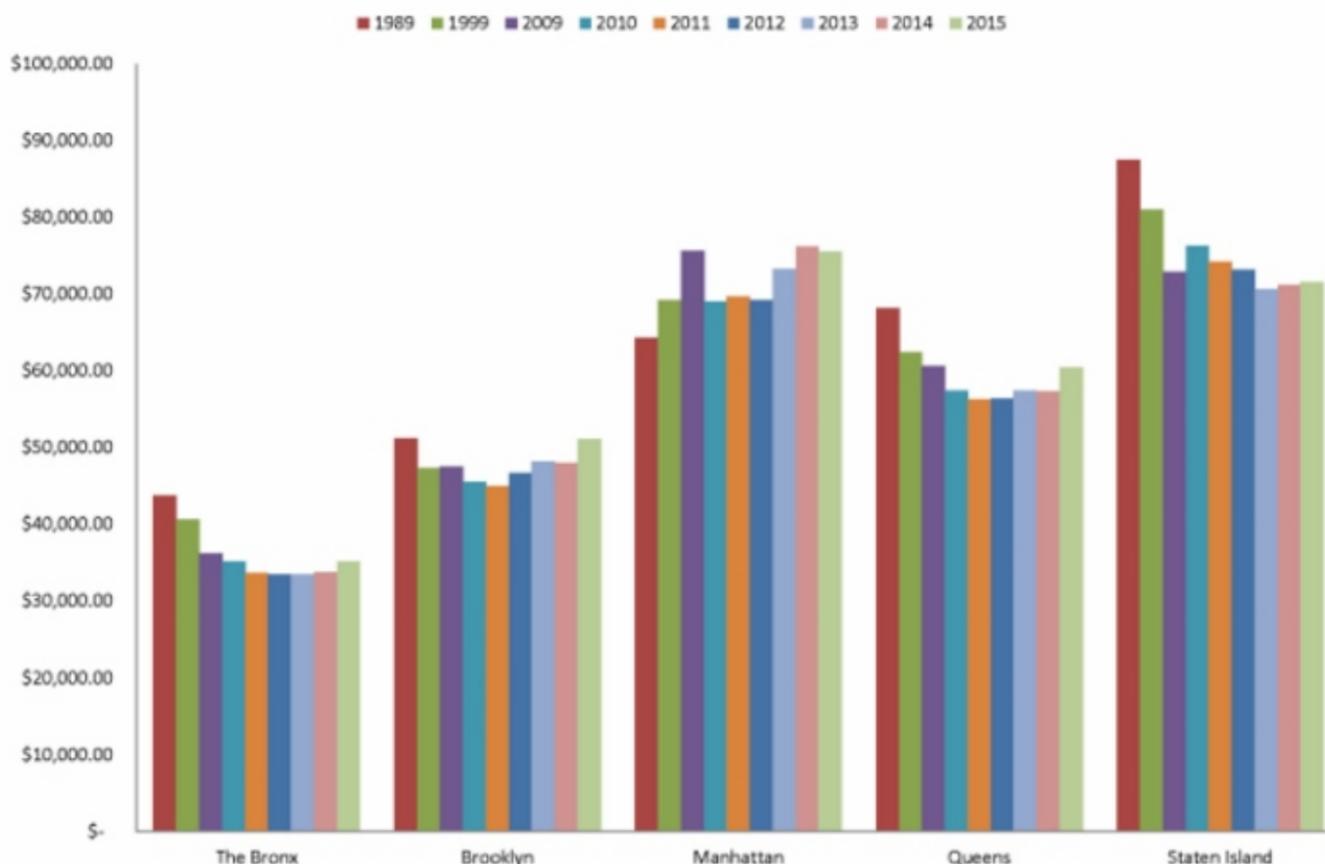
According to a recent [Regional Plan Association \(RPA\) report](#), 70 percent of Bronxites are vulnerable to displacement. Housing policies, wage stagnation and a thriving real estate market have contributed to scarcity of affordable housing and displacement throughout the city. The percentage of units available for low- to moderate-income households is shrinking. Between 2002 and 2011, the amount of units affordable to families earning a maximum of \$36,850 declined by 14 percent. Moreover, in that same period families that earned between \$36,850 and \$58,950 saw the sharpest decrease in the percentage of units they could afford to rent.



This map shows the percentage of households paying 50% or more of household income towards rent. The Bronx has the highest percentage of severely rent burdened households in NYC.

## Median Household Income by Borough in 2015 Dollars

Source: US Census



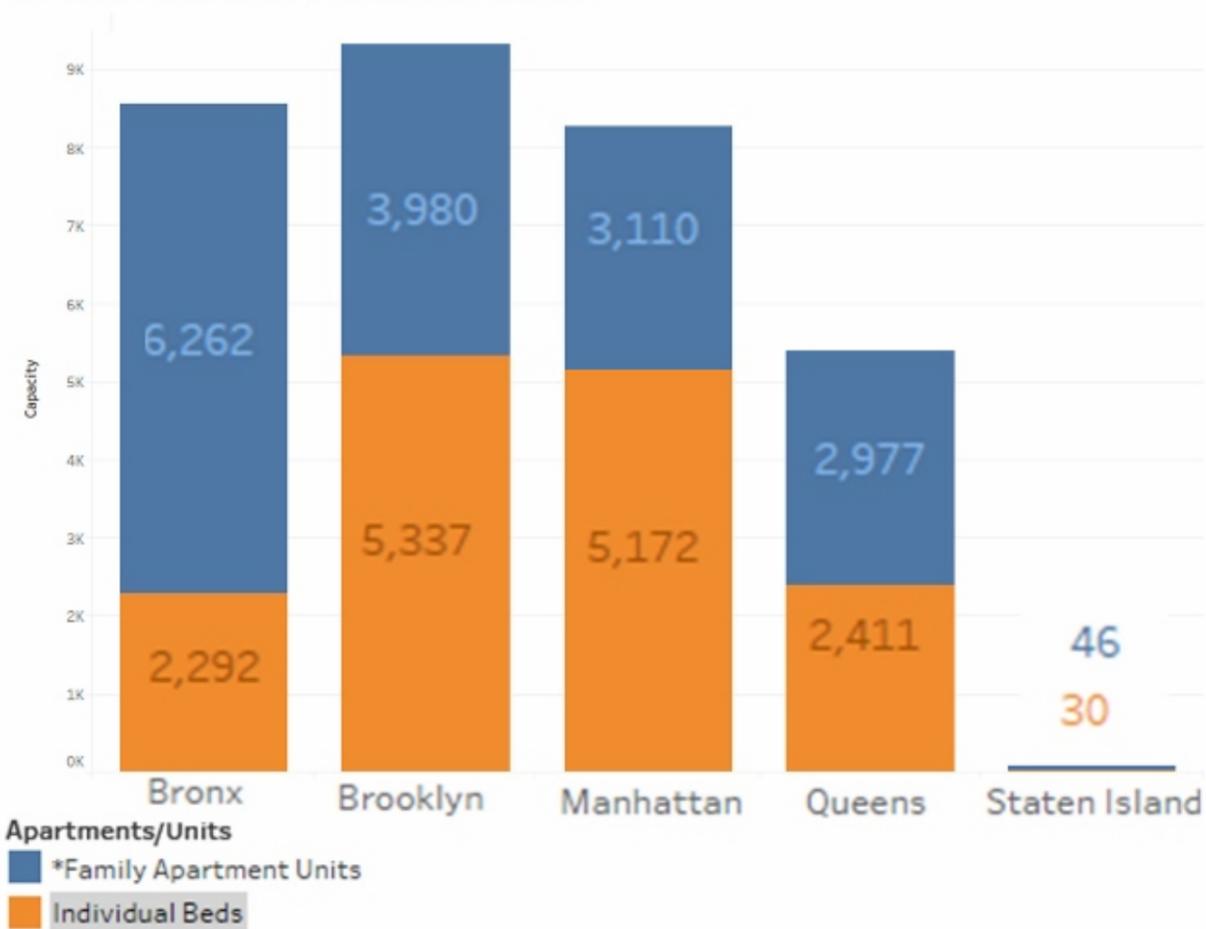
This bar graph uses the 5 year American Community Survey estimates for median household income adjusted for inflation. The Bronx remains the lowest income borough in NYC.

When adjusted for inflation, incomes in the Bronx remain the lowest in the city. In fact, according to the American Community Survey, between 1989 and 2015, incomes in the borough have declined by 20 percent. In 2015, the poverty threshold for a family of two adults and two children was \$24,036. Despite having over 92 percent of the Bronx workforce employed in 2015, over 430,000 residents, or nearly 30 percent, lived below the Federal poverty line. Over one third of all households in the Bronx are severely rent burdened (pay in excess of 50 percent of income toward rent). Coupled with downward trends in income, people in our borough are struggling to make ends meet and this gap has resulted in doubling up, eviction, and loss of housing. At the end of 2016 there were over 62,000 homeless people in NYC, including almost 16,000 families. [Research suggests](#) the lack of availability of affordable housing is the main contributor to housing loss among families.

The dramatic rise of homelessness and the [Right to Shelter](#) mandate, which requires the City to provide lodging, has forced the City to adopt reactive policies in an effort to shelter as many people as possible. One of these policies is the cluster site initiative, which uses privately owned apartment buildings to temporarily house homeless families. There is a lack of transparency around the establishment of cluster sites. In some cases, the selection of these properties is prompted by the building owner, not subject to the public eye, and [comes as a surprise to the existing rent-paying tenants](#). The City pays above market prices for the cluster site apartments to cover the cost of rent and some level of services for the homeless families; [in a Bronx building recently cited in press reports](#), the City paid approximately \$3,500 per month for the apartment. According to official City statistics, over 78 percent of all cluster sites are in the Bronx. In a borough where median rent for a two-bedroom rental apartment is \$1,300 (RGB tabulation of [2014 NYC Housing and Vacancy Survey](#)) the program incentivizes Bronx landlords to place homeless families over other low-income families, thereby promoting and possibly perpetuating displacement of existing tenants. Furthermore, this program puts affordable housing units in jeopardy as the City artificially drives rent up in the Bronx. The use of private rental units as shelter may effectively push these cluster units out of rent stabilization. When units are taken offline, this reduces the pool of affordable housing and drives up prices for everyone, worsening the affordability crisis.

47 percent of all shelter facilities, which includes cluster sites, hotels, Tier II shelters and stand-alone shelters, are in the Bronx. Considering both Manhattan and Brooklyn have more housing stock than the Bronx, proportionally the borough has more than its fair share of homeless housing. Using Department of Homeless Services (DHS) data, it may seem, at first glance, the Bronx only houses about 8,500 people.

DHS Scorecard Capacity (Units & Beds)



UNHP created this bar graph using the DHS 2017 scorecard data to separate family shelters and non-family shelters. Once separated, we aggregated each by family apartment units and individual beds. The Bronx has almost double the number of family units than any other borough. It is a mistake to confuse the 8500 Bronx capacity number with number of homeless people sheltered in the Bronx.

The data released from the [DHS Scorecard](#) provides a 'capacity' column. This data point is misleading because for 'family shelters' capacity means units and in 'adult shelters' capacity counts beds. DHS uses (actually [misuses](#)) the word capacity, not to count the number of homeless people that can reside in shelter facilities, but rather the number of units for families and the number of beds in shelters that accommodate one person. Assuming that units that house families contain more than one person, the Bronx has more family units and therefore more homeless individuals than any other borough. With the average household size for New York City at 2.68 people per household, UNHP conservatively estimates the Bronx houses roughly 19,000 homeless people: including single individuals, children and their adult parents and adult families (i.e. brother and sister).

Number of Family Units, Number of Beds for Single Homeless Individuals, DHS Reported Totals and UNHP estimates of #Number of Sheltered People by Borough Source: (DHS Scorecard January 2017)						
Apartments/Units	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Grand Total
*Family Apartment Units	6,262	3,980	3,110	2,977	46	16,375
Individual Beds	2,292	5,337	5,172	2,411	30	15,242
DHS Scorecard Total	8,554	9,317	8,282	5,388	76	31,617
**Estimated Sheltered People	19,074	16,003	13,507	10,389	153	59,127

\* Includes children, their adult parents and adult families in apartment units

\*\* Estimate multiplies Family Apartment Units by NYC household average of 2.68 and adds Individual Bed count

Assuming that units that house families contain more than one person, the Bronx has more family units and therefore more homeless individuals than any other borough. With the average household size for New York City at 2.68 people per household, UNHP conservatively estimates the Bronx houses roughly 19,000 homeless people: including single individuals, children and their adult parents and adult families.

The fiscal sustainability and [living conditions](#) of cluster sites have been criticized and under scrutiny for [some time now](#). These properties are notorious for unsafe conditions, vermin, and poor oversight. Mayor de Blasio originally vowed to phase out the cluster properties by 2018. (Bloomberg made a [similar promise](#) in 2003 for the program that preceded the cluster program.) As part of the new plan, the mayor and the DHS have extended the deadline to 2021 to end the cluster site program, and it is unclear what will happen with these buildings and their rent-stabilized, non-cluster tenants. In the absence of clarity, we question what the phase out really means. The City seems to be proposing three modes of transition for cluster sites. All of these options appear to neglect the fact that they may result in the displacement of existing tenants.

- Transition the property to permanent housing via LINC subsidy or another type of rental assistance
- Transition the property to permanent housing with a master lease, where the social service provider serves as the property manager
- Transition the property to a stand-alone shelter

The significant number of existing cluster site buildings in the Bronx has already resulted in affordable rent stabilized apartments being pulled off the market. The plan to terminate the cluster program is welcome, but the date is still four years away. There are many questions that need to be answered as soon as possible. Many of the current cluster buildings have a combination of temporary

cluster site residents and rent stabilized tenants with leases. Both sets of people and the neighborhoods in which the buildings are located need a clear explanation of the plan. Additionally, both sets of tenants deserve a detailed presentation of their rights in each of the options the City has identified for exiting the current cluster program.

Record NYC homelessness is a symptom of the affordability crisis in New York City, and the homeless are not the only victims. Low-income tenants in rent stabilized units around the city, but especially in the Bronx, are impacted. Most affordable housing is located in rent stabilized apartments in privately owned building and protecting the rights of rent stabilized tenants is critical to affordable housing preservation. Rent stabilization requires increased and transparent monitoring of the process by which rents are filed with the State of New York for all tenants, but especially for rent stabilized tenants in cluster site buildings as they are at increased risk of protection violation. Addressing the homelessness issue should not worsen the situation for other low-income people currently struggling to stay in their rent stabilized apartments. These low-income tenants ([the housing insecure](#)) are the 'homeless' referenced in our blog post, [Keep the 'Homeless' at Home](#). Every effort to keep low-income rent stabilized tenants in their neighborhoods, including the creation of new consistent, adequate rent subsidies and stronger monitoring of rental stabilization must be made.

Similarly our Bronx neighborhoods and other low-income communities should not become victims of the city's homeless housing crisis. There is a reason that so many of the cluster site buildings are located in the west Bronx and it has nothing to do with a plan to strategically locate homeless housing. There have been more owners in the Bronx that are willing to participate in the cluster site program because the amount of rent the city can pay for cluster site units has been significantly higher than the market rent. With the highest number of cluster site buildings located in the Bronx and [a move by the City to allow cluster site buildings to convert to shelters](#), there is an increased likelihood that a substantial number of the 90 shelters discussed in the Mayor's plan will be in the Bronx. If this occurs it will both further concentrate poverty in our community and exacerbate the scarcity of affordable housing by taking rent stabilized apartments off the market.