



PICTURE THE HOMELESS

HOMELESS HOUSING & JOBS PLATFORM

www.picturethehomeless.org

The HOUSING & JOBS PLATFORM was written collectively by members of the Housing Campaign at Picture the Homeless.

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INTRODUCTION

Homelessness in New York cannot be separated from housing policy. The city's best hope for reducing and preventing homelessness is a commitment to addressing the skyrocketing rent and general housing shortage that plague New York and drive New Yorkers by the thousands into homelessness each year.

Homelessness has hit record levels in the past five years. An increasing number of New Yorkers live in dangerous or inadequate housing, or on the streets or in the shelters, yet our neighborhoods are still full of empty buildings. They are no longer owned by the city, but city policy must be held accountable. Vacant properties hurt us all because they lower property values, create major health and environmental hazards, drain our inadequate police and fire services, and pull apart the social networks of our neighborhoods.

The Housing Committee at Picture the Homeless has developed a comprehensive housing platform to address the policy and program changes that would need to be enacted to create real housing, on a large scale, for the poorest New Yorkers —while at the same time challenging the underlying causes of the housing crisis, stabilizing communities, and building jobs.

HOMELESS PEOPLE NEED HOUSING, NOT SHELTER.



DEMANDS OF THE HOUSING & JOBS PLATFORM



Considering the gravity of the housing crisis, we need **REAL LEGISLATIVE AND ADMINISTRATIVE CHANGE to stop the practice of landlords warehousing properties for speculative purposes.**

Picture The Homeless makes the following policy recommendations, to significantly reduce and prevent homelessness in NYC based on the premise that housing is a human right, that empty buildings represent a significant stock of housing units currently being kept off the market, and that housing creation is job creation!

- Commitment by the Mayor to stigmatize empty buildings and apartments, not people.
- Declaration of a Housing Emergency by the Mayor and the utilization of innovative solutions.
- Legal recognition by New York City that HOUSING AS A HUMAN RIGHT, and that government must address violations of that right.
- Active lobbying by the City for a redefinition of HUD's affordability guidelines to prioritize families and individuals making \$13,000 a year (the annual income of a full-time minimum-wage worker) and under as extremely low-income for eligibility for affordable housing.
- Implementation of an official annual citywide count of empty buildings and lots, to chart the extent of the problem and the progress we make.
- Establishment of a NYC Homeless Housing Trust Fund to fund building rehabilitation where landlords are unable to fix up their buildings or pay steep fines—modeled after the 350 successful Housing Trust Funds across the United States.
- Creation of an independent Homeless Housing Trust (HHT), including homeless and formerly homeless New Yorkers as stakeholders to oversee implementation and funding of this plan.
- Creation of a Dedicated Revenue Stream to funnel tax-derived money directly into the Homeless Housing Fund.
- Empowerment of NYC Department of Buildings to expand the Building Code (Section [643a-13.0] 26-127) concerning nuisance buildings, to declare specific unoccupied boarded-up buildings nuisances on the grounds that they are detrimental to the life or health of the community at large, including homeless people.
- Empowerment of NYC HPD to levy an annually-increasing fine against non-compliant landlords in an amount equivalent to the current cost of bringing the building online
- Funnel resources from shelter to housing! DHS should develop a mechanism by which shelter residents can opt out of shelter and into housing, with a portion of the money currently being paid by the City to their shelter being transferred into a voucher program, and the balance being paid into the NYC Homeless Housing Trust Fund.
- Amendment of NYC Rent Stabilization guidelines to ensure that when these properties are brought back online, previously-rent-stabilized units, which typically lose their stabilization as a result of their vacancy, will revert to stabilized status.
- Perhaps most importantly, the establishment of extensive private funding streams, including active rallying by the Mayor to raise funds from banks and corporations and other private sources for the NYC Homeless Housing Trust Fund.



HOW DOES JT WORK?

Once we succeed in changing laws so it is illegal for landlords and the city to warehouse empty buildings, how exactly would these properties become housing that benefits all New Yorkers?

- Vacant properties are identified through the city's annual count.
- The HHT targets an individual building and reaches out to the landlord to inform them that unless they show and begin to implement a plan to immediately convert the building into housing, with a 50/50 set-aside for people making *less than \$13,000 annually*, they will be hit with annual tax penalties equivalent to the cost of bringing the building online.
- HPD can mandate a meeting between the landlord/landlord's rep, the HHT, and HPD. Once proceedings begin, the requirement to rehabilitate the building according to a specific timeline carries over, even if the building changes hands.
- In cases where a landlord is not willing to enter into dialogue, or in which the parties do not feel that the landlord is making a good-faith effort to open up the building for housing, the HHT will demand that the Commissioner of the Department of Buildings declare that specific property a nuisance building, on the grounds that the building is detrimental to [the] life or health of homeless people by denying them a home.
- The HHT mandates that the Department of Buildings perform an assessment to determine the cost of making the property habitable.
- In cases where the building has been vacant for 5 or more years and a landlord has not shown plans to develop the building into truly-affordable housing, HPD will be empowered to levy an annual fine in an amount equivalent to the cost of bringing the house on-line.
- The building can then be turned over into the formal control of the HHT, which will work with HPD to solicit RFPs for the creation of homeless MHAs, or for the inclusion of the buildings in existing MHAs, which would then be overseen and advised by the HHT.

THE HOMELESS HOUSING TRUST

The Homeless Housing Trust (HHT) will be an independent administering body made up of homeless and formerly homeless people, representatives of other community-based organizations, tenant leaders, housing developers and advocates, financial institutions, and other stakeholders. The HHT will work with the city to oversee implementation of the Housing & Jobs Platform, and to ensure that housing and jobs generated by the Platform are accessible to the homeless community. Responsibilities of the Homeless Housing Trust (HHT) will include:

- Providing training to homeless New Yorkers in housing development and self-management, including bringing in allies to provide support;
- Working with Community Boards and other community figures around the importance of this project and the ways their support is necessary;
- Approaching landlords and serving as liaison with city agencies
- Reviewing applications for residency in HHJP properties; developing tenant selection process and criteria
- Overseeing implementation: ensuring contractors and stakeholders follow Platform stipulations. Money for contractors would be parceled out, with HHT reviewing the process periodically to ensure that contractors are following our regulations before further funds are given.
- Overseeing spending from the NYC Homeless Housing Trust Fund

HOW MANY ABANDONED BUILDINGS ARE THERE IN N.Y.C.?



The city keeps track of *publicly-owned* vacant property, which accounts for an increasingly small percentage of the total volume of underutilized space. While different city agencies like HPD, DOB, and FDNY keep track of building conditions for different reasons, there is no coordinated effort to keep track of the total number of unoccupied residential buildings and units. One of our goals is to move the city to conduct an *annual, regular, citywide count of vacant buildings and lots*, so that we can have an accurate understanding of the extent of the problem, and so that all target properties can be registered.

HPD's Vacancy Survey says there's only a 2.94% rate of vacant units in residential buildings. So where are all these abandoned buildings?

Two years after a US Census, HPD formulates its Vacancy Survey by sampling 18,000 housing units that were occupied at the time of the census. Unoccupied units are then put into the *vacant* category. The vacancy rate, therefore **only includes vacant units in buildings that were occupied in the census 2 years before**. Uninhabited residential buildings that have been off the market for 5, 10, or 20 years will not show up. This is the case for the vast majority of empty buildings we've surveyed. **The HPD vacancy rate only reveals a small percentage of the total available housing stock.**

Are these buildings owned by the city, or by private landlords?

Under Giuliani, the city began to liquidate its once-extensive holdings of empty buildings and lots through sales and gifts to real estate developers. As a result, only 5% of the 108 boarded-up buildings we surveyed in East Harlem were owned by city agencies. As Picture the Homeless member Richard Corley put it: **These buildings were empty before the city had them, they were empty for all the years they were in the city's hands, and now they're private property and the landlords are still keeping them empty. The city has the responsibility and the power to do something about it.** ”

WE NEED TO KNOW HOW MANY BUILDINGS THERE ARE, SO WE CAN PROVE IT'S A REAL PROBLEM THAT THE CITY NEEDS TO ADDRESS, AND SO THAT WE WILL HAVE A REGISTRY OF TARGET PROPERTIES.

Other cities, including Boston and St. Louis, have undertaken similar counts with a goal of reducing blight and encouraging the development of affordable housing. After a count in those cities, the number of vacant buildings and lots was reduced almost by half. With a citywide count, we will have proof that neglected buildings not only exist in the city, but are a real problem, which will in turn create the political to ensure that real policy solutions, such as those outlined in the Homeless Housing & Jobs Platform, will become a reality.



WHAT'S WRONG WITH "AFFORDABLE" HOUSING?

Current HUD guidelines that govern the creation of affordable housing are structured so as to prevent very poor people from ever accessing those units. According to HUD, anyone making 90% of the Area Median Income is considered in need of affordable housing, meaning that in NYC, where the AMI for a family of four is \$62,800 (because it is based on median incomes for the entire metropolitan statistical area), people making \$54,000 a year are competing for affordable housing with the very poor. A full time minimum wage worker makes \$13,000 a year. The current formula allocations for public funding for affordable housing actually drives funding for housing out of reach of the poorest New Yorkers, including the working poor. In some cases, the income ranges qualifying families as very low income starts at more than what a minimum wage worker earns with 2 full time jobs. The current funding structure relegates the working poor and those with extremely low incomes to seek housing assistance through the homeless service system or to live in overcrowded housing conditions. Our platform proposes adjusting the formula for determining median income by borough, or even contiguous zip code areas, to drive public funding for REAL affordable housing to the poorest communities and make those housing resources available to develop poor neighborhoods as opposed to using affordable housing funds to gentrify poor neighborhoods.

Because the production of affordable housing does not benefit the very poor, the past 20 years have seen the development of a parallel housing track for homeless New Yorkers through HUD and state and city financing. This homeless housing has not led to a decrease in homelessness in New York City, but it has fueled the expansion of an expensive service system that includes drop in centers, shelters, transitional housing and supportive housing. While these services are needed and desired by some homeless New Yorkers they are not a "big picture" solution to homelessness and are often rejected by many homeless New Yorkers for their restrictive program requirements. Further, many health, mental health and substance abuse treatment programs are now linked to transitional and supportive housing because they were absent in the community. However, this linkage means that many "tenants" who are non compliant with treatment become homeless even if they are capable of functioning independently in housing.

Public Posting for "Affordable" Housing

AREA MEDIUM INCOME 60%				
Apartments Available	Apartment Size	Monthly Rent *	Total Annual Income Range**	
			From:	To:
8	1 Bedroom	\$ 663.00	\$ 24,240	\$ 30,120
42	2 Bedrooms	\$ 797.00	\$ 29,074	\$ 37,680
16	3 Bedrooms	\$ 924.00	\$ 33,600	\$ 43,680

COMPARED TO:

New York State Public Assistance for a Family of 3:

\$8,292.00 a year

Maximum Retirement Benefits for a Single Veteran:

\$10,579.00 a year

Full-Time Minimum Wage Worker:

\$14,040.00 a year

JOB CREATION AND COMMUNITY DEVELOPMENT



Abandoned buildings also represent a massive potential source of employment for the communities where they are concentrated. Each building will require a varying degree of construction and rehabilitation in order to make it habitable; those jobs must go to the people who have lived in these communities, as part of the broader goal of making neighborhoods sustainable and productive. Many men and women in the shelter system have relevant job experience or want job training, and come from the very neighborhoods where building abandonment is most rampant. Job creation and education is essential as part of a broader platform of community development, taking abandoned buildings as a source of both jobs and housing. The goal is not to give people housing they cannot sustain: the goal is to get people jobs so they can have an income sufficient to maintain themselves in their apartments. Existing union apprenticeship programs should be expanded to target shelter residents and street homeless people to enable them to receive skills and jobs; negotiations should be initiated with the AFL-CIO, as well as the appropriate individual unions, to get these apprenticeships broadened to include the most marginalized communities.

Boarded-up buildings are not just found in the ghetto! Even major real estate corridors have empty properties —on 3rd Avenue, between 43rd and 44th Streets, we found several boarded-up buildings side by side. However, many of the poorest neighborhoods face extremely high rates of building vacancy —pointing to the general need for extensive investment in housing, and the devastating impact of property devaluation. According to the *New York Times*, six neighborhoods send the majority of families into the shelter system (S. Bronx and E. Tremont Bedford-Stuyvesant and Bushwick, East Harlem and Jamaica); the same six, plus Harlem, also send the majority of people into state prisons. While a quantifiable comparison of building vacancy can't be done because the city doesn't currently quantify abandoned property, these are the same neighborhoods with the greatest *visible* presence of boarded-up buildings.

The rapid loss of rent-controlled and rent-stabilized units —as well as the erosion of Mitchell-Lama and vital subsidies such as Section 8 —is part of the planned gentrification that is destabilizing communities and flooding the homeless service system. Allowing property to become and remain empty enables landlords to subsequently make renovations which will take them out of rent-stabilized status, which contributes to the rapid loss of housing affordable to middle- and working-class New Yorkers, which is a major factor in the current housing crisis. An attempt to stop and reverse the loss of stabilized units through warehousing should be a major component of the fight to preserve rent-stabilized units. Gentrification fuels homelessness unless affordable housing dollars are targeted to very poor people already in the neighborhood!

A significant amount of commercial space is also being kept off the market in these properties. Keeping a large number of commercial units off the market allows landlords to increase the cost of available units, contributing to the difficulty small and independent businesses face in sustaining themselves in NYC. This and other factors have made our city one of the top ten worst cities in the country for doing business!¹

¹ Source: *Inc. Magazine* Report, Top 25 Cities for Doing Business in America. <http://www.inc.com/magazine/20040301/top25.html>



FUNDING THE HOMELESS HOUSING & JOBS PLATFORM

WE DON'T WANT ANOTHER SUBSIDY.

Our Housing & Jobs Platform is not about asking the government to pay our rents for us forever.

It's a common-sense plan to generate housing that stays affordable over time, as well as the jobs that are essential if people are to sustain themselves in housing.

- **CREATE OF A NEW YORK CITY HOMELESS HOUSING TRUST FUND** which would fund the rehabilitation and ownership, by homeless people, of currently-unoccupied buildings. These buildings would be incorporated into mutual housing associations (MHAs), which are similar to co-operatives but are comprised of several buildings, allowing greater affordability and sustainability.
- **REVISE THE DEFINITION OF AFFORDABLE FOR PURPOSES OF HOUSING CONSTRUCTION.** Current affordability guidelines, set by HUD and based on Area Median Income, do not work in an environment as economically diverse as the greater NYC metropolitan area. The City must actively work to bring that definition in line with poverty in New York City, either by changing the way the guidelines are constituted federally, or by empowering localities to determine their own guidelines. Here in New York, we need **REAL affordable housing that prioritizes families and individuals making \$13,000 a year** (the income of a full-time minimum wage worker) **and under** as extremely low-income for purposes of eligibility for affordable housing.
- **UTILIZE EXISTING GOVERNMENTAL CONSTRUCTION SUBSIDIES.** Currently, many government projects create money for building rehabilitation—HUD's Community Development Block Grant; NYS OTDA's Homeless Housing Assistance Program and Division of Housing and Community Renewal; NYC's Participation Loan Program, Small Buildings Loan Program and Tenant Interim Lease Program. In other states, there is a precedent for TANF money being used to fund building rehabilitation and self-management.
- **ADOPT INNOVATIONS IN RENT CALCULATION** currently utilized by MHA's in NYC, which would keep operating costs, rent, and monthly maintenance low. These include revenue from rental of commercial space (charging market rate rents to commercial tenants is a mechanism to subsidize residential rents within the same building or spread throughout an association of buildings) and Vouchers from Homeless Assistance Programs and Other Subsidies.
- **FUNNEL MONEY FROM SHELTER INTO REAL HOUSING.** DHS must create a mechanism by which shelter residents can opt out of their shelters, with the money paid by the City to their shelter being transferred into the NYC Homeless Housing Trust Fund.
- **CREATING PARTNERSHIPS WITH BANKS AND CORPORATIONS.** Following the Mayor's successful model of private-public partnerships, he must spearhead the establishment of extensive private funding streams by which banks and corporations and other private sources funnel money into the NYC Homeless Housing Trust Fund.

THE CITY SAYS THERE'S NO MONEY TO PAY FOR HOUSING, YET IT SPENDS \$700 MILLION A YEAR ON SHELTER!

*DHS pays \$2,000 to 3,000 a month to shelter a homeless families—VS. \$1400 FOR A 3 BEDROOM APARTMENT! **

*DHS pays \$1000 and up each month to shelter a single homeless adult—VS. \$940 FOR A STUDIO APARTMENT! **

** Source: Fair Market Rent Guidelines for NYC, as calculated by HUD)*

SUSTAINABLE HOUSING FOR HOMELESS PEOPLE



A CASE STUDY.

The Cooper Square Mutual Housing Association

Right here in New York City there are several successful MHA models that, through alternative financing and operating structures, keep housing affordable for extremely low income New Yorkers, including the homeless and formerly homeless. The Cooper Square MHA encompasses 18 buildings with hundreds of units of housing. Development and gut rehabilitation was funded through City capital funds and the federal HUD/HOPE2 Program. Rents are kept low through creative utilization of renting ground floor commercial space, economies of scale, and other strategies. While Section 8 provides funding for some tenants, *keeping this housing affordable is not dependent on public subsidies.*

Contact: Valerio Orselli, Executive Director: Cooper Square MHA (vorselli@hotmail.com)

<u>APT. SIZE</u>	<u>LOCATION</u>	<u>SQUARE FEET</u>	<u>RENT</u>	<u>AFFORDABILITY</u>
Studio	23 East 3 rd St.	300 SF	\$285.00	22% of AMI*
One-BR	13 Stanton St.	484 SF	\$379.00	27% of AMI
Two-BR	71 East 4 th St.	631 SF	\$431.00	26% of AMI
Three-BR	83 Second Ave.	1,104 SF	\$578.00	30% of AMI

**AMI in NYC is \$62,800 for a family of 4.*

This is an inspiring model by which poor people can collectively own and maintain and administer their own housing, without relying on costly service-enriched projects. In order to generate the large-scale housing needed to address the crisis, the city must broaden its portfolio of housing models to include MHAs.



PRECEDENTS FOR DEALING WITH EMPTY BUILDINGS

Here are a few innovative models where cities have taken drastic steps to deal with the issue of vacant property, focusing on penalizing landlords who keep property empty, quantifying the extent of the problem of vacancy, and prioritizing housing and community development.

BALTIMORE, MD. In 2002, Mayor O'Malley launched Project 5000, an effort to return 5,000 vacant and abandoned properties to productive use. The project combined aggressive tax sale foreclosures with traditional condemnations and property transfers. It called on local law firms, title companies, businesses and realtors for expedient and discounted services. By January of 2005, Baltimore Housing had gained title to all 5,000 properties and increased the number of annual property acquisitions tenfold. To date, 5,758 properties have been acquired through Project 5000 and, more importantly, 1,700 have already been conveyed, sold, or programmed for redevelopment. http://www.baltimorehousing.org/index/ps_5000.asp

BOSTON, MA. The Department of Neighborhood Development coordinates an annual survey of buildings in the city that are abandoned. Since the survey began in 1997, the total number of abandoned buildings has decreased by 67%, from 1,044 to 350 buildings. Once the city could quantify its vacant properties it could begin introducing solutions to the problem, which it did, as part of a three year city initiative to create and preserve affordable housing. Many of the abandoned buildings in Boston have been renovated by community development corporations working in cooperation with the City to reduce urban blight. http://www.cityofboston.gov/dnd/pdfs/U_AbandonTrends05.pdf

SAN FRANCISCO, CA. Homeless-led advocacy resulted in the passage of the **Surplus Property Ordinance**, transferring jurisdiction of vacant lots to the Mayor's Office for Housing for development of these lots into housing for homeless people. What is especially relevant about this example to our proposal is that the ordinance also established an Administrative Council, including homeless and formerly homeless people, to work with the Mayor's Office for Housing to ensure accountable development.

SEATTLE, WA. Operation Homestead, a grassroots homeless-led group, began re-opening apartment buildings that were abandoned in violation of the city's *Housing Maintenance Ordinance*. This work, which gained the support of major religious institutions, gave the occupiers ownership of the buildings, which remain affordable to formerly homeless people and encompass hundreds of units. <http://clerk.ci.seattle.wa.us/~public/code1.htm>

ST. LOUIS, MO. Between 1996 and 1999, St. Louis implemented new policies to deal with the city's 5,000+ abandoned buildings. These involved: placing liens on nuisance properties, actively condemning buildings, establishing a semi-annual registration fee for vacant buildings, and issuing millions of dollars to demolish derelict buildings. A Housing Court was created to deal with housing code violations and to refer violators to resources that might help them correct the violations. People charged with violations who do not show up in court are now subject to arrest. People who are found guilty can be sentenced to community service or jail time. <http://stlcin.missouri.org/cevp/vacant/index.cfm>

WILMINGTON, WV. In an attempt to reduce the number of vacant, dilapidated structures, city officials are reviewing an ordinance in Wilmington, Del., that assesses a fee on property owners who allow their buildings to sit empty for a prolonged period of time. Source: *Huntington Herald-Dispatch*, August 3 2006.

ENDORERS OF THE HOUSING & JOBS PLATFORM



THIS LIST IS IN FORMATION! We want to see your organization's name here. For information on how to endorse the HOMELESS HOUSING & JOBS PLATFORM, and what you can do to support the work of homeless people organizing, contact Picture The Homeless at 646-314-6423 and ask to speak to a Housing Campaign leader.

1. Big News
2. Bishop Mark Sisk
Archdeacon Michael S. Kendall
Episcopal Diocese of the City of New York
3. CAAAV: Organizing Asian Communities
4. CHARAS
5. Child Welfare Organizing Project
6. Coalition for Asian-American Children & Families
7. Community Voices Heard
8. Cooper Square Mutual Housing Association
9. DRUM—Desis Rising Up and Moving
10. Fifth Ave Committee
11. Food Not Bombs NYC
12. Habitat for Humanity NYC
13. Holy Name Province,
Order of Friars Minor
14. Hunger Action Network of NYS
15. Lemuel Haynes Congregational Church of Queens
16. National Coalition for the Homeless
17. NESRI: National Economic and Social Rights Initiative
18. New York Asian Women's Center
19. People United for Children
20. Rev. Liz Maxwell, Church of the Holy Apostles
21. Rev. Ozzie Edwards,
Methodist Episcopal African Church
22. Justice & Peace Committee,
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23. STRIVE, Inc.
24. Reverend Charles H. Straut, Jr.,
N.Y. Annual Conference
United Methodist Church
25. Rev. Earl Kooperkamp
St Mary's Episcopal Church
26. Reverend N. J. L'Heureaux, Jr.
Queens Federation of Churches
27. Tenants & Neighbors—NYS
28. Union Theological Seminary:
Poverty Initiative
29. Unlock the Block Coalition
30. VOW—Voices of Women
Organizing Project
31. Welfare Poets
32. Welfare Rights Initiative