

Housing

The Housing Crisis in New York City



**ON
THE Issues**
POLICY RECOMMENDATIONS



The Children's Aid Society
www.childrensaidsociety.org

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Executive Summary

With Section 8 vouchers and subsidized housing under fiscal assault or disappearing altogether, low-income families, disconnected youth, and disabled persons are increasingly shut out of decent affordable housing. Government must assume responsibility for its role in the housing business with a re-commitment to long-term subsidy programs that work. If it does not do so, it will increasingly find itself in the homelessness business.

Maria Torresⁱⁱ, a 37-year-old employed mother living in New York City with her husband, young son and her mother, suddenly became the sole support of her family when her husband left her, then disappeared from the state to avoid paying child support. Shortly thereafter, painful cysts in her breast led to surgery, restricting her work as a home attendant for elderly patients. As a result, Ms. Torres' income dropped from \$963.20 bi-weekly to a meager \$130. These combined hardships led her to fall behind on her \$764 monthly rent, with arrears soon accumulating to \$4,000. Despite her resilience and strength, financial worries and the fear of eviction led to anxiety and depression and finally, to fears that she and her family would have to resort to the homeless shelter system. We were pleased that as a multiservice agency we could help Ms. Torres to resolve her problem, but such assistance is not available to many families in need.

Unfortunately, Ms. Torres' housing problem is not unique. Many low-income families in New York City's high-rent housing market face eviction, displacement, and homelessness on a daily basis, often through no fault of their own.

Many low-income families in New York City's high-rent housing market face eviction, displacement, and homelessness on any given day.

Whether due to illness, job loss, or a death, families find themselves unable to afford their homes. To make matters worse, over the past few years low-income families in New York have experienced diminishing low-income housing stock and soaring rent increases, with no commensurate gain in their income.ⁱⁱⁱ

Housing Instability Harms Children, Foster Youth and Families

The statistics on housing in New York City are startling:

- 23 percent spend more than half their income on housing, leaving little left over for food and medical care;^{iv}

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- 27 percent of the city's subsidized apartments have been lost through market forces since 1990;^v
- 14,000 children are living in city homeless shelters, 9,000 of them school-age;^{vi}
- 120,000 families live doubled up, many illegally, putting them at increased risk of becoming homeless;^{vii} and
- Up to 40% of youth who age out of foster care become homeless.^{viii}

Living doubled and tripled up is deeply distressing for families with the lack of privacy, inability to find quiet space for homework, overcrowding, and inadequate food. Young children are profoundly affected by losing their homes, a tragedy that creates intense stress and permeates all areas of their lives. Research on the lives of homeless children shows:

- 50 percent attend at least 3 different schools in one year;
- 75 percent perform below grade level in reading; and
- 47 percent have anxiety, depression, or withdrawal problems.^{ix}

Market forces do nothing to provide housing for poor families and many of the very pro-

grams that were designed to keep them housed in stable homes are either under fiscal assault or rapidly disappearing altogether. If Government does not face its responsibility for its role in the

housing business, with a re-commitment to long-term subsidy programs that work, it will find itself increasingly in the homelessness business.

Section 8 Subsidies Are Increasingly Unavailable. The Section 8 rent vouchers, distributed by New York City for the federal Department of Housing and Urban Development, provide that renters pay only 30% of their income in rent to participating landlords. But this pro-

gram, once the salvation of low-income New Yorkers, has been devastated by financial cuts and has a waiting list of over 127,000 applicants. The application process, closed for 12 years, was reopened in 2007, but for only 3 months and with a mere 110,000 available vouchers, which were immediately consumed.^x

Affordable Housing Stock Is Endangered. The subsidized housing stock (e.g., Mitchell-Lama) in all boroughs of New York City has diminished at an alarming rate in the last four years, given the fact that it serves families with much lower incomes than many of the new government housing plans.^{xi} Too often affordable housing initiatives and subsidies are directed toward middle

With 14,000 children already living in city homeless shelters, the additional 120,000 families living doubled up threatens the complete collapse of the system.

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income residents who frequently need the assistance, but greater focus is needed on low-income renters who are more vulnerable to homelessness.

Teens Aging Out of Foster Care Too Often Become Homeless. Each year, approximately 20,000 of the 542,000^{xii} children in foster care nationwide are discharged to live on their own, and approximately 1,100 young adults are discharged each year to fend for themselves in New York City.^{xiii} Already burdened by their childhood experiences of abuse, neglect or abandonment, young people leave the foster care system with few of the skills of independence necessary to live productively in the world. Most have no housing options and none have had the benefit of parental role models to transmit the expertise needed to negotiate the trials of living on one's own.

Low-income Renters Lack Legal Representation. For low-income parents, a dearth of usable information on their legal options and rights complicates access both to affordable housing and to legal assistance. In the more than 350,000 landlord-tenant cases filed in New York City every year, “11.9 percent of tenants in New York City Housing Court were represented by an attorney and 97.6 percent of landlords were represented by an attorney. As grim as these figures are, they likely understate the percentage of low-income tenants who are unrepresented...”^{xiv} A report published by the New York County

Lawyers Association characterized pro se (unrepresented) litigants as “systematically silenced by the adversarial system [they] don't understand procedurally or substantively,” with the current system described as “a largely one-sided eviction apparatus.”^{xv} The result is a significant justice

gap: landlords' attorneys may unfairly mislead tenants into signing stipulations for money they don't owe and can't pay, taking advantage of their desperation.^{xvi}

Where do we go from here?

The Children's Aid Society believes that government simply must take the responsibility to ensure that low-income and special populations, such as disconnected youth or disabled people, are adequately housed in stable housing. To that end, we make the following recommendations.

- *Families Living in Poverty* Public housing, private HUD-subsidized housing and Section 8 vouchers have offered great relief in the past and must be adequately funded by all levels of government in order to maintain facilities and issue more vouchers for private housing options. Mayor Bloomberg has made a good start in his New Housing Market Place Plan, projecting the building or preservation of 68,000 units by 2008 and 165,000 by 2013.^{xvii} However, a new mayoral administration won't necessarily march to the same drum

Only 11.9 percent of tenants in housing court have legal representation, as opposed to 77.6 percent of landlords.

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and the economic downturn may jeopardize the \$11 billion required to meet these goals.^{xviii} A long-term system of incentives, regulations and taxes should be designed to encourage the transfer of buildings to owners with a mission to provide low-cost housing, such as low-income cooperatives or local community development corporations and other nonprofit organizations.^{xix} One important response to the housing crisis at the federal level is The National Affordable Housing Trust Fund Act, which has already been passed by the House of Representatives. The Act would create an estimated 1.5 million units of affordable housing over the next 10 years, targeting 75 percent for extremely low income people. We urge Congress to move the final bill as quickly as possible. This investment in affordable housing will pay enormous dividends, providing stable housing for low-income families and, thereby, keeping them from expensive^{xx} and debilitating homeless shelters.

- ***Disconnected Youth*** Ensuring that no young person leaves the foster care system without adequate low-income housing is a key to future stability and their rights under the law.^{xxi} In addition, connecting youth re-entering the community from juvenile detention facilities with permanent stable housing is an important deterrent to recidivism. Services should include assistance in securing apartments, as well as legal education and advocacy in the event disputes arise. Simplifying the housing subsidy application process and providing more comprehensive training for caseworkers

would help to ensure access to those grants currently available. In addition, providing subsidies for several years after leaving care would help to maintain housing while employment is stabilized.

- ***Unrepresented Tenants in Housing Court*** Educating families about their eligibility for services and representation in housing court is an essential component of home preservation for low-income households. Right to counsel is not only sound public policy but is required by law.^{xxii} At a minimum, publishing “know your rights” brochures for distribution to tenant families is imperative, as well as providing additional funding for free legal consultation in each of the city’s housing courts.

Conclusion

Stable housing is a foundation for children’s healthy development, academic success and sense of well-being. The Children’s Aid Society is working diligently to support the provision of this basic necessity for our families and children, but we cannot succeed without the support of both the public and private communities. The time has come to make low-cost housing for children and families a priority.

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About Children's Aid

For more than 150 years, The Children's Aid Society has been assisting New York City's children and their families without regard to race, religion, nationality or socio-economic status. Children's Aid helps children in every aspect of their lives from infancy through adolescence, providing guidance and resources to ensure a child's current well-being and future potential. With over 100 programs and more than 45 locations in New York that touch the lives of more than 150,000 children every year, Children's Aid is one of the country's largest and most innovative child and family social service agencies. Visit www.childrensaidsociety.org or contact policy@childrensaidsociety.org.

- i One in a series of policy papers by The Children's Aid Society, 105 E. 22nd St., New York, NY 10010, (212) 358-8930.
- ii In this actual case, the family's names have been changed to protect their privacy.
- iii The Homeless Maze, New York Times, March 25, 2007.
- iv New York City Habitat for Humanity, 2006. An analysis by the Pratt Center for Community Development found that in the 10 neighborhoods where the majority of the city's homeless families come from, the number of families paying more than 50 percent of their income for rent grew by more than 30 percent, to nearly 114,000, between 2002 and 2005. Brad Lander, the center's director, says the big surprise is that there aren't even more families in the shelter system.
- v Ibid.
- vi City Shelter Kids Missing Classes, New York Daily News, Date: 2007.
- vii "Doubled Up," The Homeless Alliance of Western New York, October 3, 2007.
- viii "Aging Out: From Foster Care to Homeless Shelters?" New York City Independent Budget Office, March 24, 2004.
- ix "Doubled Up."
- x "\$100M boost opens doors to Section 8," Michael Saul, New York Daily News, January 20, 2007.
- xi "Closing the Door 2007: The Shape of Subsidized Housing Loss in New York City," Community Service Society, May 2007.
- xii White House Task Force for Disadvantaged Youth: Final Report, October 2003.
- xiii In 2002, 1,052 young people were discharged to live on their own in New York City, and another 3,483 young people remained in foster care with a permanency-planning goal of "discharge to independent living." Administration for Children's Services (ACS), Office of Management Development & Research, "Progress on ACS Reform Initiatives: Status Report," March 2001, pp. 86-89.
- xiv "The New York City Housing Court in the 21st Century: Can It Better Address the Problems Before It?" New York County Lawyers Association, October 2004. Conference proceedings were published by Cardozo School of Law's Public Law, Policy and Ethics Journal as "Assuring Access to Justice: The Role of the Judge in Assisting Pro se Litigants in Litigating their Cases in New York City's Housing Court," Paris R. Baldacci, Clinical Professor of Law, Benjamin N. Cardozo School of Law, Fall 2005.

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- xv Ibid.
- xvi Rights Could be Written in Busy Court Hallways, *City Limits Weekly*, June 4, 2007.
- xvii “Mayor Bloomberg announces first affordable housing development in Greenpoint-Williamsburg Waterfront Area,” City Hall Press Release, February 23, 2006.
- xviii “Briefly stated, we find that the city’s ability to accomplish the remaining plan goals for preservation appears fairly solid. Funding the remaining units to meet the plan’s new construction goals, however, may pose more of a challenge.” New York City Independent Budget Office, November 2007.
- xix Closing the Door 2007.
- xx The cost of sheltering a homeless family in the New York city shelter system is \$36,000 per year, Partnership for the Homeless, partnershipforthehomeless.org, 2007
- xxi 18 N.Y.C.R.R. § 430.12(f)
- xxii “The U.S. Constitution, New York Constitution, New York Civil Practice Law and Rules, and New York Civil Rights Law,” *Why People Who Face Losing Their Homes in Legal Proceedings Must Have a Right to Counsel*, Andrew Scherer, Executive Director, Legal Services for New York City, *Cardozo Public Law, Policy & Ethics Journal*, January 2006; *Access to Justice in Civil Cases: A Right Whose Time Has Come*, The Metropolitan Corporate Counsel, August 2, 2007.