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**Sent:** Tuesday, September 22, 2015 11:59 AM

**To:** Morris, Juliet (HPD)

**Subject:** NYC DEPUTY MAYOR GLEN AND OFFICIALS BREAK GROUND ON THE CITY'S INNOVATIVE NEW APPROACH TO AFFORDABLE HOUSING FOR THE HOMELESS

**FOR IMMEDIATE RELEASE:**

Tuesday, September 22, 2015

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**NYC DEPUTY MAYOR GLEN AND CITY OFFICIALS JOIN THE BOWERY RESIDENTS' COMMITTEE TO BREAK GROUND ON LANDING ROAD RESIDENCE, THE CITY'S INNOVATIVE NEW APPROACH TO AFFORDABLE HOUSING FOR THE HOMELESS**

*Landing Road Residence is the City's first HomeStretch development, a new hybrid model that will create permanent affordable housing for very low-income individuals*

*Project to provide 135 permanent affordable homes and a 200-bed transitional shelter*

**The Bronx, NY** – New York City's Deputy Mayor for Housing and Economic Development Alicia Glen, New York City Department of Homeless Services (DHS) Commissioner Gilbert Taylor, and New York City Housing Development Corporation (HDC) President Gary Rodney join the Bowery Residents' Committee (BRC) and partners to break ground at the Landing Road Residence. This development will be the first project created under Mayor de Blasio's HomeStretch program to finance the new construction of a co-located permanent supportive affordable housing development and new homeless shelter.

HomeStretch is an innovative model that co-locates and co-finances transitional shelter and permanent affordable housing. The HomeStretch model leverages shared financing to provide cost effective shelter and to subsidize rents for very low-income, formerly homeless individuals and families on the same site. The shelter and permanent housing components will have separate entrances and amenities, but co-exist in one building envelope, providing a physical pathway from homelessness to housing security. In addition to permanent housing, HomeStretch will provide a variety of social services to facilitate the transition from shelter to self-sufficiency.

"This is a project that will put families back on their feet. HomeStretch is an innovative new program that addresses homelessness head-on and meets the needs of our most vulnerable New Yorkers for stable, long-term housing. We're proud to partner with the Bowery Residents Committee to get shovels in the ground and deliver for this community," said **NYC Deputy Mayor Alicia Glen**.

"The drastic need for affordable housing is underscored by the homelessness crisis we currently face in New York City," said **HPD Commissioner Vicki Been**. "We recognize there are many families and individuals looking to transition from shelters into their own homes. The HomeStretch program allows us to create a new housing model that will help the neediest New Yorkers hoping to secure a more promising future. I would like to thank our partners in city government at DHS for collaborating with us to develop this housing model. I would also like to acknowledge BRC and partners for making the pilot HomeStretch project at Landing Road a reality."

"Creating a path to stable, affordable housing for all New Yorkers is a central priority of this administration, and a key pillar of *Housing New York*," said **HDC President Gary Rodney**. "Landing Road Residence not only provides affordable homes and needed services to the most vulnerable individuals and families, it exemplifies how government agencies working together can create innovative financing solutions to help address this homeless crisis. My sincere thanks to the Mayor for his vision, and to BRC and all our partners for their hard work on this project, and their commitment to making this a more affordable and equitable City."

"The Landing Road Residence is an innovative mixed use housing model that combines transitional shelter and permanent affordable housing in the same building," said **DHS Commissioner Gilbert Taylor**. "Affordable housing is a critically necessary component in our work being done to reduce homelessness and to improve lives."

HomeStretch was a key deliverable of Mayor Bill de Blasio's *Housing New York: A Five-Borough, 10-Year Housing Plan* to create and preserve 200,000 affordable apartments, serving more than half a million New Yorkers. Landing Road Residence reflects the administration's commitment to finding innovative new strategies to reach deeper levels of affordability and meet the special housing needs of the most vulnerable, including the homeless and those families at risk of homelessness.

**BRC's Executive Director Muzzy Rosenblatt** said: "Today we gather together to break ground on that which none of us alone could accomplish: a place for homeless men and women to find employment and pay rents they can afford. BRC's Landing Road project represents the foresight and collaboration of many people in many sectors; a partnership of nonprofits, government, banking, philanthropy, and the faith community. Together, we are creating an innovative solution to the crisis of homelessness and the need for truly affordable housing, giving a hand up, not a handout, to homeless New Yorkers."

Landing Road Residences, the City's pioneer HomeStretch project, will be located at 233 Landing Road in the University Heights neighborhood of the Bronx. The project will offer 135 permanent affordable housing units, and a 200-bed transitional shelter for working homeless single adults. The permanent housing portion of this development will be well within the financial reach of those exiting the shelter system, with affordable rent levels that will allow individuals earning as little as \$10 an hour to pay only one-third of their monthly income towards rent. The project will offer 135 permanent housing units, including 111 studios for working homeless single adults earning an annual income at or below \$21,175, seven one-bedroom units for households of two earning no more than \$34,550 annually, and 17 two-bedroom units for families of three earning no more than \$46,620 annually. There will be an additional two-bedroom unit set aside for the superintendent.

"At CPC we believe that housing can transform underserved neighborhoods and help bring stability and opportunity to families who are struggling to get back on their feet. Landing Road embodies the best of that mission, and we are proud to be part of a team effort to finance the project and make it a reality," said **Rafael E. Cestero, President and CEO of CPC**. "I applaud the Bowery Residents' Committee, the de Blasio Administration, and all of our partners for thinking creatively about how we can address the issues of homelessness and affordable housing with an approach that will allow our most vulnerable citizens find stability and a way forward."

On-site social services will be provided through BRC's Horizon's program, which offers workforce development training, employee retention and housing retention services. Funding for these services will be funded through reinvestment of on-site shelter lease payments and private fundraising. In addition, off-site services will be made available through BRC's own mental health and substance abuse centers as well as through several partner organizations such as: Project Renewal, Odyssey House, St. Ann's Corner of Harm Reduction, and Lutheran Family Health Services. Although there is no diagnosis requirement for tenants coming out of shelter, BRC anticipates that many residents will require some level of mental health and/or substance abuse treatment. A building director will be on site to supervise all staff and help build community, and a Facilities Manager will be on site to assist tenants with budgeting and money management guidance to help ensure tenants stay housed.

"At JPMorgan Chase, we have a responsibility to support the development of healthy, safe and affordable housing in New York City," said **Dave Walsh, Division Manager for Community Development Banking at JPMorgan Chase & Co.** "We are proud to be partnering with BRC on this development, which is an integral part of the firm's ongoing commitment to developing affordable housing in New York City."

"Bank of America Merrill Lynch was pleased to provide financing for this integrated shelter/affordable housing project," said **Todd Gomez, Community Development Banking Regional Executive, Bank of America Merrill Lynch**. "We commend BRC on this first-of-its-kind approach to homelessness in New York State, which provides an innovative model that other cities and states can replicate."

The total development cost for Landing Road Residence is \$62,784,859. HPD will provide Low-Income Housing Tax Credits and \$5.7 million in City Capital towards permanent financing. HDC will provide \$22.3 million in tax exempt bonds and \$16.3 million from corporate reserves towards construction financing. The New York State Energy Research and Development Authority (NYSERDA) will provide a \$163,000 grant in permanent financing. The Community Preservation Corporation (CPC) is providing an \$18.3 million permanent loan through a private pension fund for the 200-bed transitional housing portion of the project. Bank of America will act as lender.

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**About New York City Department of Housing Preservation and Development (HPD):**

The New York City Department of Housing Preservation and Development (HPD) is the nation's largest municipal housing preservation and development agency. Its mission is to promote quality housing and diverse, thriving neighborhoods for New Yorkers through loan and development programs for new affordable housing, preservation of the affordability of the existing housing stock, enforcement of housing quality standards, and educational programs for tenants and building owners. HPD is tasked with fulfilling Mayor de Blasio's [Housing New York: A Five-Borough Ten-Year Plan](#) to create and preserve 200,000 affordable units for New Yorkers at the very lowest incomes to those in the middle class. For more information visit [www.nyc.gov/hpd](http://www.nyc.gov/hpd) and for regular updates on HPD news and services, connect with us via [www.facebook.com/nychpd](https://www.facebook.com/nychpd) and [www.twitter.com/nychousing](https://www.twitter.com/nychousing).

**About the New York City Housing Development Corporation (HDC):**

HDC is the nation's largest municipal Housing Finance Agency and is charged with helping to finance the creation or preservation of affordable housing under Mayor Bill de Blasio's Housing New York plan. Since 2003, HDC has financed more than 120,000 housing units using over \$13.7 billion in bonds, and provided in excess of \$1.6 billion in subsidy from corporate reserves. HDC has been the #1 issuer in the nation of mortgage revenue bonds for affordable multi-family housing in each of the last three years. In Affordable Housing Finance Magazine's most recently published annual listing of the nation's top ten funders of multi-family housing, HDC is the only municipal entity on the list. HDC is also the third largest affordable housing lender in the U.S. after Citi and Wells Fargo, ranking ahead of such industry leaders as Bank of America and Capital One. For additional information, visit: [www.nychdc.com](http://www.nychdc.com).

**About the New York City Department of Homeless Services (DHS):**

DHS is one of the largest organizations of its kind committed to preventing and addressing homelessness in New York City. As it engages in this mission, DHS employs a variety of innovative strategies to help families and individuals successfully exit shelter and return to self-sufficiency as quickly as possible. Collaborating with other public agencies and nonprofit partners, DHS works to prevent homelessness before it occurs, reduce street homelessness, and assist New Yorkers in transitioning from shelter into permanent housing. Furthermore, DHS remains committed to meeting its legal mandate to provide temporary emergency shelter to those experiencing homelessness in a safe and respectful environment.

**About the Bowery Residents Committee (BRC):**

BRC is a leading provider of housing and services to thousands of New York City's neediest individuals. Offering a hand up, not a handout, BRC asks one simple question: "What can we do for you?" BRC sees the potential in each individual it serves, and provides each the opportunity to find it. Whatever our clients may seek, BRC has it, 24/7/365: outreach to homeless people living in public spaces, drug treatment, mental health care, comprehensive medical services, vocational services, and supportive communities in which to live. More than 11,100 times in 2014, an individual in need said yes to BRC and walked through our doors; and over 6,200 times, a BRC client successfully graduated, and moved forward to reclaim their life. BRC succeeds by building trust with the people it serves; listening, and then acting, providing housing – both temporary and permanent – to nearly 3,000 individuals daily, and services through 27 programs located throughout New York City. Building trust takes time, and a compassionate, dedicated staff of over 700 employees and more than 1,300 registered volunteers that persevere 24 hours a day, 365 days of the year, never giving up. And neither do our fellow New Yorkers, who called the BRC Homeless Helpline over 4,500 times last year. To learn more about BRC, visit the website: [www.brc.org](http://www.brc.org). Help someone reclaim a life lost by calling the BRC Homeless Helpline at 212-533-5151.