

Employing the Senior Affordable Rental
Apartments Program to Protect Low-
Income LGBTQ+ Elders
from Homelessness

New York City Housing Development Corporation
Special Needs Housing: Combating Homelessness

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Background

Homelessness impacts our communities on every level. Many of the most vulnerable in our communities, including our elders and LGBTQ+ elders, struggle to pay the ever-rising costs of rent and are at risk of homelessness. Too many have lost their permanent housing and find themselves struggling to survive day-to-day on the street. They become part of a never-ending cycle of temporary shelter back-to-street existence. This problem can be seen across America and has reached a crisis point.

The Senior Affordable Rental Apartments (SARA) program allows for the creative use of low-cost capital in leveraging public-private funds and tax incentives in order to create comprehensive, safe, long-term affordable housing for our most vulnerable senior households, incorporating onsite social services and innovative sustainable design features that foster both independence and sense of community in a healthy and supported living environment.

The Problem

Studies have shown that LGBTQ+ older adults deal with higher rates of poverty and, many barriers to effective healthcare and mental-health services.¹ Many LGBTQ+ persons of color (POC) are affected by even higher rates of discrimination in housing and incarceration, which in turn adds to increased shelter stays and lack of access to social programs designed to increase inclusion and socioeconomic standing in the community. Further, lack of family and social community support can lead to isolation and higher mortality rates. LGBTQ+ persons are also subject to higher rates of violence in the shelter system, which leads to many LGBTQ+ persons not using shelters for services.

Among the strategic objectives set forth under the City of New York's *Housing New York* plan is to assist homeless individuals and families and prevent homelessness before it happens. Among the key components of that objective is to increase the supply of housing in addition to enhanced housing support and services for the rapidly growing population of seniors. Furthermore, under the housing plan, the City specifically encourages developers of senior housing to partner with LGBT nonprofit service providers to provide inclusive affordable housing opportunities for lesbian, gay, bisexual and transgender seniors.² The SARA program is among the key financing tools deployed by the City to achieve this objectives through the creation of innovative LGBTQ+-welcoming senior affordable housing.

Financing LGBTQ+ -welcoming affordable housing with SARA

The Senior Affordable Rental Apartments (SARA) Program provides gap financing in the form of low interest loans to support the construction and renovation of affordable housing for seniors, 62+ years in age with low incomes. Projects developed with SARA funding must also set aside 30% of units for homeless seniors referred by a City or State agency, typically the New York City Department of Homeless Services. SARA loans carry a minimum 30-year term and may be up to \$135,000 per unit. Applicants must provide a plan, budget and funding source for services. In recognition of the need for low-income LGBTQ+-friendly senior homes, some SARA developments are designed to welcome LGBTQ+ seniors.

¹ <https://lgbtfunders.org/resources/issues/aging/>

² http://www.nyc.gov/html/housing/assets/downloads/pdf/housing_plan.pdf

The SARA program leverages multiple public and private funding sources such as low-cost tax exempt bond funds, subsidy loans, housing tax credits, HOME, Section 8 and local tax incentives to provide highly affordable long-term senior housing.

Underpinned by an effective public-private partnership model, the SARA program brings together nonprofit and for-profit development, financial, and social services partners, as well as government agencies who collaborate on the successful completion of senior housing. Funding plans for supportive services are typically evidenced by an award from partners at NYC DOHMH, DHS or HASA, or NYS OMH or OASAS.

The SARA program also strives to provide long-term stability and support to the LGBTQ+ senior community by working with nonprofit partners such as (Advocacy & Services for LGBT Elders) to address the special needs of our growing LGBTQ+ senior population.

SAGE promotes a holistic model for LGBTQ+ inclusion in the community by targeting the needs of underserved LGBTQ+ seniors. SARA funding has provided access to trained SAGE staff and effective outreach strategies to engage the LGBTQ+ community to mobilize. Since safety is a primary concern, SAGE has developed a supportive services and safety standard procedures that serve as a working model to address the concerns of LGBTQ+ older adults.

Replicability and Benefits

SARA can be replicated across municipalities to finance LGBTQ+ -welcoming housing and can be used in conjunction with many federal and local programs, including RAD Assistance, HOME, tax exempt bond financing, Section 8 and local tax incentives and exemptions from real property taxes. HDC's senior finance officers would be pleased to answer any specific questions or meet with the executives of other HFAs to further discuss the program and how it could be replicated and adapted to meet other local needs.

The SARA program provides much needed long-term affordability for seniors with fixed incomes that strengthens the fabric of local communities. Like all HDC financed new construction developments, SARA projects are sustainable and constructed/furnished with high quality-energy efficient housing (sustainability and lower operating costs) that ensures a smaller carbon footprint. SARA developments are also designed to have high value senior services and amenities that improve the residents' quality of life.

Since 2015, the SARA program has achieved 24 newly constructed, affordable, energy efficient, high quality developments totaling 2,677 apartments for extremely low and very low income senior households. In consideration of much needed LGBTQ+ senior friendly affordable housing, 2 SARA developments to date have been designated as LGBTQ+ senior friendly, constituting 230 homes. These developments strengthen the fabric of our neighborhoods and are a promise fulfilled to our senior and LGBTQ+ senior populations.

Project Examples

Some examples of successful LGBTQ+-friendly developments financed under the SARA program include Ingersoll Senior Residences (146 units in Fort Greene neighborhood of Brooklyn) and Crotona Senior Residences (84 units in the Crotona Park North neighborhood of the Bronx). Both sites will include onsite senior centers operated by SAGE, the nation's largest and oldest organization dedicated to improving the lives of LGBTQ+ older adults. The SAGE Centers will be open to both building residents and community members, regardless of sexual orientation.

The Crotona Senior Residences, and the Ingersoll Senior Residences, are part of SAGE’s National LGBT Elder Housing Initiative. Launched in 2015 to address the housing crisis faced by LGBT elders, the multi-year initiative encourages model inclusive housing like Ingersoll and Crotona, policy advocacy, consumer education, cultural competence training for providers, and technical assistance to communities seeking to address LGBT elder housing issues.

Any individual who is age- and income-qualified can apply to live in Ingersoll Senior Residences and Crotona Senior Residences regardless of sexual orientation or gender identification.

Ingersoll Senior Apartments is a 146-unit new construction development financed under the City’s SARA program in conjunction with the Extremely Low & Low Income Affordability (ELLA) program. The project is developed by BFC Partners. It is being constructed on the campus of NYCHA’s Ingersoll Houses, located in the Fort Greene neighborhood of Brooklyn. Excluding the superintendent’s unit, all 145 residential units will be affordable to senior households (age 62 or older) at or below 60% of AMI. All units are supported by project-based Section 8 rental subsidy from NYCHA, which further restricts income to 50% of AMI at initial occupancy. 37 units will be reserved for formerly homeless households. The project will also include a ground-floor SAGE senior center that will provide services for the neighborhood’s seniors and the building’s tenants with a specific focus of the needs of LGBTQ+ seniors, including health and cultural programs, meal service, and a computer lab. Building amenities will also include a storage room, bike room, laundry room, and two outdoor decks; one with a garden and another with lounging furniture. All amenities will be available to all tenants. Financing for Ingersoll Senior Apartments included total HDC construction loan amounts of \$53,145,000 raised from tax-exempt and recycled bond issuances, an additional mortgage loan in the amount of \$12,091,548 from our sister agency the New York City Department of Housing Preservation and Development (HPD), and permanent mortgage phase LIHTC equity totaling \$32,871,335. The total development cost for this development was \$78,225,887 (\$535,794 per DU). Anticipated completion date is August 2019.

The Crotona Senior Residences is an 84-unit new construction development located in the Crotona Park North neighborhood of the Bronx, financed under the City’s SARA program. The project is developed by HELP USA. Of the 84 apartments, 26 units reserved for homeless seniors. The project will include studio and one-bedroom apartments for extremely- low income tenants aged 62 years and older, plus one superintendent unit. An onsite SAGE senior center will provide health and cultural programs, meals and a computer center. SAGE will also offer targeted social services for the formerly homeless residents. With easy access to public transportation, pharmacies, grocery stores, and public parks, the seven-story building will feature energy efficient construction, including windows, fixtures, and an integrated solar array as well as a rooftop terrace and community garden. Financing for Crotona Senior Residences included total HPD permanent loan amounts of \$11,441,504 raised from City Capital, Federal HOME funds and Reso A funds. Additional funding was also provided by, New York State Homes and Community Renewal (HCR) loan and New York State Energy Research and Development Authority (NYSERDA) grant funded mortgages totaling \$1,570,000, and permanent mortgage phase 9% LIHTC equity totaling \$16,797,871. The total development cost for this development was \$41,515,390 (\$494,230 per DU). Anticipated completion date is February 2020.

Visual Aids

Ingersoll Senior Apartments

- Location: Fort Green, Brooklyn
- Units: 146
- 37 units reserved for formerly homeless seniors
- Newly constructed low-income development affordable to senior households at 50% of AMI with Section-8 vouchers
- Amenities include 3 accessible outdoor terraces, a ground-floor lounge, and community space.
- Project will include a senior center operated by the nonprofit SAGE that will provide services for the neighborhood's seniors and the building's tenants with a specific focus of the needs of LGBT seniors. The center will include a kitchen, dining room, a classroom, and computer room



The Crotona Senior Residences

- Location: Crotona Park North, The Bronx
- Units: 84
- 26 units reserved for formerly homeless seniors
- Newly constructed seven-story low-income development affordable to senior households at 30% of AMI with Section-8 vouchers
- Amenities include rooftop terrace and community garden
- Project will include a ground-floor senior center operated by the nonprofit SAGE that will provide services for the neighborhood's seniors and the building's tenants with a specific focus of the needs of LGBT seniors and the formerly homeless tenants. The center will include a kitchen, dining room, a classroom, and computer room, and will provide health and cultural programs, and meals.
- Development sustainably built with energy efficient appliance and integrated solar array

