



Urban Horizons Economic Development Center in the Highbridge/Concourse neighborhoods, South Bronx

Rent Burden in the South Bronx January 2017

INTRODUCTION

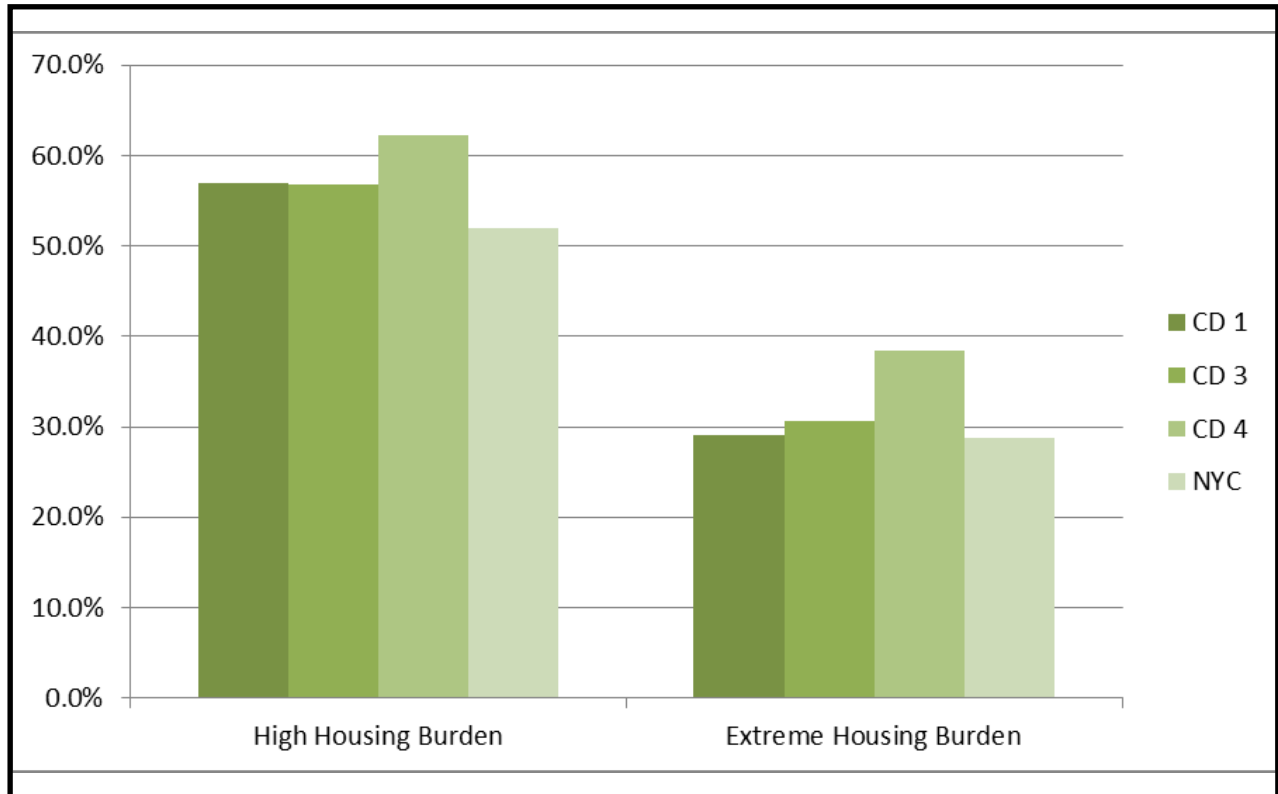


Figure 1: Rent burden in Community Districts 1, 3, and 4, and in overall NYC.

Far too many people –particularly New Yorkers–struggle to make ends meet every month, especially when it comes to their rent. Just over half of New York City households have rent that consumes more than 30% of their incomes, and a little more than a quarter of households spend more than 50% of their incomes on rent.

The federal agency on housing, the Department of Housing and Urban Development (HUD), considers households who pay more than 30% of their incomes on rent to have “high housing burden,” and those who pay more than 50% of their incomes on rent to have “extreme housing burden.” The more money a household must spend on rent, the less money that family will have for other critical expenditures, which can have harsh impacts on their quality of life.

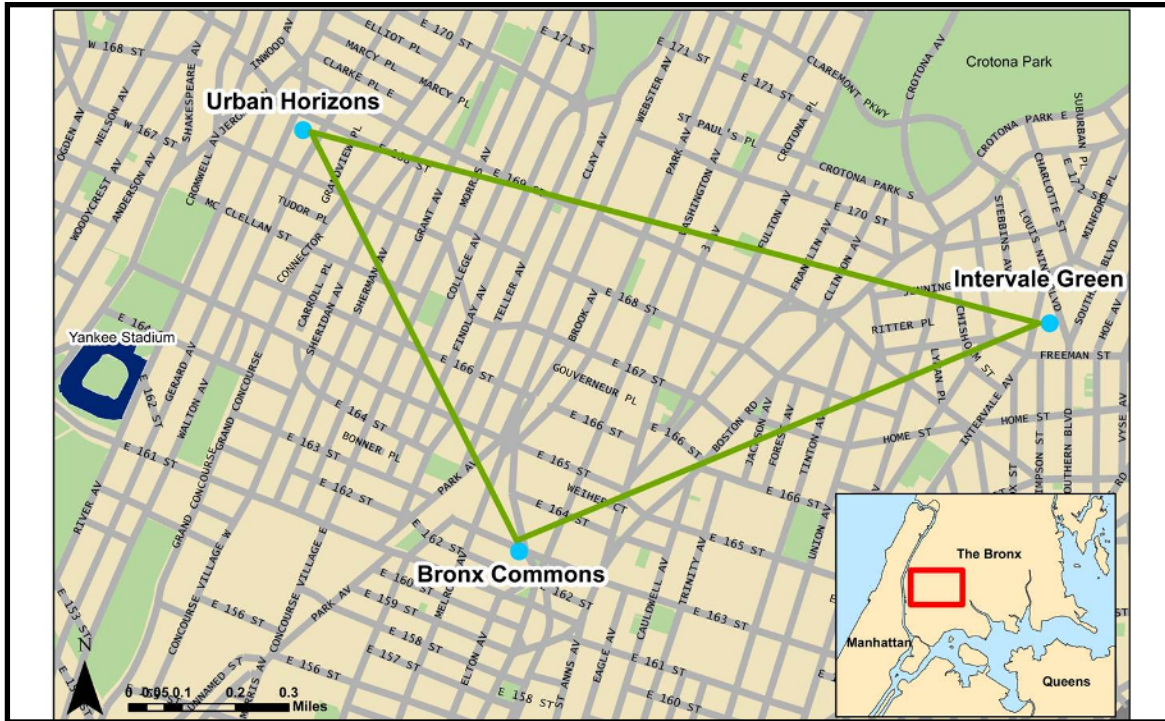
This brief uses data from the **DATA2GO.NYC** site to examine rent burden in the three Bronx community districts where WHEDco has or will have affordable apartments and within WHEDco’s own buildings, while also providing insight into some of the impacts of extreme housing burden by looking

at specific key indicators.

DATA2GO.NYC is an online mapping and data tool created by Measure of America with funding from The Leona M. and Harry B. Helmsley Charitable Trust, using data primarily from public entities, including the US Census Bureau and the US Bureau of Labor Statistics, the New York State Departments of Health and of Agriculture and Markets, and New York City agencies. The DATA2GO.NYC website includes over 300 indicators for New York City’s 59 community districts.

WHEDco utilized the DATA2GO.NYC database to better understand the impact of rent burden in the three communities surrounding our affordable housing developments. We compared data related to rent burden with factors such as household income, overcrowding, exercise, and enrollment in pre-school. We found that there are strong connections between households with extreme rent burden and these quality of life measures.

FINDINGS



Map showing WHEDco's affordable housing developments in the South Bronx.

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As shown in the map, WHEDco has developed two affordable apartment buildings in the South Bronx, with a third in the works: Urban Horizons in the Concourse, Highbridge and Mount Eden area (Community District 4); Intervale Green in the Crotona Park East and Morrisania area (Community District 3), and the forthcoming Bronx Commons in the Melrose and Mott Haven area (Community District 1). Although rents in the Bronx are still lower than in other boroughs, rent burden in these three communities –especially in the Concourse, Highbridge and Mount Eden area– are higher than the New York City average.

Celebrating its 25th year, the **Women's Housing and Economic Development Corporation (WHEDco)** is a community development organization founded on the radically simple idea that all people deserve healthy, vibrant communities. Working in the South Bronx, WHEDco builds award-winning, sustainable, affordable homes that serve as anchors for strong communities that residents can be proud of.

WHEDco's mission is to provide the Bronx with access to all the resources that create thriving neighborhoods – from high-quality early education and after-school programs, to healthy food, cultural programming, and economic opportunity.

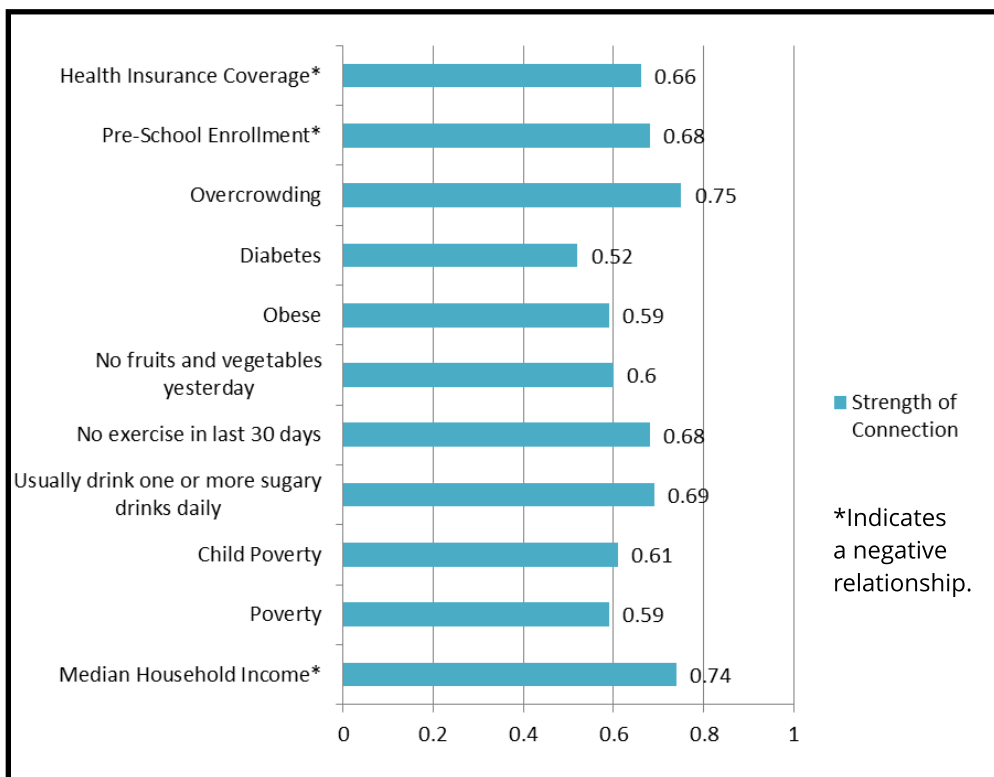


Figure 2: Connection between key indicators and housing burden.

Our study reveals that households with extreme housing burden (those who allocate more than 50% of their incomes to rent) show a higher incidence of poor quality-of-life indicators that may be related to income and poverty, such as poor health, inadequate living conditions, and limited access to services. Figure 2 shows the correlation between key indicators and housing burden. The closer the bar is to 1, the stronger the relationship between extreme housing burden and the particular indicator. Although all of the key indicators seem to be strongly connected with extreme housing burden, our study shows that the strongest relationship exists between overcrowding and extreme housing burden.

Not surprisingly, as the share of households spending more than

half of their income on housing increases, the median household income tends to decrease, which suggests a strong connection between extreme housing burden and overall household income. Similarly, the data reflects a high connection with poverty and child poverty: That is, as the share of households spending over half of their income on housing increases, the share of the population in households with incomes below the federal poverty level or children in households below the federal poverty level tends to increase.

Extreme housing burden also shows significant connections with several key health indicators, as shown in the table below. Households who devote more than 50% of their incomes to rent seem to have less access to healthy nutrition and exercise

opportunities, and may be more at-risk for obesity and diabetes. In addition, extreme housing burden seems to correlate strongly with several other factors, including overcrowding, pre-school enrollment and health insurance coverage. The fact that people tend to experience both overcrowding and extreme rent burden is especially worrying, since these families are not only struggling to pay their rent, but are also burdened by inadequate dwelling. Finally, it seems that households who are experiencing extreme housing burden are not necessarily connecting to support systems and services that could help them, such as access to preschool education for their children or obtaining health insurance.

Building neighborhood anchors has been central to WHEDco's work for 25 years.

We currently provide homes for 800+ people in two housing developments in the South Bronx, and have broken ground on our third development in January of 2017.

Additionally, our transformative community development work has helped thousands of New Yorkers in underserved communities to gain access to high-quality early education and after-school programs, healthy food, cultural programming, and increased economic opportunity.

CONCLUSION



Intervale Green in the Crotona Park East and Morrisania area.

In 1992, WHEDco inaugurated its Urban Horizons Economic Development Center in the heart of the Highbridge/Concourse neighborhoods in the South Bronx, transforming the long-abandoned Morrisania Hospital into an award-winning community hub that features 132 energy-efficient, affordable apartments, our Early Childhood Discovery Center, a training center for childcare providers, a commercial kitchen that incubates small food businesses, family support services, and more.

At Urban Horizons, historically only a small percentage of tenants have been rent burdened. Based on an analysis of our data between 1997 to present, an average of approximately 10% of tenants has been rent burdened in any given year, while an average of about 6% has been extremely rent burdened. Tenants have stayed in the building for extended periods of time, with an average length of stay of over nine years. In fact, about 40% of tenants have lived in the building more than 11 years, and more than a third of tenants who moved into the building in 1997 still reside in Urban Horizons. Based on this analysis and research related to rent burden, it seems likely that having very few tenants who are rent burdened has contributed to substantial household stability.

Our second affordable housing development,

Intervale Green in the Crotona Park East and Morrisania area, provides 128 affordable apartments, 39 of which are set aside for families coming out of New York City's homeless shelter system. Meanwhile, our third development, Bronx Commons, will be one of the most widely affordable new developments in the City. A mixed-income development, it includes 305 apartments that span seven income bands, making the building affordable to households with incomes ranging from the formerly homeless to those earning 110% AMI. 60% of the Bronx Commons apartments will serve households at or below 60% of area median income.

At WHEDco, we believe that beautiful homes are the foundation for healthy and stable families. Too many households are rent burdened in New York City, including in Community Districts 1, 3, and 4 in the Bronx. Research on rent burden posits that extremely rent-burdened people spend not only a large amount of their incomes on rent, but also a considerable amount of their time under stress, which often exacerbates their struggle to access much-needed supports, services, and healthy practices, such as exercising. This burden is strongly correlated with numerous negative indicators that indicate the overall health and quality of life of these households is compromised. WHEDco helps to mitigate the impact of rent burden by providing affordable housing to low-income households, as well as families exiting the shelter system.



Rendering of Bronx Commons, which broke ground in 2017.



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