

BEYOND HOUSING

*Why New York City Must Fund On-Site Social Services
for Older Adults in Mixed-Income Housing*



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EXECUTIVE SUMMARY

New York City is in the midst of a profound housing crisis, marked by historically low vacancy rates, rising rents, and increasing demand for affordable housing—particularly among older adults and vulnerable populations. In response, New York has introduced new tax incentive programs, known as 485-x and 467-m, to stimulate the development of mixed-income housing. These initiatives represent an important step toward increasing housing supply.

However, housing alone is only part of what is needed.

Decades of experience and a growing body of research demonstrate that affordable housing achieves its full impact only when paired with accessible on-site social services. These services stabilize residents, improve health outcomes, reduce public costs, and strengthen building operations. Yet current funding mechanisms for such services are limited in scope and insufficient in scale.



This paper recommends that New York City must expand funding for on-site social services in affordable housing, particularly when it includes older adults within new mixed-income developments created under 485-x and 467-m.

We specifically believe that the City should devote resources to the disproportionately growing population of older adults who need both an affordable home and access to on-site services.

Either existing or new vehicles could be utilized to accomplish this, as follows:

- **Expand SARA** social service funding to cover all older adult residents. This program funds social workers specifically for older adult residents who are transitioning from homelessness, with the additional requirement that these social workers likewise provide support for all other older adults residing in the building. Expanding this funding would improve the support network for all.

- **Consider age-restricting some affordable apartments in mixed-income locations to older adults aged 62+.**

As with the NORC programs that the City already funds, creating multi-generational housing delivers multiple economic and wellness benefits to residents, including real-world interactions that promote mutual



respect and help to fight ageism. Age-restricted apartments would be smaller than those designated for families and would be pre-equipped with grab bars and other home modifications to support aging in place.

- Develop a new **Resident Advisor Program** for affordable housing, similar to that being considered by New York State in the 2026 budget. This program would fill a critical gap by staffing social workers in affordable housing to address residents' social determinants of health through education, programs, and referrals to community-based supports.

Older adults have often been left out of affordability discussions. After a lifetime of working hard, many still struggle to afford appropriate shelter as they age. Indeed, nearly one in five (18.4%) now live in poverty, and 59% have no retirement savings. This places a financial burden on their adult children, who have families of their own – and places a growing strain on public resources due to increased use of shelters, emergency rooms, and Medicaid-funded care.

As demonstrated throughout this paper, providing accessible services within affordable housing dramatically improves outcomes for older adult residents, with similar results to those shown for other populations receiving on-site care.

The recommended changes would ensure that the City's housing investments deliver not just living units but long-term stability for residents, while making mixed-income developments more successful and sustainable for developers.



I. THE SCALE OF NEW YORK CITY'S HOUSING CRISIS

New York City's housing shortage has reached historic levels. Hundreds of thousands of lower-cost apartments have disappeared over the past two decades. The rental vacancy rate has fallen to approximately 1.4% (the lowest in over fifty years) while rents have increased far faster than incomes. Today, the median rent for a one-bedroom apartment is \$3,600. At the accepted rate of spending only a third of one's income on rent, these require an annual income of roughly \$130,000 to be considered affordable – yet the median household income is only \$81,000.

The consequences of this gap are stark: More than half of renters are rent-burdened, spending over 30% of income on housing, and approximately one-third of renters spend more than half their income on rent.

Older adults are among those most affected:

- More than 300,000 older New Yorkers are currently on waiting lists for affordable housing
- Demand has surged by roughly 50% since 2016
- Applications for senior housing through NYC's Housing Connect portal exceed 220,000
- The number of older adults experiencing homelessness has nearly tripled in the past decade

These trends underscore the urgent need to increase the supply of affordable housing. And yet, building new affordable apartments alone is not enough. Many people moving into affordable housing – particularly older adults on fixed incomes – have complex needs that place them in urgent need of additional services.



II. NEW HOUSING INCENTIVES CREATE CRITICAL OPPORTUNITIES

Recognizing the scale of the crisis, New York has introduced new tools to stimulate affordable housing development.

The 485-x Affordable Neighborhoods for New Yorkers program replaces the former 421-a tax exemption, offering long-term property tax benefits to developers who include affordable units in new residential projects. Typically, at least 25% of units must be income-restricted, with some targeted to households earning 40% of Area Median Income (AMI) or below.

The 467-m Tax Incentive Program encourages the conversion of underutilized office buildings—particularly in Manhattan—into residential housing, again requiring that a portion of units be affordable.

These programs complement existing capital financing and service provision initiatives, which are designed for high-need individuals, such as:

- Senior Affordable Rental Apartments (SARA)
- NY 15/15 Supportive Housing Initiative
- Empire State Supportive Housing Initiative (ESSHI)

Together, these policies represent a major opportunity to expand both mixed-income and fully affordable housing across the city.

But they also introduce a challenge: how to ensure that all residents, especially older adults with evolving complex needs, can thrive.

III. WHY HOUSING ALONE IS NOT ENOUGH

In fully affordable and supportive housing models, the need for on-site services is widely understood. Programs like SARA and ESSHI combine capital funding with a core requirement to provide social workers and service coordinators for a specific target population, while NYC 15/15 service buildings receive explicit priority for HPD capital as an incentive to prioritize their construction.

However, in mixed-income buildings developed under 485-x and 467-m, this assumption does not yet exist. This is a critical gap.

Experience shows that residents in affordable units – whether older adults, individuals transitioning from homelessness, or low-income households – often require support to:

- Access benefits and entitlements
- Navigate healthcare systems
- Maintain financial stability
- Adjust to independent living
- Build social connections and avoid social isolation

Without these supports, residents are at greater risk of:

- Housing instability
- Increased emergency healthcare utilization
- Social isolation and declining health
- Conflict within buildings
- Disagreements with building management

In contrast, when services are available on-site, outcomes improve dramatically.



IV. EVIDENCE FROM PRACTICE: THE IMPACT OF ON-SITE SERVICES

For more than six decades, Selfhelp has integrated housing and social services for older adults. This model, pioneered in 1964, recognizes that stable housing is a foundation but not a complete solution.

Across nearly 20 developments, on-site social workers provide services tailored to resident needs. These include:

- Benefits and entitlement assistance
- Healthcare coordination
- Counseling and emotional support
- Community-building programming
- Crisis intervention
- Dispute resolution with building management
- Good tenant practices such as adherence to community policies and rent payments

And, the economic and wellness results are measurable and significant. An independent evaluation using Medicaid and Medicare data found that residents in Selfhelp housing:

- Experienced fewer hospital admissions
- Had shorter hospital stays
- Used emergency rooms less frequently
- Generated lower overall healthcare costs

Additionally, annual surveys across all Selfhelp buildings find that fewer than 2% of residents will turn to nursing home care to meet their needs. Thus, residents are able to age in place at home with dignity and independence. These outcomes both improve quality of life and reduce costs for public systems.

IV. EVIDENCE FROM PRACTICE: THE IMPACT OF ON-SITE SERVICES

Selfhelp's outcomes are consistent with those for other groups receiving supportive services on-site where they live. For example, high-need, unstably housed Medicaid recipients living in permanent supportive housing have consistently experienced shorter hospital stays and reduced overall cost to Medicaid than their peers living elsewhere. Depending on the population served, evaluations also showed other positive effects, including fewer admissions to psychiatric hospitals and substance abuse rehabilitation facilities.



V. HUMAN IMPACT: STORIES BEHIND THE DATA

The impact of on-site services is best understood through the lives they change.

- A 90-year-old Holocaust survivor living in affordable Selfhelp housing was able to remain independent because her on-site social worker ensured she received financial assistance, food support, and emergency aid when her washing machine broke. “She is my lifesaver,” the resident said.
- A couple, both immigrants from China with limited English proficiency, felt isolated before moving into an affordable Selfhelp building with integrated services. Through on-site programming and a nearby Selfhelp older adult center, they learned English, prepared for citizenship exams, and became active participants in a vibrant community.

These stories are not exceptional—they are representative. They illustrate a simple truth: access to a trusted, on-site professional can mean the difference between stability and crisis.



VI. SUPPORTING RESIDENTS TRANSITIONING FROM HOMELESSNESS

New housing initiatives increasingly include units for individuals transitioning from the shelter system. This is a critical and commendable strategy, but one that requires adequate trusted support from a compassionate and knowledgeable social work professional.

Selfhelp's experience demonstrates that successful transitions depend on:

- Establishing expectations for independent living
- Providing trauma-informed care
- Assisting with basic needs and household setup
- Offering ongoing emotional and practical support

Without these services, residents may struggle to remain in their new homes. And while such services are important for many who are entering permanent housing, they are particularly necessary for older adults. The harsh conditions of homelessness often cause health issues that can only be addressed once stable housing is obtained. Some of these—such as high blood pressure, diabetes, and respiratory illnesses, to name a few—can be addressed by programs such as nutrition and cooking classes, substance abuse counseling, and exercise, in collaboration with medical care.



VII. BENEFITS FOR DEVELOPERS AND BUILDING OPERATIONS

On-site services are not only beneficial for residents, they are also essential for successful building management.

Developers and property managers consistently report that service-enriched housing leads to:

- Lower tenant turnover
- More consistent rent payment
- Reduced property damage
- Fewer conflicts among residents
- Stronger community cohesion



Social workers play a proactive role, identifying issues before they escalate. For example:

- Rent arrears can be addressed early through benefits assistance
- Neighbor disputes can be mediated before becoming formal complaints
- Residents in distress can be connected to appropriate services

In mixed-income buildings, this is especially important. Developers must ensure that affordable units integrate seamlessly into the broader community. On-site services that enable accessibility to ready resources, help make this possible.

VIII. CASE STUDY: A MODEL THAT WORKS

A mixed-income development in Long Island City offers a powerful example of what is possible when housing and services are integrated.

This project includes both market-rate and affordable units, including apartments for older adults at very low income levels. The building is well-designed, with attractive shared spaces, beautiful apartments full of light and air, and a diverse resident population.

What distinguishes this development is the presence of on-site social workers. A typical social worker at Hunter's Point has a caseload of about 60 older adults, some of whom are formerly unhoused. Social workers are there to help residents live independently in their homes. Beyond assisting with benefits and entitlements, they foster a tight-knit community in the building, create programming, and maintain close coordination with property management. Approximately half of the residents engage with their services in some capacity, but from the outside the sense of community integration is so strong that it is difficult to differentiate those who receive services from those who do not.

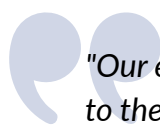
The result:

- High levels of tenant stability
- Minimal conflict
- Strong community engagement
- No reported issues with affordable units



This model demonstrates that mixed-income housing can succeed at scale—but only when supported by adequate services.

Jeremy Shell is Principal of TF Cornerstone, which developed, owns and manages Hunter's Point. He says:



"Our experience shows that on-site social services are not an add-on, they are integral to the success of mixed-income housing. Service-enriched buildings are more stable, less prone to operational challenges, and ultimately stronger communities for everyone who lives there.

We also believe that the intentional inclusion of low-income older adults can contribute to greater residential stability and community cohesion in intergenerational buildings. Aligning housing development with service funding strengthens outcomes for residents and developers alike."

IX. THE FUNDING GAP

Despite clear evidence of effectiveness, current funding for on-site services is insufficient, especially for older adults.

SARA funding funds social workers for residents transitioning from homelessness. However, while these residents comprise up to a third of the building's residents, social workers are required to serve all older adults in the building—who frequently access this care. Existing funding does not account for this broader demand.

NY 15/15 funding is limited to adults and families with specific clinical diagnoses, excluding many who still need support.

ESSHI funding targets older adults with severe need – those with substance use issues or serious mental illness, veterans, and chronically homeless individuals. Selfhelp's ESSHI-funded buildings serve seniors who need substantial support.

While these funds address situations of extreme hardship, they are not sufficient for those older adults who also need onsite support to meet their full spectrum of needs. As a result:

- Service providers are under-resourced
- Developers are hesitant to include deeper affordability without service funding
- Residents' needs go unmet

This gap is particularly concerning as new mixed-income developments come online under 485-x and 467-m.



X. POLICY RECOMMENDATIONS

To fully realize the promise of New York City’s housing investments, the City should take several key steps:

1. Expand SARA Service Funding

SARA funding should be expanded to provide sufficient support to serve all older adult residents, not only those transitioning from homelessness.

This would:

- Reflect actual usage
- Improve health and housing stability
- Reduce long-term public costs

2. Set aside apartments for older adults in mixed-income developments

Developers should include studios and one-bedroom apartments that are suitable for individuals and couples, with appropriate home modifications to support aging in place.

Just as new buildings often include playrooms to attract families, they can include community space for older residents.

3. Create new funding for older adult services

The NORC model has demonstrated the success of bringing services on-site for older adults in multi-generational buildings. While that model supports “naturally occurring” communities of long-term older residents, we recommend extending this model to new construction, specifically by funding the Resident Advisor model. This would:

- Provide older adults with community referrals, benefits assistance, preventive programs, and on-site health & wellness programming.
- Provide advice and support to adult children in meeting their parents’ needs
- Reduce strain on the health system by preventing falls, helping to manage chronic conditions, and navigating long-term care
- Facilitate positive multi-generational communities that reduce resident turnover and draw applicants to new buildings.

Together, these reforms would align funding with reality and ensure that services reach those who need them.

XI. CONCLUSION: FROM HOUSING TO STABILITY

New York City has taken important steps to address its housing crisis through innovative development incentives. The success of these initiatives will depend not only on how many units are built, but on whether residents can thrive within them.

Housing is the foundation. Social services provide the critical support that make aging in place a dignified reality.

Without on-site support, affordable housing risks becoming unstable. With it, housing becomes a platform for health, independence, and community.

The path forward is clear.

By expanding funding for social services in affordable housing, New York City can ensure that its investments deliver lasting impact for residents, for developers, and for the city as a whole.

