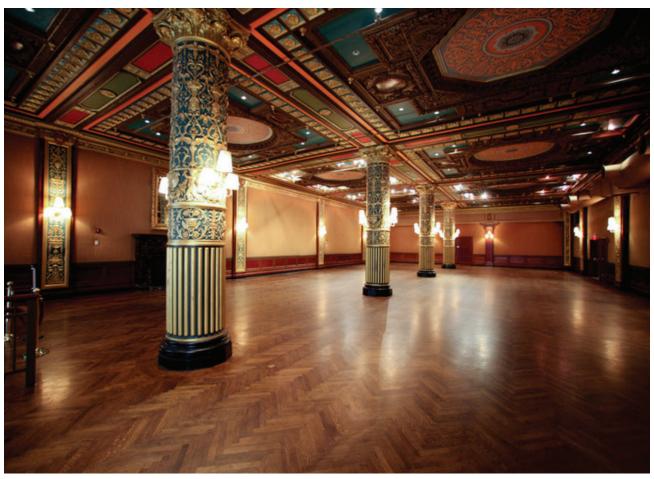
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By Elizabeth A. Harris

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Still Housing the Needy, In a Changed Manhattan



The ballroom of the Prince George is available for rentals, producing income to support the building's mission of providing long-term housing for chronically homeless New Yorkers.

Credit Fred R. Conrad/The New York Times

In a wide-open ballroom in Manhattan last week, a room with gilded columns and dark herringbone floors, men and women in dark suits sat at a reception for a retiring city official, listening to speeches as they munched on tidy portions of chicken and salad greens.

They sat in an elegant early-20th-century building near Madison Square Park, where some of New York's most expensive real estate and finest restaurants can be found. But the residents living above that fine golden ballroom did not shell out a few million dollars for their homes; far from it. The tenants of this building, called the Prince George, include formerly homeless New Yorkers, people with persistent mental illness and the very poor.

" 'The Real Housewives of New York' shot here once," said Brenda E. Rosen, the executive director of Common Ground, which owns the Prince George and rents out the ballroom to help support the organization. "I watched them yell at each other in the ballroom on TV!"

About 25 years ago, when many of Manhattan's grand older buildings were derelict and decrepit, the city started selling abandoned buildings and troubled single-room-occupancy hotels to social service agencies for use as long-term "supportive housing" for chronically homeless New Yorkers. At the time, the buildings were haggard, having surrendered long before to drug dealers and decay, and the neighborhoods where they stood were often sketchy.

Today, these facilities are still operating, but they do so in a different universe.

The Prince George, among the largest welfare hotels in the city before it was acquired by Common Ground in the mid-1990s and restored, is just a few blocks from one of New York's best restaurants, Eleven Madison Park; a supportive building on West 24th Street is opposite a Whole Foods store and expensive condominiums; there is even supportive housing on prime West End Avenue, blending in perfectly with its co-op neighbors, right down to its crisp green awning.

An untold number of drivers have whizzed past and wondered about a reddish-brick building beside the Franklin D. Roosevelt Drive, not far from the Williamsburg Bridge, with two rounded wings, capped by curved black balconies, that reach toward the East River. That structure, built as a hospital more than 100 years ago, then gutted and abandoned in the 1980s, has served as supportive housing for nearly 20 years.

"I get calls every day from some real estate company, every day," said Steve Coe, the chief executive of Community Access, which owns the building, the Gouverneur Court. Callers leave numerous messages asking if he would consider selling, he said, but he is not interested in contributing to the city's supply of fancy condos.

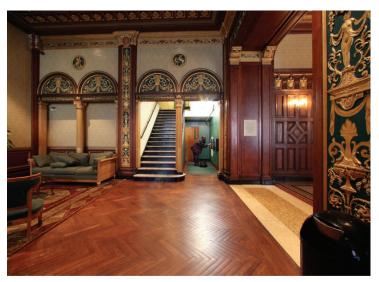
"The reason we became property owners is because our folks are not welcome in regular housing," Mr. Coe said. "So we, by necessity, became real estate developers."

The Gouverneur has 124 studio apartments, occupied by people with mental illnesses or H.I.V./AIDS, and very low incomes. The rents are affordable — no more than one-third of a tenant's income — and the building, like all supportive housing, comes equipped with services meant to help residents manage their affairs. Staff members help tenants apply for government assistance, remind them to refill their prescriptions and provide 24-hour security to keep an eye on who comes and goes. Tenants have rent-stabilized leases and all the protections that that affords.

Even if Mr. Coe decided he wanted to sell the building, his real estate callers would still be disappointed. That is because supportive housing buildings have layers of financing and regulatory agreements requiring that they be used as supportive housing far into the future. Those agreements, advocates say, would be very hard to unwind.

"It's difficult on purpose; you think we were born yesterday?" said Tim O'Hanlon, the city's assistant

commissioner of supportive housing (and the soon-tobe retiree who was feted at the Prince George last week). "Someone might say: 'Gee, I changed my mind. I don't want to take care of the homeless and disabled anymore. I want to rent to middle-income, or better.'"



The building's lobby. Credit Fred R. Conrad/The New York Times

Brokers and developers might be banging on the doors today, but 25 years ago, Mr. O'Hanlon said, the real estate strategy was all "bottom fishing," because nobody else was interested in buying those properties. And with a look back, it is not hard to see why.

Take Euclid Hall, a lovely grande dame built of pink brick that stretches from 85th to 86th Street on Broadway. In the early 20th century, when it was built, it garnered occasional mention in the society pages of The New York Times. But by the 1980s, "it was a mess," said Laura Jervis, the executive director of the West Side Federation for Senior and Supportive Housing, which now owns the building.

"There was a lot of crime in the building and the owner never went above the first floor," Ms. Jervis said. "People had to come in with hazmat suits to clean it out."

Over time, however, well-run supportive housing buildings become just another stitch in their neighborhood's fabric.

"I think if you ask the average resident," City Councilwoman Gale A. Brewer said of Euclid Hall, "they wouldn't even be aware it is supportive housing."

That is no accident. Housing advocates say that an important part of being successful is creating a place that blends into the neighborhood, in part by making sure the facade is clean, attractive and well kept.

Nonetheless, city officials and housing advocates say that initial opposition to new supportive housing can be intense.

"When we proposed this, the folks next door in co-ops were convinced it would be a Bellevue-style inpatient hospital, but with people leaping out of the windows," Mr. Coe said of Gouverneur Court. "Every time we go into another community, we hear the same stuff."

These days, most new supportive projects are in new buildings outside Manhattan, and the populations in them are more varied — including young adults aging out of foster care, and veterans, for example — but the basic model continues.

In June, the commissioner of the city's Department of Housing Preservation and Development, Mathew M. Wambua, announced a plan to double the production of supportive housing units, and as he spoke, he made it personal.

Mr. Wambua spoke of his teenage son, who is autistic and does not speak, and what the future might hold for him.

"I make no assumptions about the heights he's capable of attaining, and he's proved me, time and again, wrong," Mr. Wambua said. "But I do know that should he choose to live independently, he will need support. And the same is true of countless New Yorkers."

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