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A GREEN NEW DEAL FOR NEW YORK CITY HOUSING AUTHORITY (NYCHA) COMMUNITIES

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EXECUTIVE SUMMARY A Green New Deal for NYCHA Communities

The New York City Housing Authority (NYCHA) is in grave physical, financial and political disrepair. The agency faces a repair backlog of **\$31.8 billion** according to its most recent capital plan, which was based on an extensive Department of Housing and Urban Development (HUD) study. This backlog is the result of decades of disinvestment, driven by a combination of antigovernment ideology and resentment towards low-income communities of color.

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NYCHA, which comprises 8% of apartments in New York City and houses a population over 400,000, is the largest stock of affordable housing in the five boroughs. **With one-third of New Yorkers paying approximately 50% of their income in rent**, NYCHA's stock of permanently affordable housing is crucial to keeping the city habitable for a wide range of people. Revitalizing NYCHA will benefit residents and bring new wealth, green skills, opportunity, and greater climate safety to their communities.

But what specifically should be done? How can we make needed repairs while also transforming the city's public housing into comfortable and healthy green housing?

Enter: the Green New Deal. The **basic principles** of the Green New Deal are aggressive, short-term reductions in carbon emissions; high-quality jobs for those who need them; and sustainable investments to provide economic and environmental benefits to racialized and working-class communities.

All these principles are embodied in the Green New Deal for Public Housing Act proposed by Rep. Alexandria Ocasio-Cortez and Sen. Bernie Sanders. This report focuses on New York, where a Green New Deal for NYCHA promises transformative change. (Our companion report, "A Green New Deal for American Public Housing Communities," addresses the public housing nationally.) New York public housing's tremendous capital backlog is a testament to the continuing injustices inflicted upon NYCHA communities by all levels of government. This backlog needs to be addressed as swiftly and thoroughly as possible.

But as we work to mitigate and adapt to climate change, we cannot simply restore NYCHA buildings to their original systems. NYCHA should be modernized, joining the wave of public housing developments receiving green upgrades of the highest quality all over North America and Europe. Pairing deep energy retrofits with desperately needed capital repairs can slash carbon emissions, improve residents' quality of life, and create thousands of high quality construction jobs for NYCHA residents and their neighbors.

Summary of benefits

A Green New Deal for NYCHA is a plan to repair NYCHA, but it is also a plan for racial, economic, and environmental justice. Fully realizing this plan through a \$48 billion investment in comprehensive green retrofits and capital repairs for every large, multi-family building that NYCHA operates (including roughly 174,000 units) over ten years would yield the following impacts:

Abolish NYCHA's carbon pollution by eliminating gas from all NYCHA buildings, reducing energy use, and procuring electricity from 100% renewable sources. These actions would cut NYCHA's annual carbon emissions to zero by 2030. Altogether this is a 2.3 million ton reduction of carbon per year,^a or the equivalent of taking 453,243 cars off the road.

- Create up to 325,519 jobs in New York City over the course of ten years, or an average of up to 32,552 jobs per year. This would have an estimated citywide economic impact of up to \$96 billion in local economic activity over the course of the decade-long mobilization.
- Increase local and regional government revenues by adding up to \$1.84 billion for the City and \$2.45 billion for the State through sales and income tax revenue raised over the course of ten years.
- Grow the high-wage 21st century green economy by creating over 11,000 good-paying, union-rate jobs in skilled construction and maintenance per year, with major benefits for NYCHA residents and low-income communities, thanks to the Green New Deal for Public Housing Act's ambitious Section 3 hiring requirements. We expect most or all of these jobs to be union jobs; in this report, all our projections assume union-rate "prevailing wages". In New York State, the average annual compensation for construction work is currently nearly \$82,000.
- Create good, green jobs for NYCHA residents in districts across the city. The scale of the work, combined with aggressive workforce development programs and hiring requirements will provide approximately 787 construction jobs per year for NYCHA residents in NY-15, 870 in NY-13, and 802 in NY-8. Citywide, this legislation would create as many as 4,342 jobs a year for public housing residents. Roughly a third of all jobs created will go to very low- and low-income New Yorkers across the city. This training and work experience will, in turn, open career pathways in high-income fields like construction and maintenance.
- Reduce NYCHA's utility costs by \$200 to \$398 million a year by the end of ten year retrofit period, amounting to nearly 10% of the annual capital expenditure.

Compared to NYCHA's average emissions from 2010-2017.
Emission estimates based on NYCHA utility consumption from NYC's OpenData portal and guidelines set forth by the EPA and NYC in the CEQR technical manual.

- ▶ Invest in low-income and racialized communities. NYCHA complexes are disproportionately located in census tracts with high unemployment and high person of color populations, as shown in maps throughout this report. These new jobs would facilitate an immediate injection of capital into frontline communities, with neighborhoods with high densities of NYCHA complexes benefiting most. Moreover, by **making every NYCHA complex into a resilience center** that provides safe temperatures, backup power, and community spaces for coordinating disaster relief, a Green New Deal for NYCHA would make communities healthier and safer.
- Reduce high rates of asthma among NYCHA residents by 18-30%, by completely eliminating the root cause of mold as well as the mold itself, which a 2018 study found to be present in at least 30% of NYCHA apartments. A Green New Deal for NYCHA would fund aggressive programs to maintain moldfree apartments, and fully remove all lead paint and repair any resulting damage, meaning residents will see increased health benefits, saving themselves, and the city, money in healthcare costs.
- Massively improve safety, health, and comfort in NYCHA apartments, which are currently causing unacceptable harm to residents. Currently, compared to the New York City average, NYCHA apartments have over twice the rate of cockroach infestation, heating breakdown, broken toilets, and water leakages. It's no wonder then that NYCHA residents are twice as likely as the New York average to suffer from poor health.

Use public procurement to provide all NYCHA apartments, as well as willing community and housing partners in New York and beyond, with cutting-edge, apartment-sized induction stoves and low-flow toilets. This would have benefits like improved indoor air quality (no more toxic emissions from unventilated gas ranges) and virtually eliminate toilet leaks from units. Bulk public purchases of the best new appliance models could drive down costs for everyone in the private market as well. Other public agencies or community groups could also piggy-back on these bulk purchases to secure low-cost appliances for their members.

Policy recommendations

To get there, a Green New Deal for NYCHA should include the following imperatives, all of which are consistent with the Green New Deal for Public Housing Act:

- Repairs must be paired with deep energy retrofits to remake NYCHA into exemplary highquality green housing. Procurement requirements should be amended to allow for an integrated approach to repairs and retrofits, and to permit public housing authorities flexibility in obtaining contracts for high-quality, lasting work, even when this requires higher upfront costs.
- Repairs and retrofits must be supported by aggressive workforce development programs and hiring requirements so that Section 3 eligible workers—public housing residents and nearby lowincome workers—and resident-owned businesses and cooperatives receive the maximum benefit from new jobs and investments, and can contribute to the 21st century green economy long after retrofits are completed.

- Provide funds to build on and expand existing local plans to immediately address residents' most pressing health and safety needs, including mold removal and heat provision, in part by training and adding far more workers to make immediate repairs that improve residents' health, safety, and comfort.
- Retrofits must set the stage for full decarbonization. Developments must be electrified; oil and natural gas must be phased out as nextgeneration HVAC systems are installed to address heat unreliability, maximize resident comfort, and facilitate a full green transition in all NYCHA buildings.
- Outfit NYCHA residences with modern, energy efficient appliances to immediately improve resident quality of life, realize dramatic utility savings, and reduce costs for buyers in other affordable housing complexes, and ultimately consumers across the United States, by leveraging public purchasing power to drive cost reductions and innovations in US appliance manufacturing.

Even as federal policy has systematically underfunded NYCHA, destabilized the lives of its tenants, and treated public housing as a tool for segregation rather than a permanent stock of high-quality homes guaranteed for the public's benefit, NYCHA housing has remained in extremely high demand, with vacancy rates nearly a factor of 10 lower than in market-rate rentals.^b

Changes are needed at the federal level not only to correct chronic underfunding but also to bolster the supply of affordable, stable, and high-quality housing that public rather than private institutions can provide. Additionally, while workforce development and reinvestment begin to rectify the racial injustices perpetuated through housing and economic policies, other federal steps are required to foster the integration of public housing. Public housing has become a shelter of last resort, but through a Green New Deal, it can become an affordable, desirable, and sustainable mainstay in the American landscape.

To achieve these goals, we must make changes at the federal level, including:

- Repeal the Faircloth Amendment
- Amend current public housing income requirements
- Amend public housing procurement requirements
- Fully fund public housing without requiring privatization

b. Six percent vacancy rate in market-rate rentals versus 0.7 percent in public housing. Based on 2017 Housing Vacancy Survey.