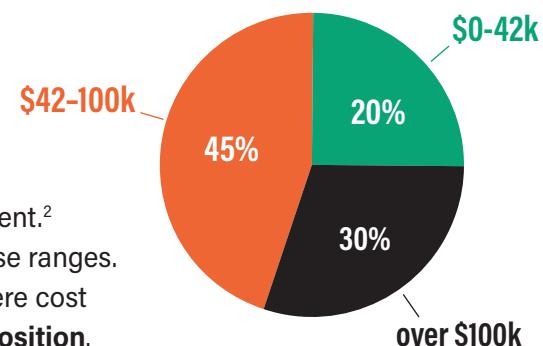


# Why does New York State need a Social Housing Development Authority (SHDA)?

Assembly Bill A9088 2023–2024 purports to ease rent pressure from the private market by establishing a Social Housing Development Authority (SHDA) with a mandate to build affordable housing across the state. In other countries “Social Housing” refers to public housing stock as one of many other “social” programs like education and healthcare. In the US, however, progressives have adopted proposals under the name social housing that, compared with the existing Section 9 public housing framework, **do not effectively serve those households most threatened by eviction and unaffordability**: the elderly, disabled, and working class. These populations are already well-represented within Section 9 public housing, in addition to the 10% of NYCHA tenants who make >100k / year.<sup>1</sup> Due to decades of stigma around Section 9, many are unaware that New York’s public housing is already home to the successful mixed-income communities Bill A9088’s SHDA promises.

Proposed AMI breakdown for family of three in Bill A9088



## Vote NO on Bill A9088.

### ► Bill A9088 neglects the most vulnerable low-income renters.

Those earning 30% of Annual Median Income (AMI) or less only account for 25% of the “mixed-income” developments in Bill A9088, and are reliant on the larger portion (30%) of middle-income tenants to cross-subsidize their rent.<sup>2</sup> The remaining 45% of units would presumably be for households between these ranges. 74% of New York’s extremely low income renters are already experiencing severe cost burdens,<sup>3</sup> and **Bill A9088 places them in a more precarious subordinate position**.

### ► Bond financing can create dangerous amounts of debt.

By excluding congress, Bill A9088 dumps the cost of eliminating housing insecurity on New York state and city governments, which will rely on bond financing in place of federal money. When used as a method of public finance, bonds generate wealth for investors but have a track record of burdening agencies like the MTA with **debt servicing at debilitating interest rates**. Bill A9088 could create a similar burden for housing, with resulting deterioration in SHDA living conditions like those experienced in public housing, and possibly diminishing affordability if rent is looked to as a revenue source for debt repayment. New York state would only be obligated to intervene if the SHDA was in danger of default.

Section 9 units could be restored to safe and dignified housing at the average cost of \$45K per unit, while the cost doubles to nearly \$90K under Project-Based Section 8.<sup>4</sup> Without mandatory bid comparisons the SHDA has no way to ensure inflated costs won’t accompany construction and management.

### ► Social housing decenters public housing, the only proven model of decommodified housing in US history.

Section 9 public housing is the only proven model of decommodified housing in US history, providing:

- The most robust tenant benefits, including union preference and Section 3 employment opportunities
- Unmatched tenant rights including arbitration, a voice in management decisions, and representation via tenant associations
- Rent that is capped at 30% of a households’ income, ensuring true affordability
- Social services and networks of care that offer critical support and enrich our lives



**We are tired of being erased.** Our communities have thrived under Section 9, the only proven model of decommodified housing in the US. We reject the racist Reagan-era myths that public housing is inherently inefficient or that Section 9 residents are responsible for the deplorable condition of our homes; today only 12% of NYCHA residents are on public assistance,<sup>1</sup> and we are flourishing despite a long history of reactionary attacks by politicians of both parties. We encourage you to advocate for and expand public housing by:

- Instituting a **moratorium on RAD/PACT conversions** pending conduct of a federal impact study on the program. Early research indicates that frequency of eviction attempts can be six times higher,<sup>5</sup> and eviction rates at converted developments as much as three times higher than the NYCHA average.<sup>6</sup>
- Work with SS9 to secure the ~~\$80 Billion~~ **\$40 Billion** NYCHA needs to make every unit safe and vibrant again! This would bring back 5,087 empty units NYCHA is currently turning into slums.<sup>4</sup>
- Require an audit of the current resources available for development under Section 9 and an **independent physical needs assessment** be provided to residents voting whether or not to join the Public Housing Preservation Trust.
- Immediately construct **20,754 Section 9 units** throughout the state (16,931 units can still be built in New York City without reaching our 1999 Faircloth limit).
- **Invest in repairing every roof, elevator and pipe** in public housing which would ensure the symptoms of disinvestment (leaks, mold, asbestos exposure) are reversed.<sup>7</sup>
- Establish a **New York State Public Housing Authority** to steer our existing housing authorities towards their purpose, the development and management of truly affordable, vibrant and humanizing/empowering housing for all New Yorkers.

To further discuss these recommendations, or request an educational workshop in your district, please reach us at:

**[savesection9@gmail.com](mailto:savesection9@gmail.com)**

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Join our weekly Zoom meetings

Wednesdays at 7:30pm!

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