A Reparations Initiative for NYC Public Housing Community

A focused and concerted effort to revitalize and sustain NYC's publicly owned housing communities.

Executive Summary

This proposal outlines a comprehensive reparations plan to address the urgent needs of residents in the New York City Housing Authority's (NYCHA) various housing estates. The initiative seeks to rectify years of public neglect, enhance living conditions, and ensure the long-term sustainability of this vital publicly owned housing inventory, which provides homes to many very-low, low-, and moderate-income New Yorkers.

To achieve this objective, the City of New York, in collaboration with New York State, should allocate \$3.6 billion annually for 20 years from the New York State Stock Transfer Tax. This tax represents a minor percentage of the transfer of financial instruments—a New York State tax collected for NYC's benefit until 1983 and now forgiven. Beyond benefiting public housing residents, this reparations plan would safeguard our public housing supply for future generations, combat the detrimental financialization of housing, prevent disruptive displacement and speculation, and stimulate the economy by creating well-paying construction industry jobs and reallocating other municipal resources to address various city needs.

Background

NYCHA provides housing for over 400,000 low-income New Yorkers. Decades of underfunding and neglect have resulted in deteriorating infrastructure, lead and mold poisoning, and substandard living conditions. This proposal aims to address these issues by expediting the rehabilitation of this valuable public resource and preventing the continued deterioration and escalating costs of rehabilitation.

Arguments for a reparations program for New York City Housing Authority (NYCHA) residents center on addressing decades of systemic neglect, underinvestment, and discriminatory policies by federal, state, and city governments since the 1980s. These policies have resulted in hazardous living conditions and exacerbated the racial wealth disparity. This neglect constitutes a contemporary form of harm sanctioned by the state, including environmental racism, inadequate maintenance, and displacement, which warrants direct restitution primarily for Black and brown residents and households led by women.

Decades of Intentional Neglect

Since the 1980 Reagan-era federal funding reductions for public housing and regulatory modifications that prohibited residents from remaining in place once their incomes improved have contributed to its rapid decline. The reductions and programmatic changes led to a pass-the-buck approach that required localities to compensate for the losses in federal support for public housing maintenance and operation, paving the way for privatization initiatives and/or the introduction of financing alternatives that inevitably lead to the privatization and loss of this valuable housing resource. Consequently, NYCHA has endured decades of deferred maintenance, underfunding, and management failures due to financial cutbacks by city, state, and federal governments. The following issues have left NYCHA buildings in crisis, with residents compelled to endure deplorable conditions.

- Racial Wealth Gap and Inequality: The neglect of public housing is associated with a broader history of discriminatory housing policies that have hindered wealth accumulation for Black households, with white New Yorkers possessing nearly 15 times more wealth than their Black counterparts.
- Systemic Discrimination: NYCHA residents encounter unique, unequal legal procedures and living conditions not encountered by private tenants, indicating a breach of fairness**.**
- Root Shock: The Destruction of Community Through Neglect often referred to as "root shock," has resulted in enduring, intergenerational harm to residents' physical and mental well-being.

Beyond Acknowledgement: Restitution and Reparation

Acknowledging past harm is insufficient. Restitution, encompassing investments and repairs necessitated by years of deferred maintenance, necessitates a substantial financial commitment to rectify damage inflicted by administrative neglect and discrimination. The neglect is perceived as a continuation of historical, race-based housing and land-use policies that have disproportionately impacted individuals of African descent. The establishment of the New York State Community Commission on Reparations Remedies (Reparations Commission) represents a modest yet significant initial step in addressing these concerns.

This proposal substantially advances the objectives of the Reparations Commission, generating far-reaching benefits for all New Yorkers both presently and in the future. NYCHA estimates that fully rehabilitating its 161,400 apartments would cost approximately $78 billion, averaging roughly $485,000 per unit. However, the estimate may be overstated due to factors such as market-rate pricing and the scope of work included in the Physical Needs Assessment. Actual renovation costs under programs like the Rental Assistance Demonstration have been considerably lower, ranging from $124,000 to $384,000 per unit. For this proposal, the average of these three figures, approximately $330,000 per unit, totaling around $53.2 billion, is used. To repay a $53.2 billion bond at a 3.25% interest rate over 20 years, New York City would spend about $3.6 billion annually. This figure is higher than what we are now planning to spend, but the increase of about $1.5 billion will result in significant savings by accelerating the start of the repairs before costs continue to rise and conditions deteriorate even further.

This proposed program would enable each of New York City Housing Authority's housing projects to undergo infrastructure repairs and upgrades once the bond issue is approved and the participatory rehabilitation process gains acceptance by a supermajority of the residents of each project or estate. This would allow each project or estate to replace aging plumbing, electrical systems, HVAC infrastructure, and address lead paint, mold, and asbestos abatement. It would also facilitate the improvement of building envelopes, roofs, and facades, the upgrading of kitchens, bathrooms, flooring, and the installation of energy-efficient appliances and lighting.

These critically needed improvements, along with enhanced accessibility for residents with disabilities, would be implemented earlier rather than deferred into an uncertain future.

Community Development and Support Services

Inherent in the accelerated rehabilitation of our public housing inventory, there should be an expanded on-site social service, job training, and education programs. Enhanced community development and community organizing efforts to promote community engagement initiatives should be established and maintained. Most importantly, support for a resident-led organizing, participatory design, and development process must be provided.

Key Outcomes:

· Improved living conditions for over 400,000 residents
· Reduction in lead poisoning, mold, and respiratory health issues
· Enhanced community spaces and social services
· Increased energy efficiency and reduced carbon footprint
· Creation of jobs and training opportunities for residents
· Preservation of affordable housing stock for future generations

Implementation

To establish this reparations initiative, we propose that the mayor immediately establish a dedicated task force to oversee fund allocation and project management. The taskforce should collaborate with resident associations, community organizations, and private sector partners to protect this vital public resource by curbing all privatization efforts. The taskforce should prioritize projects based on urgency, resident input, and community needs. A system of accountability and transparency, including a plan for regular audits and reporting to ensure effective use of funds, should be established. Most importantly, a resident participation program in decision-making processes and project monitoring should be established, as well as an independent evaluation and assessment process to assure initiative outcomes.

Conclusion

There is poetic justice in this proposal. Lest we forget, enslaved people built the original Wall Street. Even as George Washington later took his oath of office in 1789 at Federal Hall on Wall Street, and the Wall Street stock exchange was established in 1792, just 30 years earlier, Wall Street was also the site of the city's slave market. New York's financial and industrial economy initially thrived thanks to cheap Southern cotton, a product of the labor and torture of those enslaved. Nearly 40% of the financing and insurance for Southern plantations were provided by NYC companies, and slave-collateralized securities were all the rage in the early 1800s, boosting the Exchange. Moreover, New York did not abolish slavery until 1827.

We argue that slavery—and the need for restitution and reparations—stems from what the South did, overlooking our city's (and especially our Stock Exchange's) role in and earnings from the "peculiar institution." New Yorkers must lead on reparations. What better way than a shockingly small (already in place) tax on one of the city's institutions that profited so greatly from it?

We can commence by utilizing a New York State bond issue underwritten by the commitment of an annual payment of a minimal Stock Transfer Tax (STT) tax of $3.6 billion annually for a period of 20 years to transform New York City Housing Authority (NYCHA) into a model of sustainable, equitable, and thriving publicly owned and maintained housing. This initiative would benefit residents, communities, and the city as a whole.

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