

Executive Summary

THE CASE FOR A GREEN NEW DEAL FOR PUBLIC HOUSING

The massive backlog of deferred maintenance for public housing in the United States demands a comprehensive, holistic solution that brings every unit in the country up to the highest health and environmental standards: A Green New Deal for Public Housing. This plan would deliver healthy green upgrades and deep-energy retrofits of the nation's public housing stock to massively increase residents' health and quality of life, finally remedy the long backlog of repairs in public housing, and eliminate all carbon pollution from public housing buildings, while creating badly needed, high quality jobs in the green economy for people in public housing communities. In so doing, a Green New Deal for Public Housing would also build on successful models in the US and abroad that have leveraged investments in public housing to accelerate green technologies throughout the buildings sector—benefiting consumers and hastening decarbonization well beyond only public housing.

At a time when the housing crisis has become an urgent national issue, public housing in the US is one of the few remaining options for deeply affordable housing. Public housing is home for 1.7 million residents, roughly 1 in 200 Americans, providing a long-term housing option outside of the increasingly expensive private rental market. Public housing residents are disproportionately Black and brown renters, and 24% of public housing residents are living with a disability.¹ We cannot afford housing or climate policy that leaves these communities behind.

1 <https://www.huduser.gov/portal/datasets/assthsg.html>

2 A variety of forms of subsidized housing are sometimes referred to as public housing; in this report, the phrase refers specifically to Section 9 public housing, which would see increased funding and other reforms through a Green New Deal for Public Housing.

Public housing is facing an existential crisis. Chronic underfunding has created the conditions for a rapid decline of units, with the loss of one out of every four public housing units in just over a decade. Our original analysis shows that **between 2009 and 2022, the public housing stock has shrunk from 1.2 million units to just over 900,000 as a result of demolition, privatization or other conversions from Section 9.**² In the context of decades-long underfunding of public housing, the Rental Assistance Demonstration (RAD) emerged as an option to address the large and growing capital repairs backlog. RAD mandates a transfer of ownership or management from PHAs to other entities, who can then

The Green New Deal for Public Housing would end the era of the demolition, fragmentation, and privatization of public housing and invest \$16.2 to \$23.4 billion a year for 10 years to transform the US public housing stock, upgrading every single unit into safe, healthy, beautiful, and climate-resilient places to live.

circumvent restrictions associated with traditional public housing funding streams and access additional funding from which PHAs are excluded. RAD can often entail the privatization of public housing, although the new managing entity can also be a tenant association, non-profit, or a public subsidiary of the PHA. RAD has accelerated—but did not initiate—the loss of Section 9 public housing in the United States. Since RAD began in 2012, 230,000 public housing units have already been converted or are in process to convert to this alternate ownership model.

The delivery of green retrofits and repairs would restore safe, habitable, and comfortable homes for the 1.7 million Americans currently in Public Housing, laying the foundation for renewed investments in expanding this essential housing supply. And a Green New Deal for Public Housing would create an estimated 280,000 jobs over its 10-year spending period. Decarbonizing homes would often go hand-in-hand with increased health and comfort for residents, as when a new induction stove eliminates the need for cooking fuel, lowers emissions, and drastically improves indoor air quality.³ In some cases, benefits for resident health and comfort may be more pronounced than benefits in terms of emission reductions. Improving a building envelope—repairing cracks, replacing windows, and/or installing overcladding—would lower utility costs, but also help eliminate mold, which is currently a major health issue for many public housing residents.⁴ The repairs proposed would address urgent issues of resident health and safety while retrofits would decarbonize public housing, massively reduce energy needs, and also contribute to better living conditions. As a whole, the

Green New Deal for Public Housing is an investment in public health, community resiliency, housing security, and eliminating carbon pollution, and its benefits would be diffuse across these areas.

The window of opportunity to save public housing is rapidly closing, as each year low-income renters find themselves with fewer public housing units to live in. Federal policymakers must urgently pass legislation to fully fund and improve public housing.

Where comprehensive, green upgrades of public housing have been planned or implemented, their benefits have extended beyond public housing alone—and have helped build a fair, green economy that tackles inequality and climate change in the same places, at the same time.

In the last few years alone, Public Housing Authorities (PHAs) have begun confronting the combined climate and public health crises through deep energy retrofits and resiliency upgrades in public housing properties. In many cases, these programs have helped create initial demand for cutting-edge green building techniques and technologies,—laying the groundwork for accelerated decarbonization throughout the broader housing market while creating new, green jobs. Existing programs domestically and abroad show the strong promise of public housing providers *in particular* to drive these innovations. A Green New Deal for Public Housing is designed to protect public housing in the United States, implement comprehensive, modern upgrades that support residents' health and quality of life, while also accelerating building decarbonization practices through these practices.

3 Oliver Milman, "One in Eight Cases of Asthma in US Kids Caused by Gas Stove Pollution – Study," *The Guardian*, January 6, 2023, sec. Environment, <https://www.theguardian.com/environment/2023/jan/06/us-kids-asthma-gas-stove-pollution>.

4 Annemarie Cuccia, "DCHA Is Promising Operational Reform. What Does That Mean for Residents?," *TheDCLine.Org* (blog), December 7, 2022, <https://thedcline.org/2022/12/07/dcha-is-promising-operational-reform-what-does-that-mean-for-residents/>; Greg B. Smith, "NYCHA's Decade of Court-Monitored Mold Cleanup Starts to Show Results," *THE CITY - NYC News*, June 29, 2023, <http://www.thecity.nyc/2023/06/29/nycha-mold-cleanup-progress-baez-monitor/>.

A GREEN NEW DEAL APPROACH TO FULLY SAVE PUBLIC HOUSING

Other approaches—namely the Rental Assistance Demonstration (RAD)—are being held as solutions to the long-term funding shortfalls facing public housing. RAD can provide needed capital for repairs by making projects eligible for additional subsidies, grants, and loans for which Section 9 public housing is ineligible. However, while RAD has provided a mechanism for PHAs to address some urgent capital needs, it also entails large drawbacks. The complexity of RAD conversions entails large, hidden transaction costs, which have been recognized by policy analysts, independent evaluations of the program, and even consultants who specialize in RAD conversions. While RAD does mandate tenant protections and affordability requirements, those protections can vary based on the specifics of the RAD conversion and are not watertight. RAD may be offered as a solution—but the far better approach is the simpler one: funding public housing through Section 9 and removing unnecessary restrictions on PHAs.

Crucially, while RAD can make capital available to address repair backlogs, a huge portion of the funding “unlocked” through RAD are public grants and subsidies, which are often siphoned from other housing programs, comprising further hidden costs and hindering efforts to address our multifaceted housing crisis. In lower-cost areas, RAD conversions will tend to require even larger public subsidies, if those areas are not to be left out entirely from investments entirely. Our analysis shows that the large majority—nearly 75%—of financing made available through RAD are direct grants from other public programs, equity from tax credits or other funds, or federally-insured or subsidized loans. In other words, the majority of the financing “unlocked” through RAD stem from public resources—with a large portion comprised of funds siphoned from other housing programs.

Finally, while RAD is preferable to deterioration and demolition, it isn’t actually saving public housing because we’re still losing units, beyond what are converted through RAD. From 2012 to 2023, 174,000 public housing units were converted through RAD — and the number of public housing units in the US declined by 274,000, suggesting that a substantial number — up to 100,000 — were still demolished or otherwise disposed of during that period.⁵

Chronic underfunding is not the only obstacle that has accounted for the decline of public housing. PHAs are subject to a range of cumbersome rules or requirements that raise costs or otherwise obstruct them in the mission of providing housing. This includes financing restrictions that can limit PHA’s ability to finance energy-efficiency repairs and expensive and overly restrictive spending and contracting requirements that hinder capital improvements. Again, while RAD can allow some of these restrictions to be circumvented, the simpler approach—simply reforming or removing these impediments on PHAs—will be the better one, and doing so will be essential to implementing a Green New Deal for Public Housing.

RAD may be offered as a solution —but the far better approach is the simpler one: funding public housing through Section 9 and removing unnecessary restrictions on PHAs.

5 HUD, “Picture of Subsidized Households”; HUD, “RAD Program Data.” See methodological appendix, “RAD Conversions and Public Housing Unit Loss.”

THE BENEFITS OF A GREEN NEW DEAL APPROACH

The Green New Deal for Public Housing would realize major public health benefits, including lower asthma rates, reduced fatalities and health impacts from extreme heat,⁶ and improved mental health for public housing residents. The association between these public health outcomes and specific building repairs and retrofits—such as lead and mold removal, installation of heat pumps and induction stoves, and other steps to improve state of repair and habitability—are empirically well established. Children growing up in homes with gas stoves have a 42% increased asthma risk compared to those growing up without a gas stove in their home; replacing gas stoves with induction will therefore reduce both emissions and asthma prevalence. Extreme heat poses a major public health risk, and rising temperatures increase the urgency and benefit from installing heat pumps that could provide cooling in the summer, as well as replace fossil-fuel heating systems that would be active during the winter. A Green New Deal for Public Housing would involve flood-proofing public housing developments in vulnerable areas. Meanwhile, increased greenspace and decreased paved area will help mitigate local heat island effects and absorb more water during heavy rain, which lowers risk of both extreme heat and flooding.

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our public housing stock, upgrading every single unit into safe, healthy, beautiful, and climate resilient places to live. The Green New Deal for Public Housing would create an estimated 280,000 jobs over its 10-year spending period in high-paying, family-sustaining sectors, with hiring preference going to public housing residents. This would create clear pathways for residents themselves to get good, family-sustaining jobs for residents at the same time as they help alleviate rising construction costs for PHAs.

The time is past due for a Green New Deal for Public Housing. Decades of deferred maintenance mean building systems are desperately due for replacement. While programs like the Rental Demonstration Program (RAD) are being scaled up as solutions to the massive public housing maintenance backlog, relative to simply funding public housing directly and removing or reforming other rules that currently hamstring public housing management, RAD only introduces new costs, risks, and complexity—all while making the work of decarbonization harder and less direct. With a Green New Deal for Public Housing, Congress would mobilize the resources needed to fight climate change and massively improve the health and living conditions of 1.7 million Americans, and continue to provide—or begin again to grow—this major stock of stable and affordable housing in the midst of a worsening national housing crisis.

6 “An estimated 350 New Yorkers die prematurely because of hot weather in New York City (NYC). These heat-related deaths account for about 2% of all deaths over the warm season months of May through September.” [“2023 NYC Heat-Related Mortality Report,” Environment & Health Data Portal, 2023.](#)

A GREEN NEW DEAL FOR PUBLIC HOUSING

By The Numbers

Public housing is one of few remaining options for deeply affordable housing, providing homes for

1.7 million

residents, roughly 1 in 200 Americans.

But since 2009, the United States has lost

over 25%

of its public housing units to conversions, demolitions, or dispositions.

A Green New Deal for Public Housing would reverse course on decades of underfunding and neglect, creating

280,000

high-paying jobs.

This proposal will invest **\$16.2 to \$23.4 billion a year for 10 years** to preserve, upgrade, and expand public housing stock.

Delivering comprehensive unit upgrades and decarbonizing public housing buildings would:

LOWER EMISSIONS:

Eliminate an estimated

5.7 million

metric tonnes of carbon emissions.

This is the equivalent of

1.26 million

fewer cars on the road every year.

ACCELERATE DECARBONIZATION:

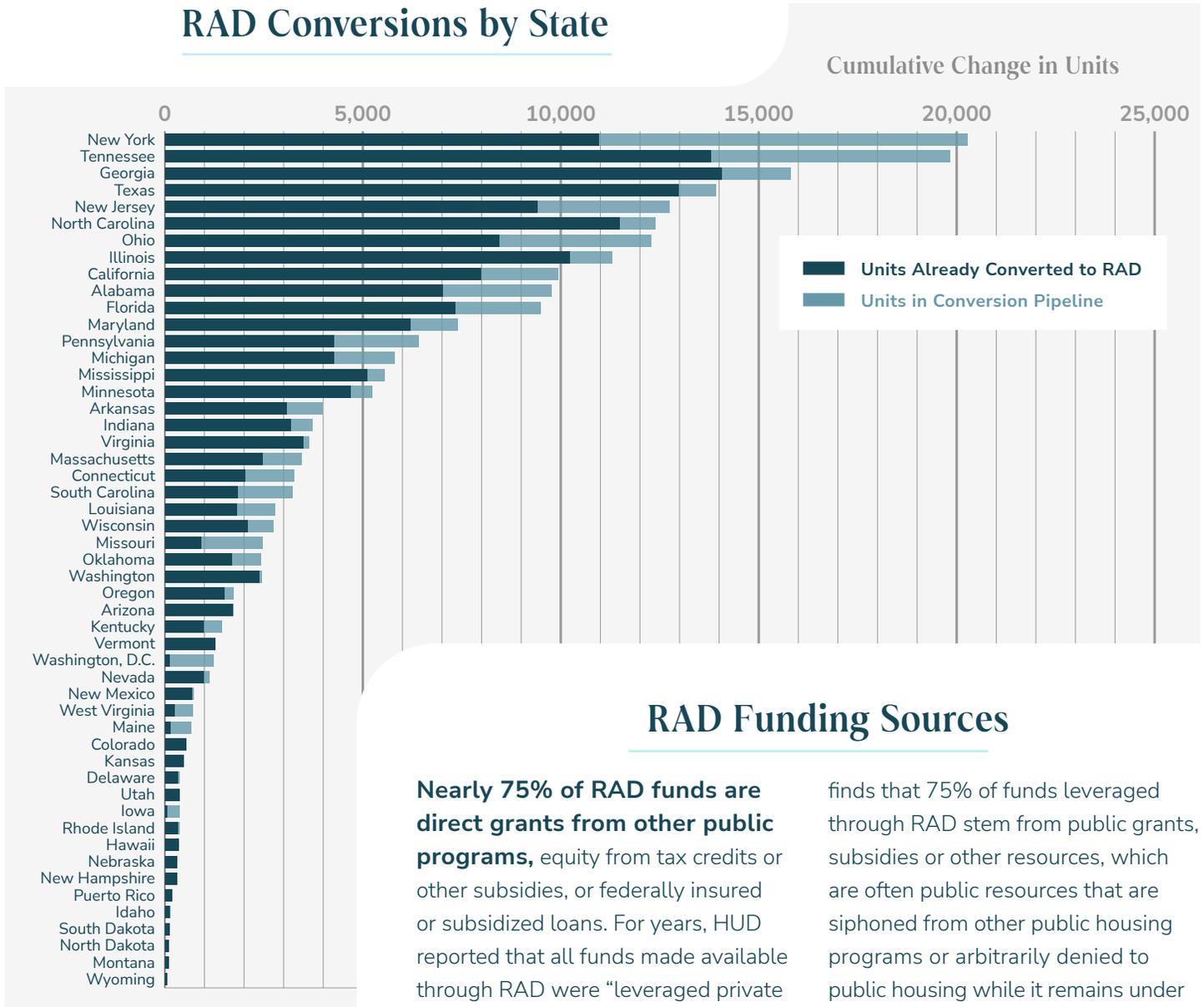
This proposal would broadly benefit the US manufacturing and construction sectors by bringing new technologies to market and spurring innovation.

PROVIDE HEALTH BENEFITS:

Green repairs to public housing would lower asthma rates and improve cardiovascular health for public housing residents.

The Rental Assistance Demonstration has been a major part of the decline in public housing, with 230,000 public housing units already converted or in the pipeline to convert since RAD began in 2012.

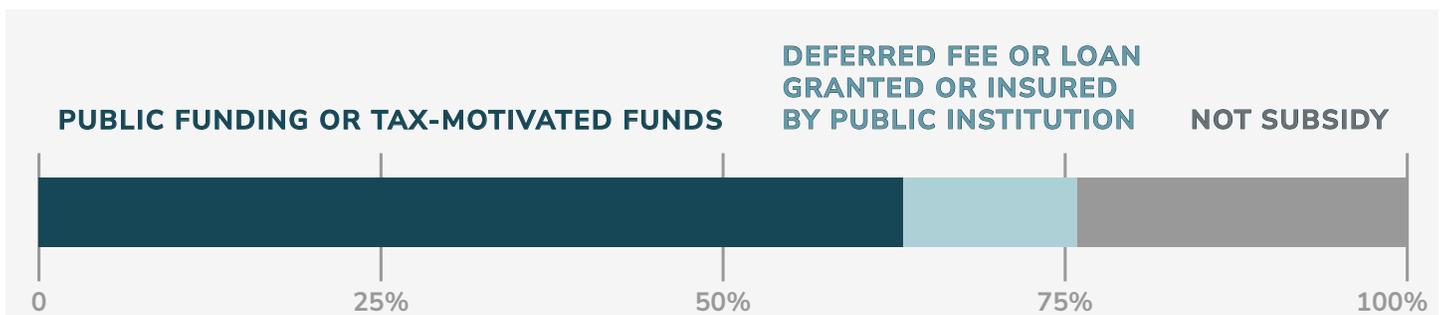
RAD Conversions by State



RAD Funding Sources

Nearly 75% of RAD funds are direct grants from other public programs, equity from tax credits or other subsidies, or federally insured or subsidized loans. For years, HUD reported that all funds made available through RAD were “leveraged private sector investment.” But our analysis

finds that 75% of funds leveraged through RAD stem from public grants, subsidies or other resources, which are often public resources that are siphoned from other public housing programs or arbitrarily denied to public housing while it remains under Section 9.



Source for both graphs: RAD Program data. More detailed breakdown of RAD funding sources on [page 28](#).