



The Public-Private Partnerships within the scope of social housing programs: São Paulo and New York

As Parcerias Público-Privadas no âmbito dos programas de habitação social: São Paulo e Nova York

Asociaciones Público-Privadas dentro del alcance de los programas de vivienda social: São Paulo y Nueva York

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Abstract

In view of the housing shortage, public management in several countries seeks to meet the demand for housing through partnerships with the private sector. In this context, the article aims at understanding and comparing the applicability of Public-Private Partnerships (PPPs) in Brazil and the United States, through case studies of the Public-Private Partnership Programme in São Paulo and the Section 8 Housing Choice Voucher Programme in New York. We used the Dialogical Architecture Method, which relates the object of study with its context. For comparative analysis of both programmes, the following parameters were used: a) legislation and regulations; b) agents involved; c) beneficiaries; d) financing or aid to rent the housing unit; e) location of the projects or offered units; f) housing types. The results show that both programmes have potentialities and restrictions regarding the use of PPPs for the provision of housing to the low-income population. The research contributes to studies on social housing through PPPs.

Keywords: Social housing, Public-Private Partnerships, São Paulo (Brazil), New York (United States).

Resumo

Diante do déficit habitacional, a gestão pública de diversos países procura atender a demanda por moradia a partir de parcerias com a iniciativa privada. Neste contexto, o artigo tem como objetivo compreender e comparar a aplicabilidade das Parcerias Público-Privadas (PPPs) no Brasil e Estados Unidos, através de estudos de caso do Programa Parceria Público-Privada Habitacional em São Paulo e do Section 8 Housing Choice Voucher Program em Nova York. Utiliza-se o Método Arquitetura Dialógica, que relaciona o objeto de estudo com seu contexto. Para a análise comparativa de ambos os programas foram utilizados os seguintes parâmetros: a) legislação e normativa; b) agentes envolvidos; c) beneficiários; d) financiamento ou auxílio para locação da unidade de habitação; e) localização dos empreendimentos ou da oferta das unidades; f) tipologias de habitação. Os resultados mostram que ambos os programas apresentam potencialidades e restrições quanto ao emprego das PPPs para a oferta de habitação à população de baixa renda. A pesquisa contribui com os estudos sobre habitação social através das PPPs.

Palavras-Chave: Habitação social, Parcerias Público-Privadas, São Paulo (Brasil), Nova York (Estados Unidos).

Resumen

En vista del déficit de vivienda, la gestión pública en varios países busca satisfacer la demanda de vivienda a través de alianzas con el sector privado. En este contexto, el artículo tiene como objetivo comprender y comparar la aplicabilidad de las Asociaciones Público-Privadas (APPs) en Brasil y los Estados Unidos, a través de estudios de caso del Programa Parceria Público-Privada Habitacional en São Paulo y el Programa Section 8 Housing Choice Voucher en Nueva York. Se utiliza el método de la Arquitectura Dialógica, que relaciona el objeto de estudio con su contexto. Para el análisis comparativo de ambos programas, se utilizaron los siguientes parámetros: a) legislación y regulaciones; b) agentes involucrados; c) beneficiarios; d) financiación o asistencia para arrendar la unidad de vivienda; e) ubicación de los proyectos o la oferta de las unidades; f) tipos de vivienda. Los resultados muestran que ambos programas tienen potencial y restricciones con respecto al uso de las APPs para provisión de viviendas a la población de bajos ingresos. La investigación contribuye con estudios sobre vivienda social a través de las APPs.

Palabras clave: Vivienda social, Asociaciones Público-Privadas, São Paulo (Brasil), Nueva York (Estados Unidos).



1. Introduction

The demand for housing in the 21st century can be elucidated by data from the United Nations (2017), which introduce the rising global population with projections of 8.6 billion people for 2030, 9.8 billion for 2050, and 11.2 billion for 2100. In South America, more specifically in Brazil, the housing shortage estimate was 6.355 million housing units in 2015 (FUNDAÇÃO JOÃO PINHEIRO, 2018). In the United States, the housing shortage reached 7.3 million units between the years 2000 and 2015 (GERRITY, 2018).

Housing, a basic necessity for human survival, is the man's space of protection and shelter against the weather and enemy attacks, it is also a place of rest, privacy and family relationships. In the capitalist system, it is seen as a merchandise, i.e. a physical good resulting from investments and actions, whose access is limited to people with purchasing power and right to use. In architecture, although seen as a source of real estate investments, housing has the function of meeting users' needs and of connecting to the characteristics of its context.

Bearing in mind the importance of housing for human, social and economic development, this article addresses its relationship with public policies and housing programmes that enable access for the low-income population. According to Maricato (2009), the right to housing, generally speaking in all countries, occurred in the 20th century after installation of the welfare state, which corresponds to the operating model in which the State directs its public investments to meet social demands, to promote equal economic conditions, and to guarantee basic rights, such as access to housing.

In developed countries, the welfare state was established after the Second World War (1939-1945), when massive investments were made in the construction of housing projects, major public works and urban infrastructure (MARICATO, 2009). After that period, already in the 1980s, countries such as the United States and the United Kingdom, under the governments of Ronald Reagan (1981-1989) and Margaret Thatcher (1979-1990) respectively, joined with the private sector to carry out tasks previously performed by the public administration, such as the production and supply of social housing, through Public-Private Partnerships (PPPs), as a way of responding to the retraction of their economies (BRITO; SILVEIRA, 2005).

In emerging, less economically developed countries, depending on agro-export production, the period of the welfare state developed later. In Brazil, major investments in public policies for inclusive and income redistributive economic growth took place under the presidency of Luiz Inácio Lula da Silva (2003-2011), especially after the 2008 global economic crisis that later affected the country's economy, and under the presidency of Dilma Rousseff (2011-2016) (MARICATO; COLOSSO, 2019). In those years, new legal instruments were created for social housing and urban infrastructure programmes, such as Law no. 11,079 of 2004 that determines general rules for procurement and hiring of private partners for the provision of services and public works (BRASIL, 2017).

In the context of the neoliberal conjuncture, the public administration of several countries, in order to meet the housing demand, seeks to form partnerships with the private sector, through PPP contracts for the production of residential projects for the low-income and middle-class population. In Brazil, the Public-Private Partnership (PPP) Housing Programme was implemented in the metropolis of São Paulo under the mayoralties of Fernando Haddad (2013-2017) and Bruno Covas (2018-current), through the Plano Diretor Estratégico (PDE = Strategic Master Plan) created in 2014 and the Plano Municipal de Habitação (PMH = City Housing Plan) in 2016. In the United States, one of the various programmes is the Section 8 Housing Choice Voucher (HCV) Programme implemented in the metropolis of New York, under the mayoralties of Michael Bloomberg (2002-2013) and Bill de Blasio (2014-current), with the New Housing Marketplace Plan (NHMP) (2003-2014) and the Housing New York Plan, A Five-Borough, Ten-Year-Plan (2014-current) respectively.

To broach the relation of PPPs in São Paulo and New York is justified by the consolidation of housing plans, programmes and projects undertaken together with the private sector in the North American context, and by the fact that this type of contract is still recent in Brazil. It is also justified by the fact that there is little research on the PPP Housing Programme implemented in the historical centre of São Paulo (PALLADINI; 2018; SILVA; SALCEDO, 2019).



In this context, this article aims at understanding and comparing PPP applicability in Brazil and the United States, through case studies: PPP Housing Programme in São Paulo and Section 8 HCV Programme in New York, respectively.

According to the research objective, the Dialogical Architecture Method is used for the comparative analysis of the case studies with their respective contexts (Brazilian and North American).

2. Method

The Dialogical Architecture Method's philosophical and theoretical foundations are Bakhtin's Dialogism (1988), and the relationship between Text and Context proposed by Muntañola (2001). Bakhtin (1988) presents the need to understand the Context for proper interpretation of the Text in Literature. Muntañola (2001) incorporates this philosophical reflection in Architecture, as a method of hermeneutical analysis of the "Text" (object of study) with its "Context" (the place where this object is located).

The present study considers as Context: housing policies and programmes until implementation of PPPs in São Paulo (Brazil) and New York (United States).

Text means the case studies of the PPP Housing Programme in São Paulo and Section 8 HCV Programme in New York. The parameters for comparative analysis of both programmes are:

- a) Legislation and regulation;
- b) Actors involved;
- c) Beneficiaries;
- d) Financing or aid for renting the housing unit;
- e) Location of the projects or offered units;
- f) Housing types.

In the comparative analysis of the case studies, PPP Housing Programme in São Paulo and Section 8 HCV Programme in New York, their potentialities and restrictions are identified.

3. PPP Housing Programme in São Paulo, Brazil

3.1. Context

In Brazil, until the 1930s, the context public policies for popular or social housing production began with the interest of industrialists in the construction of workers' villages, as pointed out by Kowarick (1979, p. 30): "[...] the companies partially solved the workforce housing problem by building workers' villages, generally adjacent to the factories".

According to Bonduki (2011), in the Vargas Era (1930-1946), the problem of housing shortage and the steps to solve it became the responsibility of the workers, through incentives for self-building of their own homes. Since then, peripheral occupation in areas without infrastructure and urban services has emerged across the country. In 1946, President Eurico Gaspar Dutra (1946-1951) endeavoured to centralize a housing policy by creating the *Fundação Casa Popular* (Popular Housing Foundation), with little result. In 1964, such policy was centralized with the creation of the *Banco Nacional de Habitação* (BNH = National Housing Bank), during the military governments.

At the end of the military regime, the BNH was extinguished and the 1988 Constitution was established. From this period onward, the country's housing policy has been decentralized and the actions of the State and municipal governments in this sector have been regulated. Maricato (2008, p. 119) points out



that the right to housing is now guaranteed to the Brazilian people through the actions of public authorities to: “[...] a) expand access to the legal market; and b) restore degraded areas that have been irregularly occupied”.

In the context of São Paulo's housing policy, in the case of the insertion of private enterprise in this landscape, it appears that after the 1988 Constitution, the *Companhia de Desenvolvimento Habitacional e Urbano* (CDHU = Housing and Urban Development Company) has already started to outsource its services for popular house building. However, it can also be observed in the Urban Interventions of the administrations of Mario Covas (1983-1985), Jânio Quadros (1986-1988) and in subsequent mandates, such as Luiza Erundina's (1989-1992) and Marta Suplicy's (2001-2004), that the apparatus of private groups and their interests in the real estate market were already established, just like in the *Certificados de Potencial Adicional de Construção* (CEPAC = Additional Construction Potential Certificates), which were implemented in the years 2001 and 2004.

For Castro (2016), such political actions preceded the City Statute (Federal Law nº 10,257) of 2001, which gives each municipality responsibility for developing partnerships with private enterprises. It must be understood that such operations were related to favouritism to the real estate market in order to obtain the grant of building right against payment, guarantees for concession of additional constructions and changes in the land use and occupation legislation. However, as we have seen, PPPs were regulated in the country with Law no. 11,079 of 2004, which determined general rules for contracts with the private sector for provision of services and public works (BRASIL, 2017).

Under the mayoralty of Fernando Haddad (2013-2017), two municipal plans were implemented: the *Plano Diretor Estratégico* (PDE = Strategic Master Plan), which introduces the goal of guiding the development and growth of the city until 2030, and the *Plano Municipal de Habitação* (PMH = Municipal Housing Plan), which aims at restructuring the housing policy within 16 years, through home financing and leasing programmes for Social Interest Housing units (*Habitação de Interesse Social* = HIS) and Popular Market Housing units (*Habitação de Mercado Popular* = HMP).

Some of the modalities of access to the promotion of HIS and HMP in the PMH are: a) financing through public housing promotion, public housing promotion in precarious settlements, self-managed housing promotion, private housing promotion and acquisition of completed housing unit; b) leasing, which covers the following modalities: public promotion social renting, self-management social renting, and market social renting. Under the current mayoralty of Bruno Covas (2018-2020), the PMH continues to promote and offer HIS and HMP in the metropolis.

The sources of public investments for housing programmes in the Brazilian context at the Federal, State and Municipal levels come from public banks, such as: Banco do Brasil, Caixa Econômica Federal (CEF), and Banco Nacional de Desenvolvimento Econômico e Social (BNDES). Although the municipality is the main promoter of such actions, Mayors Paulo Maluf (1993-1996) and Celso Pitta (1997-2000) discontinued the social housing policy in the city centre of São Paulo.

3.2 Text

Based on the parameters listed above, the PPP Housing Programme can be analysed as follows:

a) Legislation and regulation: in Brazil, PPP contracts were regulated in 2004, through Federal law no. 11,079 (BRASIL, 2017). Palladini (2018) explains that this legislative instrument can be seen as an expansion of Law no. 8,987 of 1995, on the concession regime and the permission to offer public services provided for in Article 175 of the Federal Constitution. The difference between the 1995 law and the 2004 law is that the latter grants the implementation and management of public projects of little



or no economic effectiveness for the private sector.

In this context, the PPP Housing Programme was implemented in the metropolis of São Paulo under the mayoralty of Fernando Haddad (2013-2017), by means of the PDE and the PMH with the proposal to improve the environment of the Historical centre, through production and offer of HIS and HMP housing units in contracts with the private sector for a period of 20 years. The PPP contract form of this programme is the administrative concession, where the remuneration of the private agent is made integrally by the public authority, free of charge for the beneficiaries.

In the Housing PPP, the public sphere's function is to coordinate, regulate and supervise the activities performed by the contracted private agents, as established by State Law No. 11,688 of 2004. As for the private agent, it has the following functions: a) development of projects of building and renovation of existing real estate for housing purpose; b) execution of urban infrastructure projects and works, social facilities and services in the areas where HIS and HMP projects are located; c) support for the condominium administration of the projects; d) execution of social assistance works for the beneficiary families (SÃO PAULO, 2018b).

The programme's norms for beneficiary selection follow the PMH of São Paulo that takes the gross monthly income into account. Thus, the families are chosen by draw, through the cadastres of the CDHU and of the *Companhia Metropolitana de Habitação de São Paulo* (COHAB-SP = São Paulo Metropolitan Housing Company).

b) Agents involved: The PPP Programme is administered by the *Casa Paulista* (São Paulo House) Agency, institutionalized

in 2011 by the Government of the State of São Paulo, under the administration of Geraldo Alckmin (2011-2015), whose actions are part of the *Morar Bem, Viver Melhor* (Dwell well, live better) Programme of the *Companhia Paulista de Parcerias* (CPP = São Paulo Partnership Company) and CDHU.

The private agent is represented by Brazilian or foreign companies (legal entities) that meet the public procurement conditions for PPP Housing Programme works. An example is the first partnership formalized with the Brazilian construction company Canopus Holding s.a., regarding the bidding of Lot 1 for the construction of 3,683 housings, being 2,260 HIS units and 1,423 HMP units (SÃO PAULO, 2018a).

c) Beneficiaries: the PPP Programme defines as beneficiaries the population with a monthly gross income between 810.00 BRL and 8,100.00 BRL, who declare formal employment relationship in the Centre of São Paulo, beyond other requirements as not to be property owners, not being beneficiary of a loan in other programmes of the Housing Department, CDHU or other promotional agents.

d) Financing or aid for renting the housing unit: home acquisition is carried out through public banks such as Caixa Econômica Federal or Banco do Brasil. Financing conditions are established for 300 months (25 years) with consideration subsidies from the public authority (SÃO PAULO, 2018b). Instalment values follow the conditions established in the PMH of São Paulo, according to the HIS and HMP categories.

Table 1 shows the beneficiaries' income brackets for HIS and HMP units, and the percentage of the monthly household income committed for property financing. The amounts were converted from Brazilian reais into US dollars, in the proportion of 1 USD equivalent to 5.23 BRL on April 17, 2020.

Table 1: Conditions for HIS and HMP unit financing in São Paulo

São Paulo's PMH			
Categories	Values of family monthly income		Commitment of monthly income
	Reals (BRL)	Conversion in Dollars (USD)	
HIS	810.00 - 1,600.00	154.87 - 305.92	20%
	1,600.01 - 2,430.00	305.93 - 464.62	22%
	2,430.01 - 3,240.00	464.63 - 619.50	25%
	3,240.01 - 4,344.00	619.51 - 830.59	27%
HMP	4,344.01 - 5,792.00	830.60 - 1,107.45	FGTS Rules ¹
	5,792.01 - 8,100.00	1,107.46 - 1,548.75	FGTS Rules

Sources: São Paulo (2018a, 2018b), Exchange-rates.org (2020). Organized by the authors.

As for low-income families, analysis shows that the commitment of the monthly income up to 27% for HIS unit financing prejudices the remaining percentage of 73% which should meet the costs of basic needs, like food, transport, clothes, education, leisure and basic services (water, light, Internet, others).

e) Location of projects or of offered units: they are located in areas of the historical centre of São Paulo, which includes the Districts of Sé, República, Santa Cecília, Barra Funda, Bom Retiro, Pari, Brás, Mooca, Belém, Cambuci, Liberdade, Bela Vista, and Consolação, and are delimited by the *Zonas Especiais de Interesse Social* (ZEIS = Special Areas of Social Interest), *Zona Especial de Preservação Cultural* (ZEPEC = Special Zone of Cultural Preservation) and the Urban Operation Areas (São Paulo, 2014).

Regarding the environment of the historical centre of São Paulo, Silva and Salcedo (2019) show that in the area there is access to consolidated urban infrastructure and offer of collective equipment and services, which enable the implementation of social housing for the improvement of historical contexts. Up to 2019, three PPP Programme projects have been built in the region of the District of Bom Retiro, which are: Residencial São Caetano, Residencial Alameda Gleite, and the towers of the Complexo Júlio Prestes (Figure 1).

¹ FGTS is a guarantee deposit for Brazilian workers, made by the employer in favour of the employee. In the PPP Housing Program, the beneficiaries can use the FGTS balance for part or full payment of the housing loan.

Figure 1: PPP Programme projects: São Caetano (a), Alameda Glete (b), Júlio Prestes (c)



f) Housing types: the PPP Programme provides for three types: one-bedroom apartments with a minimum usable area of 33 m², two-bedroom apartments with a minimum usable area of 43 m², and three-bedroom apartments with a minimum usable area of 50 m² (SÃO PAULO, 2014).

According to the parameters analysed, the PPP Programme is considered to involve participation of large real estate companies, as is the case with Lot 1, which provides for the delivery of 3,683 housing units by the private sector. In this context, it must be understood that the population is subject to the decisions of the public authority with big construction companies for the production and offer of social housing.

4. Section 8 HCV Programme in New York, United States

4.1. Context

The historical context of the United States housing policy and economic development has been notorious since the 1930s, after the 1929 economic crisis. During this period, the government promoted tax incentives to finance and build housing units for the population affected by the crisis and to contain the housing shortage in the country. After the Second World War (1939-1945), the phenomenon of urban migration, or urban exodus, occurred: families in search of an improved quality of life moved to the suburbs. To stop the desertion of cities, authorities started to promote Federal programmes for the recovery and improvement of central areas (NATIONAL LOW INCOME HOUSING COALITION, 2018).

According to Von Hoffman (2016), such actions were mainly carried out in the years 1960 and 1970, when housing programmes promoted social renting in the country, through public subsidies deducted in the payment of the rent of low-income families. This is the case of Section 221 (d) (3) Below Market Interest Rate in 1961, that promoted housing access in units available for rent in the real estate market through PPP-type contracts.

From this period on, units rented to low-income families with subsidies paid by the government came to be called affordable housing: residential units available in the real estate market, whose owners accept public subsidies from housing programmes for renting out to low-income families. Such units also differ



from social housing, a term used until then to refer to the public production of social housing carried out in the country during the 1950s, such as the Pruitt-Igoe Housing Project.

In this context, the USA ceased the production of housing complexes, understanding that only the construction stage was economically viable, by generating jobs. After, they became a burden on the public budget (MOORE, 2012). Thus, in the 1980s, the country's public administration sought to establish partnerships with the private sector to offer affordable housing, and thereby also to meet the interests of the real estate market.

In the 1990s and 2000s, according to Marom and Carmon (2015) new housing programmes were developed in the country through PPPs, such as Hope IV at the Federal level, with measures based on the demolition and implosion of housing complexes (of the mass production of social housing in the 1950s) to build new mixed-income residential projects for low and middle classes.

In the metropolis of New York, in 1955, public managers were already working together with the private initiative by means of the Mitchell-Mud programme. Such actions took place even before the Federal promulgation of PPPs for the implementation of housing programmes in the 1980s (LASNER, 2015).

In the 21st century, with regard to the panorama of the years 2003 to 2014, Mayor Michael Bloomberg (2002-2013), sought to increase the offer of affordable housing together with the private initiative and the participation of non-profit companies in New York, through the New Housing Marketplace Plan (NHMP). Moreover, he also sought to carry out urban works for the rehabilitation of degraded areas in the five boroughs (Manhattan, Brooklyn, Queens, Bronx and Staten Island), through the Inclusionary Housing Programme that acted to promote changes in the current zoning to attract new investments from the real estate market and, consequently, a higher production and offer of affordable housing (NEW YORK, 2018b).

With the current housing plan of Bill de Blasio's mayoralty (2014-current), the Housing New York Plan, the Five-Borough, Ten-Year Plan, the policy implemented in New York seeks to retain and attract within 10 years, the old and new inhabitants of the metropolis, with the goal of offering and preserving the rent of 300,000 units of affordable housing until 2026.

This plan considers that access to affordable housing occurs when the cost is no more than one third of the area median income. Based on this conception, the plan adopts as a parameter the median annual income of the inhabitants of New York (102,400 dollars for a 3-member family), which meets 100% of the median income of the metropolis (NEW YORK, 2020c).

Based on the median annual income of the inhabitants of New York, the housing plan classifies the different income brackets of the population from values above and below this percentage of 100%, as: a) extremely low income, which corresponds to the population with annual income up to 30% of the median income; b) very low income with percentages between 31% and 50%; c) low income with 51% to 80%; d) moderate income with 81% to 120%; e) average income with 121% to 165%. Table 2 shows these percentages with the respective median annual family income, as well as the compatible monthly rent values, that is, up to one third of the monthly income for each income bracket.

Table 2: Family income brackets and compatible rent values for affordable housing in New York

The Housing New Yorker Plan			
Income brackets	Median income percentage of the area	Commitment of 33% of the monthly income for the rent	Family annual median income
Extremely low	0 - 30%	Up to 629 USD	< 25,150 USD
Very low	31 - 50%	630 - 1,049 USD	25,151 -41,950 USD
Low	51% - 80%	1,050 - 1,678 USD	41,951 - 67,120 USD
Moderate	81% - 120%	1,679 - 2,517 USD	67,121 - 100,680 USD
Average	121% - 165%	2,518 - 3,461 USD	100,681 -138,435 USD

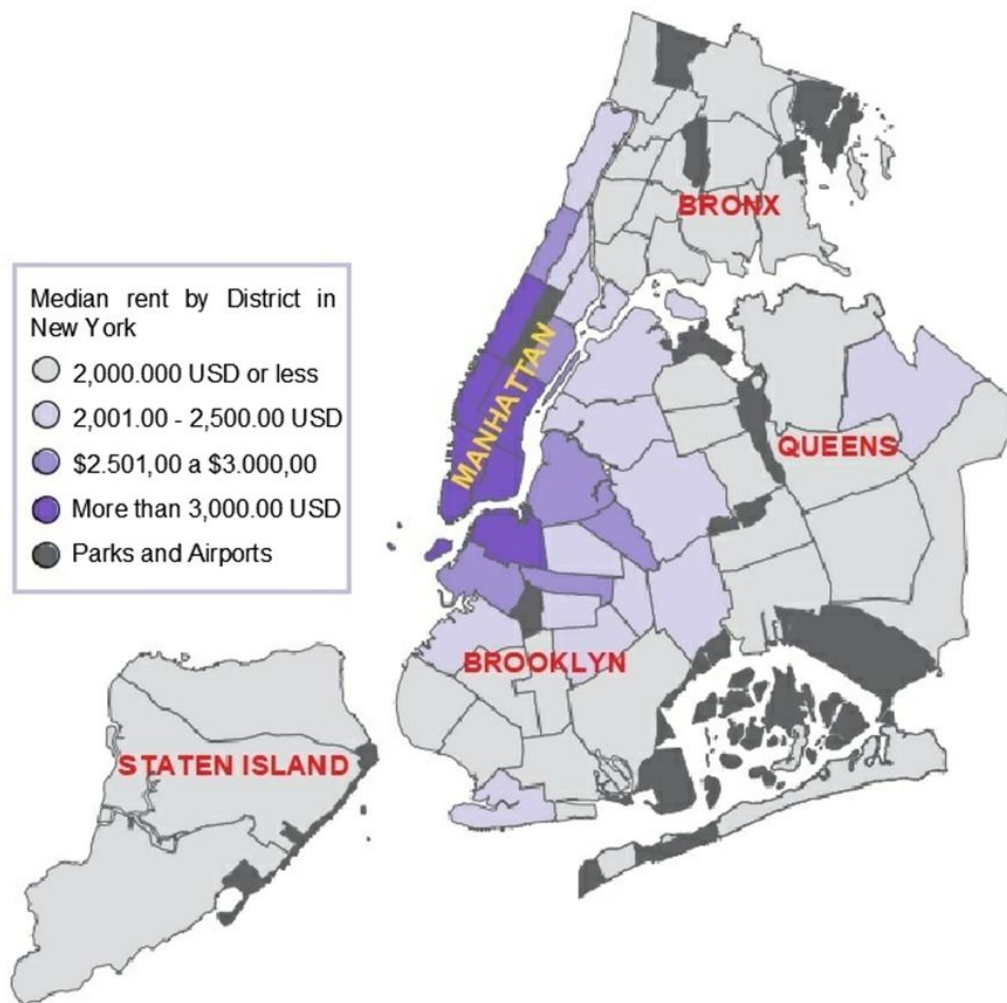
Source: New York (2018a, p. 6). Organized by the authors.

It should be noted that rental prices in New York fluctuate according to real estate speculation in each borough. Likewise, the median income percentage of the area may also vary in the various neighbourhoods of the same borough. For example, in Manhattan Island (borough with the highest living expenses in the metropolis), in 2019, the median monthly rent for a studio in West Village was 4,140 USD, while in Harlem, the monthly rent of a three-bedroom apartment was 3,500 USD (CITYREALTY STAFF, 2019).

In this case, only the population with moderate and/or higher income can reside in Manhattan, as the median income percentage in the area is around 165%. Thus, the population with extremely low, very low, low or moderate income is restricted to other boroughs, where the area median income percentages are compatible with their monthly incomes.

Analysis shows that the high cost of living and the hyperinflation of rental prices determine use and occupation of land in New York. This aspect segregates and concentrates the offer of affordable housing to the low-income population in neighbourhoods that are less valued by the real estate market, and/or makes families commit more than a third of their income to be able to reside in neighbourhoods where the area median income percentage is higher than their monthly incomes. Figure 2 below shows the median rental values of residential properties in the five boroughs of New York, according to the survey of the NYU Furman Center (2018, p. 23) in 2018.

Figure 2: Median rental values of residential properties in New York



Source: NYU Furman Center (2018, p. 23). Adapted by the authors.

4.2. Text

Analysis of Section 8 HCV Programme, based on the listed parameters:

a) Legislation and regulations: Section 8 HCV is a Federal programme created in 1978 by the Housing and Community Development Act with the proposal to subsidize part of the monthly rent in properties available on the real estate market for the low-income population. It is currently the largest federal affordable housing programme of the United States, and is managed by the Department of Housing and Urban Development (HUD) at the Federal level, and in New York by the New York City Housing Authority (NYCHA) (NEW YORK, 2020a).

In the normative format of Section 8 HCV, the beneficiary families are responsible for finding their own dwellings, i.e., the system works with the beneficiary population looking for properties available on the market for rental. Thus, the programme grants tenants a rental voucher, which remains valid even if they move (UNITED STATES OF AMERICA, 2017).

The covered population is subject to the conditions of the real estate market for the offer of affordable housing, and to the decision of the property owners who may or may not accept to rent out their units to

the families benefited by the programme. However, owners can refuse rental only for properties with less than 6 residential units. Otherwise, it is considered a crime and discrimination (NEW YORK, 2018c, 2020b).

Families are selected through registration with the municipal agencies, and beneficiaries wait for vacancies on waiting lists. However, there are exceptions for faster service to street dwellers or people facing forced eviction (MY SECTION 8 HOUSING, 2020).

The rental of the units can be in apartments or houses, but all properties must meet three requirements of the programme: a) the municipal agency must check if the unit is able to receive families, e.g. by inspection of cleaning and operation of the air conditioning and of the bathrooms for safe use; b) the programme grants the amount of the subsidy according to the rent value of the area where the family lives or wants to live; c) the voucher can only be used for renting properties if the owner accepts the programme rules. Beneficiaries have no deadline for receiving the vouchers. These are only interrupted when families no longer fit the programme's regulations (MY SECTION 8 HOUSING, 2020).

b) Agents involved: in Section 8 HCV in New York, PPPs involve public bodies, such as the NYCHA municipal agency and the HUD Federal department. The private sphere, on the other hand, refers to property owners, construction groups, etc., who accept to rent out their units to families that receive aid from the programme. Therefore, the participant agents from the private initiative are diverse.

c) Beneficiaries: c) the selection of candidates is based on the annual family income and two groups are considered (priority and eligible), in addition to basic requirements, such as: a) being a US citizen or a qualified non-citizen; b) good rental history; c) data of all family members; d) and median annual income up to the limit allowed in the area of application, since Section 8 HCV is a Federal programme (MY SECTION 8 HOUSING, 2020).

With regard to the two groups, the priority group consists of families which have not been served by other agencies or that fall under the category of victims of domestic violence, people whose properties were taken back by the owner, overcrowded families, and individuals with reduced mobility. The eligible group consists of single people, couples with or without children and who do not have a monthly income capable of paying the market rental value, elderly people aged 62 or over, families displaced by government actions and/or whose homes have been damaged by natural disasters (NEW YORK, 2018d).

Moreover, the programme rules use as selection criterion the annual income of the families in relation to the number of their members. In the metropolis of New York, the NYCHA municipal agency responsible for *Section 8 HCV* establishes as eligible public: a) 1-person family with annual income of up to 37,350 USD, b) 2-people family with up to 42,700 USD, c) 3-people family with up to 48,050 USD, d) 4-people family with up to 53,350 USD, e) 5-people family with up to 57,650 USD, f) 6-people family with up to 61,900 USD, g) 7-people family with up to 66,200 USD, h) 8-people family with up to 70,450 USD (NEW YORK, 2020b). Thus, it is understood that the programme seeks to meet the family composition by considering the number of people.

Due to the high housing demand in New York, the Section 8 HCV waiting list has been closed since December 10, 2009. Currently, the programme operates only for families that receive vouchers, or those that signed up when it was still possible (NEW YORK, 2020b).

d) Financing or aid for renting the housing unit: the renting of units available on the real estate market is carried out by means of government subsidies. In Section 8 HCV, these pay up to 60% of the monthly rent. So, up to 40% of the family monthly income may be committed to pay the rent, the rest, i.e. up to 60%, being paid by the State (NEW YORK, 2020a).

The commitment of up to 40% of the family monthly income is criticized, as the remaining percentage of 60% is not enough to cover basic survival expenses, such as: food, services (water and electricity), public transport, clothes, others.

e) Location of the projects or offered units: Section 8 HCV depends on the real estate market for the offer of properties, being applied in all boroughs of New York.

However, it appears that there is a greater concentration of affordable housing in the Bronx (borough with the lowest area median income in New York) with 13.5% of the properties rented through Section 8 HCV. In the other boroughs the rental percentage is lower, as in Queens with 2.4% of the properties rented, Manhattan with 3.7%, Staten Island with 6.0%, and Brooklyn with 6.4% (NYU FURMAN CENTER, 2018).

f) Housing types: as the families themselves look for their own unit on the market, the Section 8 HCV programme does not establish a typological standard. However, beneficiaries receive prior guidance for the choice of properties according to the Occupancy Standards: parameter used in the programme that shows the number of bedrooms required to meet the family composition (Table 3).

Table 3: Section 8 HCV Programme recommendations for housing type choice

Number of bedrooms	Occupancy Standards		
	Minimum	Standard	Maximum
0	1	1	2
1	1	2	4
2	2	4	6
3	4	6	8
4	6	8	10
5	8	10	12

Source: New York (2018c). Organized by the authors.

It can be noted in this parameter that the quality of housing is prejudiced, as one-bedroom types are recommended for families with up to four members, which affects family cohabitation and the privacy of the residents, besides causing physical and emotional stress.

Based on the listed parameters, analysis shows that Section 8 HCV presents a model of housing access based on rental aid to low- and middle-income families who are unable to afford the values of the real estate market. Beneficiaries are free to choose their property, and private initiative is not restricted to large companies. Thus, in this PPP model, every owner can partner with the State and contribute to the offer of affordable housing in New York.

5. Comparative analysis

In the comparative analysis of the PPP Housing Programme in São Paulo (Brazil) and Section 8 HCV Programme in New York (United States), potentialities and restrictions were identified, according to the listed parameters (Charts 1 and 2).



Chart 1: Potentialities of PPP applicability in each programme

São Paulo PPP Housing Programme	Financing or renting of the housing unit: the beneficiaries become owners of the properties after paying back the financing, which provides greater security for the families and the right of possession.
	Location of the developments or offered units: the projects are located in the historical centre of São Paulo, an area with access to consolidated urban infrastructure and offer of collective equipment and services.

Chart 1: Potentialities of PPP applicability in each programme

Section 8 HCV Programme	Legislation and regulations: the programme allows families to find their own properties (house or apartment) among the options available on the market. Moreover, the voucher received by the families is retained, even when they move.
	Agents involved: the programme does not restrict PPPs to large real estate groups for the offer of affordable housing. Any owner who accepts to rent out his property to families who receive vouchers can participate.
	Location of the projects or offered units: there are no specific areas for the offer of the units, since the programme applies in all boroughs of New York.
In both programmes	Beneficiaries: the programme includes groups in situations of social and economic vulnerability, such as victims of domestic violence, people whose dwelling has been taken back by the owner, single people, couples with or without children and who do not have a monthly income capable of paying the market rental value, elderly people aged 62 or older, etc. The voucher is proportional to the family composition.
	Partnership with the private initiative to produce and offer housing units to the low- and middle-income population, a factor that makes them adapt to the neoliberal reality.

Chart 2: Restrictions on PPP applicability in each programme

São Paulo PPP Housing Programme	Legislation and regulations: contracts are made with large construction groups and encompass different tasks (project development, construction of buildings, social assistance to families, etc.), which can be bad for the quality of services provided by the private partner, because functions are concentrated.
	Agents involved: government contracts are made with large real estate groups, which restricts the participation of other agents, such as small companies and independent professionals.
	Financing or aid for renting the housing unit: families are subject to the housing loan conditions established by public banks and commit up to 27% of their monthly income for HIS units, which affects basic household expenses.
	Beneficiaries: the programme includes only the population with an employment relationship in the centre of São Paulo, with a minimum monthly income of 810.00 BRL. That excludes families with lower monthly income, and/or informal workers.
Section 8 HCV Programme	Housing types: the units follow a standardized apartment model with one, two and three bedrooms. Type distribution depends on the monthly family income and not on the family composition.
	Financing or renting of the housing unit: the programme considers commitment of up to 40% of the monthly family income for rent subsidies, which affects basic household expenses.
	Location of the projects or offered units: families with scarce economic resources are obliged to rent properties where the area median income percentages are compatible with the values of their monthly income, as in the Bronx.
	Beneficiaries: Currently, it only works for already benefited families, and/or for those that



have been on the waiting list since 2009.

Housing types: the standard recommended by the programme for the choice of types allows families with 4 members to live in one-bedroom units, which affects people's privacy and emotional state.

In both programmes	Public authorities and beneficiary families are prisoners of the decisions of the private sector for the production and offer of residential units.
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6. Conclusions

Due to the research objective of understanding and comparing PPP applicability in Brazil and the United States through the case studies of the São Paulo PPP Housing Programme and the Section 8 HCV Programme in New York, we used the Dialogical Architecture method for comparative analysis. The results of the study show that there are potentialities and restrictions in both programmes.

Potentialities: a) São Paulo PPP Programme: financing and location of the projects; b) Section 8 HCV: legislation and regulations, agents involved, offer of units and beneficiaries.

Restrictions: a) São Paulo PPP Programme: legislation and regulations, agents involved, financing, beneficiaries and housing types; b) Section 8 HCV: renting out and offer of units, beneficiaries and housing types.

In order to improve the programmes, we suggest increasing public subsidies granted to families with a commitment of the family monthly income lower than 15%, and we recommend distributing housing types according to the family composition. We propose to change the contractual modality of the São Paulo PPP Housing Programme so that different private agents can participate in public biddings. We recommend to the Section 8 HCV Programme that the New York public administration set limits to the rental value of properties for low-income families, because of the high real estate speculation in the metropolis.

As final considerations, we identify the need for further studies on the potentialities and restrictions of PPP social housing programmes, both in plans and programmes implemented by public management in Brazil and in the United States, as well as in other countries.

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