

## Attack on public housing tenants

# New York to impose fees on poor to cover budget deficit

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The New York City Housing Authority (NYCHA) has announced plans to begin collecting fees from the city's 400,000 public housing residents for the operation of appliances and to start charging them for basic maintenance and repairs.

The authority's new fees will include \$5.75 a month to run a washing machine, \$5.00 a month for a dishwasher and \$10.00 a month for the operation of a separate freezer. Tenants will also be charged for basic repairs such as fixing clogged toilets.

These fees represent a cruel blow to the poorest sections of the city's population, who are already frequently forced to choose between buying groceries, paying rent, visiting a doctor or having prescriptions filled.

While New York's borough of Manhattan boasts what is perhaps the greatest concentration of millionaires and billionaires on the planet, for the bulk of the city's population, living standards are falling, with a growing number sinking into poverty.

According to the Community Service Society of New York (CSSNY), 1.8 million New Yorkers were "officially poor" by federal standards last year, with an additional 1.6 million hovering on the brink of the poverty line. One out of three of the city's children live in conditions of poverty. One quarter of New York City residents are currently paying over half of their income for housing.

"Those at the bottom are not only failing to benefit from prosperity, they are worse off," the report said, noting that at least two-thirds of poor households have at least one full-time worker. Among these working poor, 70 percent reported three or more "serious hardships" over the previous year.

"Nearly half told us they had not been able to get medical care or fill a needed prescription. Forty-five percent fell behind in rent threatening their housing stability; almost 40 percent had their lights or phone turned off, and as many had to rely on a food pantry just to have enough to eat. These are families with a full-time worker."

Aida, a teacher's aide who has lived for 30 years in Jacob Riis Houses, a group of 19 red-brick towers located on Manhattan's Lower East Side, said that neither she nor other

residents could afford the new fees. "I guess I'm going to have to give up eating—something has to give here. so I guess it will have to be that," she told the WSWs.

The Jacob Riis Houses are named for the famous photographer and chronicler of New York City's slum life at the end of the nineteenth century, author of *How the Other Half Lives*. It was built in 1949 on the site of one of the worst slums he wrote about, and represented part of the concessions made to the working class in the aftermath of the Second World War.

Today, under conditions of unprecedented social inequality in America, gains won in the past are being taken away, and conditions of life for millions in New York City are sliding back towards those described by Riis more than a century ago.

The additional fees to be collected from residents are expected to generate \$1.5 million in revenue for the city, a nominal amount in the context of New York City's \$50 billion budget. It is trivial even when compared to the annual Christmas bonuses handed out to Wall Street investment bankers and traders, which totaled \$21.5 billion last year, with the average award for a senior banker equaling more than the total amount to be raised through the punitive new policy being introduced by the housing authority.

Yet, for many of the city's poorest, the fees represent just one more pressure pushing tens of thousands into personal catastrophe.

"Working class people cannot get ahead here under this system," said Aida. "If it's not the rent that they're raising or fees, then it's transit or the cost of food or fuel. You can never get ahead. It's not about the working people in this country, it's about the rich."

Aida's rent goes up every time she receives a pay raise, no matter how small. "Every day I go off to work and do my job and yet it becomes harder and harder," she said. "At the beginning of every year, you get a stack of forms to fill out asking all kinds of questions, including how much you are currently making." She says that residents then have to take the forms to their employers for confirmation. "Our bosses fill them out, and we have to hand them in with copies of our W-2s. If my boss decides to give me a 50 cent raise, I would

pay that much more in rent. In the end, they send us a letter saying how much the new rent is.”

The Bush administration has gutted federal funding for public housing nationwide, cutting over \$3 billion from the budget of the department of Housing and Urban Development in 2006 alone, leaving major cities like New York with massive shortfalls. The New York Housing Authority is by far the largest public housing agency in the country, operating nearly 2,700 buildings throughout the city with 181,000 apartments. According to the *New York Times*, “half of its operating income comes from its federal subsidy; most of the rest comes from rent from its tenants, whose average household income is less than \$19,000 a year.” To cover its annual budget gaps, since 2001 the authority has spent \$357 million out of its reserves, which it now claims have run dry. The total gap for 2006 is \$182 million.

On February 28, New York City’s billionaire Republican mayor Michael Bloomberg made a speech to the National Low Income Housing Coalition. Avoiding even a mention of Bush’s name, he delivered a hollow criticism of Congress for approving the administration’s further proposed cuts in federal housing assistance. Bloomberg described the federal role in housing as “without a doubt, a matter of social justice.”

But the Bloomberg administration has itself presided over a bonanza in multibillion-dollar giveaways to Wall Street firms and major corporations in the form of income and property tax breaks and other subsidies over the past five years.

Bloomberg’s recent gifts to the city’s corporate elite include \$24 million in subsidies to the Hearst Corporation and \$47.5 million to Pfizer Pharmaceuticals.

Like Democratic and Republican city administrations across the country, Bloomberg’s office has sought to make up for the enormous loss in revenues through an assault on social services, education, health care and wages.

The WSWS spoke to Violeta Hernandez about the new fees. Having lived for 32 years at Jacob Riis, she currently cares for her three small grandchildren. “This is impossible for the poor,” she said. “Everybody is talking about this. We are all very poor people here. This is an abuse.”

Violeta described conditions in her apartment, where she sleeps in one room with her grandchildren “surrounded by black mold that is growing all over the place from leaks.” She and her three grandchildren have all developed asthma and a doctor advised that they move someplace else—“but I don’t have the money to go anywhere,” she explained.

“They are spending billions for war in Iraq and they say that they don’t have any money for the poor. Well, I say stop the war then. I hate it. I think it’s terrible, seeing so many people dying over there for nothing.”

James Wilson, a forklift driver and resident at the Jacob Riis Houses added, “Everything has gone up here in New York except wages. Our living wages have not come close to keeping up. They go after the transit workers and others workers in the

city—I remember the names that they [Bloomberg and the media] were calling them during the strike. I have a union job and would not work for under \$13.00 an hour, but then you have people coming in and telling your boss that they’ll work for \$6.00 an hour to do your job. That’s how bad things have gotten.”

As rents have risen at unprecedented rates, New York City has lost more than half a million low-cost apartments over the past decade.

The shortage of affordable housing in New York has led to an explosion of homelessness. The Coalition for the Homeless reports that there are over 32,000 people in the city’s shelters on any given night, up 44 percent from a decade ago. The number of families in shelters has doubled as well as the number of children, estimated at 13,616 each night, up 55 percent.

According to the NYCHA, the current demand for apartments far exceeds the supply, with more than a quarter million families waiting for affordable housing throughout the city. Over 145,000 families are on the waiting list for public housing and 124,000 families are on the list for the Section 8 voucher program (which provides subsidies to participating individual landlords).

The imposition of the new fees represents an ominous threat. The direction of government policy is the elimination of public and subsidized housing altogether, a trend that is driven in New York by the spiraling real estate market centered on luxury housing for the rich.

Yvonne, another Jacob Riis resident, described the new fees as unfair, explaining that it will only make it that much harder to get by. “They’re always saying that they have no money,” she said, “but we see what’s going on here—they have the money, they just don’t want to spend it on the poor.”



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